Samas N.V.

(a public limited liability company incorporated in The Netherlands)

3 for 8 rights offering of 9,337,182 new ordinary shares to eligible existing holders of ordinary shares at an issue price of €3.75 per ordinary share

On 5 April 2007, we announced that we (i) had reached agreement with our credit providers ABN AMRO Bank N.V. (**ABN AMRO**), Fortis Bank (Nederland) N.V. (**Fortis**) and Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (**Rabobank**) on an extension of our existing credit facility (the **Existing Credit Facility**) by a term of 3 years up to March 2010 and (ii) intended to issue new ordinary shares for an aggregate issue price of approximately €35 million, in each case to reinforce our financial position and to allow us to implement our chosen restructuring route and the roll out of our preferred strategy. We also announced that, in anticipation and up to the time of the issue of the Offer Shares, our credit providers had made available a temporary additional credit facility (the **Bridge Facility**). Further to that announcement, we have resolved to issue, and are offering, 9,337,182 new ordinary shares with a nominal value of €1 each (the **Offer Shares** and together with the Rights (as defined below), the **Securities**). The proceeds of the issue of the Offer Shares, less expenses, commissions and applicable taxes, if any, are expected to amount to approximately €32.5 million, and will be used to repay the entire outstanding Bridge Facility, to repay a portion of the Existing Credit Facility and for general corporate and business purposes.

The Offer Shares are initially being offered to existing holders of our ordinary shares with nominal value of €1 each (our **Ordinary Shares**) *pro rata* to their holdings in our Ordinary Shares, at an issue price of €3.75 per Offer Share (the **Issue Price**), subject to applicable securities laws and on the terms set out in this Prospectus (the **Rights Offering**). For this purpose, and subject to applicable securities laws, the existing holders of our Ordinary Shares as of the Record Date (as defined in the immediately succeeding paragraph) are being granted transferable subscription rights (the **Rights**) that will entitle the holders thereof to subscribe for the Offer Shares at the Issue Price, provided that the holder is an Eligible Person (as defined in the chapter headed "Definitions").

Each Ordinary Share that you hold immediately following the close of trading in our Ordinary Shares on Euronext Amsterdam N.V.'s Eurolist by Euronext (**Eurolist by Euronext Amsterdam**) at 17.40 hours, Central European Time (**CET**), on 11 June 2007 (the **Record Date**) will entitle you to one Right. An Eligible Person will be entitled to subscribe for 3 Offer Share(s) for every 8 Right(s) held. Accordingly, Eligible Persons will have the right to subscribe for 3 Offer Share(s) for every 8 Ordinary Share(s) held on the Record Date. Eligible Persons may, subject to applicable securities laws, subscribe for Offer Shares through the exercise of Rights from 09.00 hours, CET, on 12 June 2007 until 15.30 hours, CET, on 21 June 2007 (the **Exercise Period**). If you are an Eligible Person and you have not validly exercised your Rights by the end of the Exercise Period, you will no longer be able to exercise your Rights and your Rights will lapse. Once you have validly exercised your Rights, you cannot revoke or modify that exercise except as otherwise provided in this Prospectus. Application has been or will be made for the admission to trading of the Rights on Eurolist by Euronext Amsterdam. We expect that trading in the Rights will commence on Eurolist by Euronext Amsterdam at 09.00 hours, CET, on 12 June 2007 and will continue until 13.15 hours, CET, on 21 June 2007, barring unforeseen circumstances.

After the Exercise Period has ended, any Offer Shares that were issuable upon the exercise of Rights, but have not been subscribed for during the Exercise Period (the **Rump Shares**) will be offered for sale by way of private placements to institutional investors by Fortis and the equity (linked) investment banking division of Rabobank (**Rabo Securities**) (the **Joint Global Coordinators**) subject to the terms and conditions of an underwriting agreement between us and the Joint Global Coordinators dated 11 June 2007 (the **Underwriting Agreement**). The Joint Global Coordinators have agreed to procure subscribers for any Rump Shares at a price which is at least equal to the total of the Issue Price and any expenses related to procuring such subscribers (including any value added tax). Any Rump Shares not sold in the Rump Offering (as defined below) will be subscribed and paid for at the Issue Price by the Joint Global Coordinators, subject to the terms and conditions of the Underwriting Agreement. The offering and sale of the Rump Shares is referred to as the rump offering (the **Rump Offering** and together with the Rights Offering, the **Offering**). References herein to the "Offer Shares" include the Rump Shares (except where otherwise specified). The Rump Offering is expected to commence on 22 June 2007 and to end no later than 17.30 hours, CET, on 22 June 2007.

The statutory pre-emptive rights (*wettelijke voorkeursrechten*) of holders of our outstanding Ordinary Shares have been excluded for the purposes of the Offering.

We are not taking any action to permit a public offering of the Rights or the Offer Shares in any jurisdiction outside The Netherlands. The Rights are being granted by us and the Offer Shares are being offered by us only in those jurisdictions in which, and only to those persons to whom, granting of the Rights and offers of the Offer Shares (pursuant to the exercise of Rights or otherwise) may lawfully be made. The Rights and the Offer Shares have not been and will not be registered under the US Securities Act of 1933 (the **Securities Act**), and may not be offered, granted, issued, sold, taken up, delivered, renounced, or transferred in or into the United States. Accordingly, the Rights are being granted and the Offer Shares are being offered by us only in transactions that are exempt from registration under the Securities Act pursuant to Regulation S thereunder (**Regulation S**). Potential investors in the Rights or the Offer Shares should carefully read "Selling and Transfer Restrictions".

Investing in the Offer Shares and trading in the Rights involves certain risks. See "Risk Factors" beginning on page 10 of this Prospectus for a discussion of certain factors that should be considered before investing in the Offer Shares or trading in the Rights.

Application has been or will be made for the listing of the Offer Shares on Eurolist by Euronext Amsterdam. We expect that the Offer Shares will be listed, and that trading in the Offer Shares will commence, on Eurolist by Euronext Amsterdam, at 09.00 hours, CET, on 12 June 2007, barring unforeseen circumstances. It is expected that payment for and delivery of the Offer Shares will be made on or about 27 June 2007 (the **Closing Date**). Settlement on the Closing Date will occur in the existing securities codes for our Ordinary Shares (Security code: 38150, ISIN: NL0000381507, Common code: 026656141).

Our Ordinary Shares are admitted to trading on Euronext Amsterdam under the symbol "SAMAS". On 8 June 2007, the closing price of our Ordinary Shares on Euronext Amsterdam was €5.79 per share. The Rights and the Offer Shares will be delivered through the book-entry facilities of Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. (**Euroclear Nederland**), as well as through Euroclear Bank S.A./N.V. (**Euroclear**) and Clearstream Banking, société anonyme (**Clearstream**).

If the closing of the Offering does not take place on the Closing Date, the Offering may be withdrawn. In such an event, both the exercised and unexercised Rights will be forfeited without compensation to their holders, and subscriptions for and allotments of Offer Shares that have been made will be disregarded. Any subscription payments received by us will be returned, without interest. Any such forfeiture of Rights will be without prejudice to the validity of any settled trades in the Rights. There will be no refund in respect of any Rights purchased in the market. All dealings in Rights and Offer Shares prior to the closing of the Offering are at sole risk of the parties concerned. We, the Joint Global Coordinators and Euronext Amsterdam do not accept any responsibility or liability to any person as a result of the withdrawal of the Offering or (the related) annulment of any transactions on Euronext Amsterdam.

In this Prospectus, "we", "our", "us", "Samas", "Group" or "Company" refer to Samas N.V. and its subsidiaries (unless the context requires otherwise). Capitalised terms are defined in the chapter headed "Definitions".

This document constitutes a prospectus for the purposes of Article 3 of Directive 2003/71/EC (the **Prospectus Directive**) and has been prepared in accordance with Chapter 5.1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and the rules promulgated thereunder. This Prospectus has been approved by and filed with the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the **AFM**).

Joint Global Coordinators and Joint Bookrunners

Fortis **Rabo Securities**

Date: 11 June 2007.

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1. SUMMARY

This summary should be read as an introduction to the more detailed information appearing elsewhere in this Prospectus. Any decision by an investor to trade in the Rights or invest in the Offer Shares should be based on a consideration of the Prospectus as a whole, including the documents incorporated by reference and, in particular, the information in the chapter headed "Risk Factors" and any supplements to this Prospectus required under the applicable laws that are published by us.

This summary does not provide a complete overview and does not contain all the information that you should consider in connection with any decision relating to the Rights or the Offer Shares. Civil liability attaches to us in respect of this summary, including the summary of the Offering and the summary financial information included herein, and any translation of this summary, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. Where a claim relating to the information contained in this Prospectus is brought before a court in the European Economic Area, the plaintiff investor may, under the national legislation of the State where the claim is brought, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated. Words and expressions defined elsewhere in this Prospectus have the same meaning in this summary.

Overview

Samas is an international company operating in the European markets for office seating and office furnishing. In the financial year 2006/2007 we posted annual turnover of approximately €352 million and employed approximately 2,400 employees on a full-time basis. Samas is headquartered in Houten, The Netherlands and has 21 operating (direct and indirect) subsidiary companies throughout Europe.

In 2006/2007 businesses outside The Netherlands accounted for approximately 73% of turnover and employed approximately 81% of personnel. For reporting purposes we divide our business geographically into three reporting regions: the Benelux (which encompasses our operations in The Netherlands, Belgium and the United Kingdom) (the Benelux/UK Reporting Region), Germany (which encompasses our operations in Germany, Switzerland and Eastern Europe) (the German/Swiss/Eastern European Reporting Region) and France (the French Reporting Region). In the financial year 2006/2007, our Benelux/UK Reporting Region generated approximately 27% of aggregate turnover, our German/Swiss/Eastern European Reporting Region 45% of aggregate turnover and our French Reporting Region 28% of aggregate turnover.

Background to the Offering and use of proceeds

In mid 2005, we commenced the rollout of Project Harmony, which is the final phase of the Operational Excellence Program that we began in 2003. The Operational Excellence Program is a medium term strategic program aimed at turning Samas from a group of 12 independent local brands and 17 production locations into a coherent, integrated enterprise operating in the European office seating and furnishing market. Project Harmony focuses on the harmonisation of business processes within the Group, and is aimed at the optimisation of the overall process chain, the core component of which is the introduction of a new information technology platform for the Group (the **New IT Platform**).

As first indicated in the announcement on 14 February 2007, delays and complications in relation to the implementation of Project Harmony and the introduction of the New IT Platform in The Netherlands have had a substantially stronger than expected negative impact on our operating results.

Against this background, we announced on 5 April 2007 that we (i) reached agreement with our credit providers, ABN AMRO, Fortis and Rabobank, on an extension of the Existing Credit Facility by a term of 3 years up to March 2010 and (ii) intended to issue new Ordinary Shares for an aggregate issue price of approximately €35 million. We also announced that, in anticipation and up to the time of the intended issue of new Ordinary Shares, our credit providers had made available the Bridge Facility.

Further to that announcement, we have resolved to issue, and are offering, 9,337,182 new Ordinary Shares. The proceeds of the issue of the Offer Shares, less expenses, commissions and applicable taxes, if any, are expected to amount to approximately €32.5 million, and will be used to repay the entire outstanding Bridge Facility, to repay a portion of the Existing Credit Facility and for general corporate and business purposes. For more information, see "Background to the Offering".

Risk factors

Before investing in the Offer Shares or trading in the Rights, prospective investors should consider carefully, together with the other information contained in this Prospectus, the factors and risks relating to our business, the Offer Shares and the Rights described in "Risk Factors", which include, amongst others:

- we are, and will after the Offering remain, substantially leveraged and our substantial indebtedness could materially adversely affect our future results of operations;
- if we are not able to comply with the restrictive and financial covenants contained in our existing credit arrangements, our financial condition, results of operations and liquidity could be materially adversely affected; a withdrawal of the Offering may have a negative impact on the availability and pricing of our credit facilities;
- we may be unable to access additional capital;
- we are exposed to cyclical movements in economic activity and fluctuations in supply and demand;
- our operations depend significantly on effective business processes, including the effective functioning of our IT systems following the implementation of the New IT Platform pursuant to Project Harmony;
- we could be adversely effected by increasing raw material costs;
- we rely on the timely flow of raw materials and components;
- we depend on our management team and our ability to attract and retain skilled personnel for continued growth, and on high levels of staff commitment to navigate the challenges posed by our current business condition;
- our decentralised corporate structure may result in inconsistent operating practices and the pursuit of strategies in the various European markets in which we operate that are different from the Group's strategy;
- our future success depends in part on our ability to expand and to increase our sales;
- we are exposed to risk in relation to the collection of accounts receivable;
- failure to secure or maintain acceptable levels of profitability in our operations;
- the loss of key customers or the failure to secure future sales contracts could have a material adverse effect on our business, financial condition and results of operations;
- relationships with our suppliers and credit insurers may deteriorate due to doubts about our creditworthiness; credit insurance companies may lower our credit ratings and the amount of credit insurance they are willing to underwrite;
- our Ordinary Shares may be further diluted;
- the marketability of our Ordinary Shares may decline and the market price of our Ordinary Shares may fluctuate and decline below the Issue Price;
- we cannot assure you that an active trading market will develop for the Rights and, if a market does develop, the Rights may be subject to greater volatility than our Ordinary Shares;
- a limited number of shareholders may collectively own a substantial percentage of our Ordinary Shares after the Offering, and could significantly influence matters requiring shareholder approval; and
- the granting of the Rights, and the offer of the Offer Shares, is conditional upon the fulfilment of certain conditions precedent and may be withdrawn if these conditions are not met.

Corporate information

We are a public limited liability company incorporated under, and governed by, the laws of The Netherlands, with our corporate seat in Houten, The Netherlands. Our trade register registration number is 31036325. Our business address is Elzenkade 1, 3992 AD Houten, The Netherlands.

Summary of the Offering

Issuer	Samas N.V.
Number of Ordinary Shares outstanding at the date of this Prospectus	24,899,159
Number of Offer Shares to be issued	9,337,182
Ordinary Shares outstanding after issue of the Offer Shares	34,236,341
Listing of and trading in our Ordinary Shares	Our outstanding Ordinary Shares are listed and traded on Eurolist by Euronext Amsterdam under the symbol "SAMAS". Until the close of trading in the Ordinary Shares on Eurolist by Euronext Amsterdam on the Record Date, the Ordinary Shares have traded *cum* Rights. From 12 June 2007, the Ordinary Shares will trade *ex* Rights.
Rights	Subject to applicable securities laws, our existing Ordinary Shareholders as of the Record Date are being granted Rights to subscribe for Offer Shares at the Issue Price, in amounts *pro rata* to their holdings in our Ordinary Shares. Each Ordinary Share that you hold immediately after the close of trading on Eurolist by Euronext Amsterdam on the Record Date will entitle you to one Right. An Eligible Person will be entitled to subscribe for 3 Offer Share(s) for every 8 Right(s) held on the Record Date. Rights can only be exercised in multiples of 8. No fractional shares will be issued. If you are a shareholder whose holding of Ordinary Shares is registered in our shareholders' register, and the address reflected in the register is in The Netherlands, you will be sent a letter informing you of the aggregate number of Rights to which you are entitled and of the procedures that you must follow to exercise or trade your Rights.
Rights Offering	The Rights Offering comprises 9,337,182 Offer Shares, which are being offered as described in this Prospectus. If you hold our Ordinary Shares on the Record Date, the financial intermediary through which you hold your Ordinary Shares will customarily give you the details of the aggregate number of Rights to which you will be entitled, subject to applicable securities laws. Your financial intermediary will supply you with this information in accordance with its usual customer relations procedures. You should contact your financial intermediary if you are a shareholder entitled to receive Rights but have not received any information with respect to the Rights Offering. Only holders of our Ordinary Shares as of the Record Date will be entitled to receive Rights.

Pre-emptive rights	The statutory pre-emptive rights (*wettelijke voorkeursrechten*) of holders of our outstanding Ordinary Shares have been excluded with respect to the Offering.
Issue Price	€3.75 per Offer Share.
Trading in the Rights	Barring unforeseen circumstances, the Rights are expected to be admitted to trading on Eurolist by Euronext Amsterdam and will be traded on Eurolist by Euronext Amsterdam under the symbol "SAMRI" on 12 June 2007. If you want to sell all or part of your Rights and you are holding our Ordinary Shares through a financial intermediary, you should instruct the financial intermediary through which you hold your Rights in accordance with the instructions received from it. You may also instruct your financial intermediary to purchase Rights on your behalf. Any person interested in trading or purchasing Rights should be aware that they may be restricted from purchasing and/or exercising such Rights and acquiring Offer Shares if they are located in countries other than The Netherlands and are not eligible to participate in the Rights Offering in those jurisdictions; see "Selling and Transfer Restrictions".
Exercise of Rights	Eligible Persons may, subject to applicable securities laws, subscribe for Offer Shares by exercising their Rights during the Exercise Period. **The last date and/or time before which notification of exercise instructions may be validly given by Eligible Persons may be earlier, depending on the financial intermediary through which Rights are held.** Once you have validly exercised your Rights, you cannot revoke or modify that exercise unless we amend a material term of the Offering or amend this Prospectus in any material respect. If you have exercised your Rights, you will be obliged to pay the Issue Price for any Offer Shares being subscribed for. If you have not validly exercised your Rights by the end of the Exercise Period at 15.30 hours, CET, on 21 June 2007, you will no longer be able to exercise your Rights and your Rights will expire. At that time, any unexercised Rights will continue to be reflected in your securities account solely for the purpose of the distribution of Unexercised Right Payments, if any. **The last date for the exercise of Rights may be earlier depending on the intermediary through which your Rights are held.**
Subscription Agent	Rabo Securities
Paying agent for the Offering	Rabo Securities
Rump Offering	After the Exercise Period has ended, the Joint Global Coordinators will, subject to the terms and conditions of the Underwriting Agreement, commence the Rump Offering, in which they will offer the Rump Shares, being the remaining Offer Shares

that were issuable upon exercise of the Rights, but that were not subscribed for during the Exercise Period, for sale by way of private placements to institutional investors.

The Joint Global Coordinators have agreed to procure subscribers for any Rump Shares through private placements at a price which is at least equal to the Issue Price and any expenses related to procuring such subscribers (including any value added tax).

Any Rump Shares not sold in the Rump Offering will be subscribed and paid for at the Issue Price by the Joint Global Coordinators, subject to the terms and conditions of the Underwriting Agreement.

Unexercised Right Payments

Upon the completion of the Rump Offering, if the aggregate proceeds for the Rump Shares offered and sold in the Rump Offering after deduction of any expenses related to procuring such subscribers (including any value added tax) exceed the aggregate Issue Price for such Rump Shares (such amount, the **Excess Amount**), each holder of a Right that was not exercised at the end of the Exercise Period will be entitled to receive, except as noted below, a part of the Excess Amount in cash proportional to the number of unexercised Rights reflected in such holder's securities account (the **Unexercised Right Payment**).

However, if the Excess Amount divided by the total number of unexercised Rights is less than €0.01 per unexercised Right, no Unexercised Right Payment will be made to the holders of any unexercised Rights and, instead, any Excess Amount will be for the benefit of the Underwriters. We will not be entitled to receive any Excess Amount.

The Unexercised Right Payments, if any, will be distributed to the holders of unexercised Rights as soon as practicable after the closing of the Rump Offering and will be credited to those holders through the facilities of Euroclear Nederland, Euroclear and Clearstream. Payments will be made in Euros only, without interest and after the withholding of any applicable taxes.

If we have announced that an Excess Amount is available for distribution to holders of unexercised Rights and you have not received payment thereof within a reasonable time following the closing of the Rump Offering, you should contact the financial intermediary through which you held unexercised Rights.

Holders of registered Ordinary Shares who hold Unexercised Rights should contact us if payment of any Excess Amount has not been received within a reasonable time following the closing of the Rump Offering.

Payment	Payment for the Offer Shares to the Subscription Agent must be made by no later than the Closing Date, which is expected to be 27 June 2007. If you hold your Rights through a financial intermediary, such financial intermediary may require payment by you to be provided to it prior to the Closing Date. If you hold your Rights through a financial intermediary, you should pay the Issue Price for the Offer Shares that you subscribe for in accordance with the instructions you receive from such financial intermediary. The financial intermediary will pay the Issue Price to the Subscription Agent, who will in turn pay it to us, after deduction of applicable fees and expenses.
Listing of and trading in the Offer Shares	Application has been or will be made to list the Offer Shares on Eurolist by Euronext Amsterdam. The Offer Shares will be listed and traded on Eurolist by Euronext Amsterdam under the symbol "SAMAS". We expect that the Offer Shares will be listed, and that trading in such shares will commence, on Euronext Amsterdam on 27 June 2007, barring unforeseen circumstances.
Codes for the Ordinary Shares (including the Offer Shares)	Security code: 38150 ISIN: NL0000381507 Common code: 026656141
Codes for the Rights	Security code: 88806 ISIN: NL0000888063 Common code: 030556054
Ranking and dividends	The Offer Shares will, upon issue, rank equally in all respects with our currently outstanding Ordinary Shares and will be eligible for any dividends which we may declare on our Ordinary Shares in the future; see the chapter headed "Dividends and Dividend Policy".
Joint Global Coordinators, Joint Bookrunners and Joint Listing Agents	Fortis and Rabo Securities.
Selling and transfer restrictions	The Securities have not been and will not be registered under the Securities Act, and may not be offered, granted, issued, sold, taken up, delivered, renounced, or transferred in or into the United States. Accordingly, the Rights are being granted and the Offer Shares are being offered by us only in transactions that are exempt from registration under the Securities Act pursuant to Regulation S. Potential investors in the Rights or the Offer Shares should carefully read "Selling and Transfer Restrictions".
Delivery	Transfer of the Rights and delivery of the Offer Shares will take place through the book entry systems of Euroclear Nederland, Euroclear and Clearstream.
Voting rights	Each Ordinary Share entitles the holder to cast one vote in our General Meeting; see "Share Capital, Corporate Structure and Corporate Governance" for further details of the rights of our shareholders to vote in General Meetings.

Governing law	Dutch law.
Lock-up arrangements	We have agreed with the Joint Global Coordinators to certain lock-up arrangements in connection with the Offering subject to certain exceptions. These arrangements will be effective from the date of this Prospectus to the date which is 180 days after the Closing Date. See "Subscription and Sale" for further details.
Conditions to the Offering	The Offering is subject to a number of conditions for the benefit of the Joint Global Coordinators; see "Subscription and Sale". If any or all of the conditions of the Offering are not met or not waived by the Joint Global Coordinators or if certain circumstances occur prior to payment for and delivery of the Offer Shares, the Joint Global Coordinators may terminate the Underwriting Agreement, in which case the obligation of the Joint Global Coordinators to subscribe and pay for any Rump Shares not sold in the Rump Offering will lapse. In such event, the Rights Offering will be withdrawn. Upon withdrawal of the Rights Offering, the Rights granted will be forfeited without compensation to their holders or the persons entitled to the rights attached thereto and the Offer Shares will not be offered and issued. Any subscription payment received by us will be returned promptly, without interest. Any such forfeiture of Rights will be without prejudice to the validity of any settled trades in the Rights, but non-settled trades will be deemed null and void. There will be no refund in respect of any Rights purchased in the market. All dealings in Securities prior to settlement and delivery of the Ordinary Shares are at the sole risk of the parties concerned. We, the Joint Global Coordinators and Euronext Amsterdam N.V do not accept any responsibility or liability for any loss or damage incurred by any person as a result of a withdrawal of the Offering or (the related) annulment of any transactions on Eurolist by Euronext Amsterdam.

Summary of financial information

The following summary of financial information of Samas should be read in conjunction with our annual accounts for the financial years 2006/2007, 2005/2006 and 2004/2005.

	Financial Year ended 31 March		
	2006/2007	***2005/2006***	***2004/2005***
Statement of operations (in € thousand)			
Revenues	352,432	355,609	354,099
Cost of auxiliary and raw materials	162,757	164,954	163,460
Gross profit	189,675	190,655	190,639
Operating costs	218,034	191,048	246,677
Operating profit	-28,359	-393	-56,038
Share in profits of associates	150	181	298
Net finance costs	-5,021	-983	-7,250
Profit before income tax	-33,230	-1,194	-62,990
Income tax expenses	2,180	1,994	15,934
Profit for the year	**-31,050**	**800**	**-47,056**
Earnings per share (in €)			
Basic	-1.25	0.04	-3.30
Diluted	-1.22	0.03	-2.43
Selected balance sheet data (in € thousand)			
Cash and cash equivalents	2,791	7,133	8,053
Working capital (excluding cash)	60,414	57,432	63,826
Capital and reserves attributable to the shareholders of the company	73,209	105,133	77,431
Cash Flow Data (in € thousand)			
Net cash flow from operating activities	-11,463	7,181	-12,406
Net cash flow from investing activities	-12,539	-34	-2,565
Net cash flow from financing activities	19,660	-8,067	14,693
Additional information (in € thousand)			
EBITDA	-14,749	14,435	-23,877
Capital expenditures	21,290	17,246	12,427

2. RISK FACTORS

Before trading in the Rights or investing in the Offer Shares, prospective investors should consider carefully the following risks and uncertainties in addition to the other information presented in this Prospectus. If any of the following risks actually occurs, our business, results of operations, financial condition or prospects could be materially adversely affected. In that event, the value of the Rights or the Offer Shares could decline, and you may lose part or all of your investment. The risks and uncertainties described below are those that we believe are material, but these risks and uncertainties are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also have a material adverse effect on our business, results of operations, financial condition or prospects and could negatively affect the price of the Rights or the Offer Shares.

Prospective investors should carefully review the entire Prospectus and should reach their own views and decisions on the merits and risks of trading in the Rights or investing in the Offer Shares in light of their own personal circumstances. Furthermore, investors should consult their financial, legal and tax advisors to carefully review the risks associated with an investment in the Rights or the Offer Shares.

Risks relating to our business

We are, and will after the Offering remain, substantially leveraged and our substantial indebtedness could materially adversely affect our future results of operations

As at 31 March 2007, our net consolidated debt amounted to approximately €80 million which includes indebtedness under the existing credit facilities and cash equivalents, while our equity was approximately €73 million; subsequent to the end of the financial year 2006/2007 on 31 March 2007 we entered into the Bridge Facility. Our degree of indebtedness, together with security granted on certain assets pursuant to the Existing Credit Facility, could have important consequences, including the following:

- we may have difficulty in paying interest on our outstanding debt or any new incurrence of debt;
- a substantial portion of our cash flows from operations will have to be dedicated to servicing our debt, thereby reducing the funds available to us for other purposes;
- our ability to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes may be impaired;
- we may have a much higher level of debt than certain of our competitors, which may put us at a competitive disadvantage and make it difficult for us to pursue our preferred business strategy;
- our debt level may render us unable to plan adequately for or react to changing market conditions and changes in our business and the industry in which we operate;
- increase our vulnerability to general adverse economic and industry conditions; and
- our risk of exposure to higher interest rates will remain since a substantial portion of our borrowings are subject to variable rates of interest.

If we are unable to generate sufficient cash flow from our future operations to repay indebtedness as it becomes due and make necessary investments, we may be required to restructure or refinance all or a portion of our existing indebtedness, seek new borrowings, forego strategic opportunities, reduce or delay capital expenditures, sell additional assets, seek additional equity capital or delay, scale back or eliminate some aspects of our operations. Furthermore, if we are unable to comply with our repayment and other obligations in relation to our indebtedness the debt providers may execute on their security over our assets. In addition, to the extent we seek to replace or refinance our current indebtedness, that replacement or refinancing may not be available on terms that are favourable or acceptable to us or at all, and may impose new and restrictive covenants on us. This could have a material adverse effect on our business, financial condition and results of operations.

If we are not able to comply with the restrictive and financial covenants contained in our existing credit arrangements, our financial condition, results of operations and liquidity could be materially adversely affected; a withdrawal of the Offering may have a negative impact on the availability and pricing of our credit facilities

Our existing credit arrangements, including the Existing Credit Facility and the Bridge Facility, require us and our subsidiaries to comply with various financial and non-financial covenants that significantly restrict, and in some cases prohibit, our ability and the ability of our subsidiaries to, amongst other things, incur additional debt, repay debt, create liens or other encumbrances over assets, pay dividends or make other distributions, make loans, grant credit, pursue acquisitions and investments, incur capital expenses and dispose of assets. These existing credit arrangements also contain various accelerated payment and cross-default provisions, as well as other events of default customary for financing transactions of this type. In addition, it will also be an event of default if the issue of the Offer Shares does not take place within the time-frame envisaged by this Prospectus or if the gross proceeds of the Offering are less than €35 million. See also "Background to the Offering – Existing Credit Facility".

Our failure to comply with any of these obligations (including the sale of certain fixed assets to facilitate repayment of our indebtedness under the Existing Credit Facility), may result in a termination of those credit facilities, or several of them pursuant to the cross-default provisions, and give rise to an immediate obligation to repay outstanding borrowings thereunder. This could have a material adverse effect on our financial condition, results of operations and liquidity and ultimately the continuation of our operations. In addition, if the Offering is withdrawn, this may have a negative impact on the availability and pricing of our credit facilities. It is unlikely that we would be able to repay all of our indebtedness if our creditors were to exercise their rights to accelerate the final maturities of the relevant credit facilities.

We may be unable to access additional capital

We may in the future need to raise additional funds through public or private debt or equity financings in order to, amongst others:

- successfully implement our preferred strategy (which includes the implementation of Project Harmony and the stabilisation of the new business processes, including the New IT Platform in The Netherlands, as well as the introduction of the New IT Platform in France);
- take advantage of opportunities, including international expansion or acquisitions of complementary businesses;
- develop new products and services; or
- respond to competitive pressures.

Any additional financing may not be available on terms favourable to us or at all. This could have a material effect on our financial condition, results of operations and liquidity and ultimately on the continuation of our operations.

We are exposed to cyclical movements in economic activity and fluctuations in supply and demand

Product sales in the office seating and furnishing markets are directly tied to corporate spending, which is sensitive to cyclical movements in economic activity and subject to fluctuations in supply and demand which are outside our control. The office seating and furnishing markets are particularly sensitive to general economic conditions because of the nature of the products (as it is reasonably easy for customers to postpone investment in the replacement of office furnishings and seating pending more favourable economic conditions) and because of the high level of fixed costs associated with the industry. Accordingly, a down-turn in economies in general has a marked effect on demand for our products, which can have a material adverse effect on our business, financial condition and results of operations.

We operate in a highly competitive environment and may not be able to compete successfully

The office furniture industry is highly competitive, with a number of competitors offering similar categories of product. We compete on a variety of factors, including: product design and features, brand recognition and reputation, price, lead time, delivery and service, product quality, strength of dealers and other distributors, and relationships with customers.

Some of our competitors have lower cost structures, making it more difficult for us to compete in certain customer segments. In addition, such competition may prevent us from maintaining or raising the prices of our products in response to rising raw material prices and other inflationary pressures. In addition, competitors from outside Europe also wish to enter or strengthen their positions in the European markets and, as a result, it is possible we could see increased competition from imports in our core markets in the future.

Our ability to compete successfully and thus our continued success will depend upon many things, including: (i) our ability to continue to manufacture and market high quality, high performance products at competitive prices; (ii) our ability to evolve our business model and implement world class processes to enable us to compete effectively; (iii) our ability to sustain our positive brand reputation and recognition among existing and potential customers and to use our brands effectively as we enter new markets (or introduce established brands into markets in which we already operate); and (iv) our ability to provide products that meet market demands, which requires a high level of product development and innovation.

Our operations depend significantly on effective business processes, including the effective functioning of our IT systems following the implementation of the New IT Platform pursuant to Project Harmony

Our operations depend significantly on effective business processes, including effective information and communications technology. The difficulties encountered in the implementation of the new business processes pursuant to Project Harmony over the previous two financial years, particularly with regard to the introduction of the New IT Platform, have had, and may continue to have, a significant impact on our business. To date the primary material adverse effects of the difficulties encountered have included:

- delays and errors in deliveries to customers;
- disruptions in production;
- decrease of productivity levels (as a result of disruptions in normal business processes); and
- higher working capital requirements (attributable to inefficiencies).

See also "Background to the Offering – Difficulties encountered in the introduction of the New IT Platform".

We have taken, and will continue to take, steps to remedy the difficulties encountered in the implementation of Project Harmony and to complete the introduction of the New IT Platform as soon as possible, but we cannot guarantee that no further difficulties, delays, costs and other adverse effects will not arise in the future (including the loss of material customers). If, for whatsoever reason, our business processes work sub-optimally, or there are serious problems around integration of existing processes or the implementation of new processes, this will impact directly on operations.

We cannot guarantee that disaster recovery and business continuity plans will be adequate in the future

We cannot guarantee that our disaster recovery and business continuity plans will be adequate in the future for our critical business processes (including our critical IT systems). Business continuity plans are intended to ensure that business-critical processes are protected from disruption and will continue even after a disastrous event (such as a major fire or weather, political, war or labour event). Without these plans, or if these plans prove to be inadequate, there is no guarantee that we or any of our operating subsidiaries would be able to compete effectively or even to continue in business after a disastrous event or major disruption to one or more of our operating subsidiaries. Accordingly, if critical business processes fail or are materially disrupted as a result of a disastrous event or otherwise and cannot recover quickly, this could have a material adverse effect on our business, financial condition and results of operations.

We could be adversely effected by increasing raw material costs

We procure raw materials from a significant number of sources in Europe. These raw materials are not rare or unique to our industry. The absolute volatility in steel and other commodity costs, such as energy, have significantly increased in recent years due to changes in global supply and demand. Our gross margins could be affected if these types of costs remain high or escalate further. In the short run, rapid changes in supply costs can be very difficult to offset because of price hold agreements we have entered into with our customers. It is difficult to find effective hedge markets to manage these risks. In the longer run, we may not be successful in passing along a portion of the higher raw materials costs to our customers because of competitive pressures.

We rely on the timely flow of raw materials and components

We are reliant on the timely flow of raw materials and components from suppliers. The flow of such materials and components may be affected by:

- fluctuations in the availability and quality of raw materials and components;
- damage and loss or disruption of production from accidents, natural disasters and other causes; and
- disruptions caused by labour activities.

Any disruptions in the supply and delivery of raw materials and components could have an adverse impact on our business, financial condition and results of operations.

Disruptions in our relationships with third party suppliers and dealers could adversely affect our business

Our business operations depend on third party suppliers of, amongst other things, raw materials, components and services and on dealers (on which we partially rely to deliver our products to the market). In particular, due to the fact that orders in respect of a significant number of raw materials and component parts are fairly small in terms of volume, we are dependent in many of our operations on single source suppliers. From time to time, an individual third party supplier or dealer may choose to terminate the relationship, or the third party supplier could face financial difficulty resulting in it ceasing to do business. In addition, our competitors could engage in a strategy to attempt to acquire or convert a number of our third party suppliers or dealers to provide services exclusively to them. Any such disruption of our third party supplier or dealer relationships within the markets in which we operate could have an adverse impact on our business within that market. The loss or termination of our agreements with third party suppliers or dealers could cause difficulties in the production, marketing and distribution of our products and have a material adverse effect on our business, financial condition and results of operations.

Further operational improvements may be required

As the markets in which we operate are highly competitive and undergo continuous change, we can give no assurance that we will not need to take further steps to restructure or consolidate our business and operations in the future (whether in relation to reductions in costs or otherwise) or that the steps taken to date, or that we may take in the future (particularly in light of the significant restructuring and consolidation initiatives we have undertaken in recent years), have been or will be successful. In particular, we may not be able to realise the benefits that are expected to result from our ongoing programmes to improve financial and operational performance, and these programmes may involve additional costs and expenses. Furthermore, these programmes may take longer than anticipated. Each of these eventualities may have a material adverse effect on our business, financial condition and results of operations.

We depend on our management team and our ability to attract and retain skilled personnel for continued growth, and on high levels of staff commitment to navigate the challenges posed by our current business condition

The implementation and execution of our strategic plans, our continued growth and our ability to handle complex situations depend in part on the availability of committed high quality executive officers, management personnel at the Group level and other management resources, including key staff specialists, in all of our business operations. No assurance can be given that we will be successful in attracting and retaining, on terms acceptable to us, such officers and resources in future.

In addition, our management team is currently involved in several projects that require considerable management attention, including, amongst others, the Operational Excellence Program (which encompasses Project Harmony and the introduction of our New IT Platform). If the execution of the Operational Excellence Program and the activities that it encompasses take more of our management team's time than expected, as is currently the case in respect of Project Harmony and the introduction of the New IT Platform, this may impact on our management team's ability to run our day-to-day operations, which in turn could have a material adverse impact on our business, financial condition and results of operations.

Our decentralised corporate structure may result in inconsistent operating practices and the pursuit of strategies in the various European markets in which we operate that are different from the Group's strategy

We have 21 operating companies in 13 countries in Europe that have in the past functioned with a large degree of autonomy. This decentralised structure means that management at the Group level has not always been aware of business decisions being made at the level of the local operating companies, which has in turn impacted negatively on Group efficiencies and results of operations. Project Harmony, which is intended to harmonise our business processes, has not to date delivered the results expected. We can give no assurance that such negative implications will not continue to occur in the future.

We may fail to successfully complete and integrate acquisitions

We may contemplate acquiring additional operations and other assets. We may incur significant expenses pursuing acquisitions or strategic investments that ultimately may not be completed. Other risks we could face with respect to acquisitions, each of which may have a material adverse effect on our business, financial condition and results of operations, include:

- difficulties in assessing the value, strengths and weaknesses of acquisition candidates;
- difficulties in integrating the acquired companies into our management and reporting structure;
- the possibility that we and the acquired company will be unable to retain key staff members and customers from the companies that we acquire;
- the potential disruption of our business and the strain placed on our administrative, operational and financial resources;
- the failure to maintain appropriate business processes, standards, controls and policies;
- the failure to discover liabilities for which we may be responsible as a successor, owner or operator despite the investigations we make before the acquisition;
- diversion of management's attention away from other normal business operations; and
- the possibility that we may not achieve the synergies that we anticipated to achieve with an acquired company.

Our future success depends in part on our ability to expand and to increase our sales

To date, nearly all of our sales have been made in Europe and our presence is substantially confined to the European market. Our future growth will depend in part on our ability to expand our operations and to increase our sales in our existing and other markets within Europe, including by way of market consolidation (for example, by joint ventures, partnerships, acquisitions or mergers). There can be no assurance that we will be able to expand our operations in such a way, or that any such expansion will be successful.

We are exposed to risk in relation to the collection of accounts receivable

Accounts receivable constitute a significant portion of our assets, more specific a higher than normal level linked to the Harmony-post-implementation difficulties. Therefore we are more exposed to collection risk. In order to minimise the collection risk collection processes are in place. A failure to execute the processes, or to otherwise minimise collection risk, could materially adversely affect our business, financial condition and results of operations.

Failure to secure or maintain acceptable levels of profitability in our operations

Our operations are subject to a number of risks, including general economic conditions and fiscal regimes in each country in which we operate and compliance with a variety of foreign laws and regulations. Furthermore, in certain of our international operations (for instance our operations in France, which have generated an operating loss since their inception), we lack the scale required to ensure successful returns and may have to expand to achieve a profitable scale of operations. We cannot guarantee that we will be able to take the necessary steps to achieve this scale or that we will have sufficient funding to take such steps. We also cannot provide any assurance that our operations will become, or (as the case may be) will continue to be, profitable or that we will be able to manage our operations effectively. Any failure to secure or maintain acceptable levels of profitability in our operations could have a material adverse effect on our business, financial condition and results of operations, which could result in the requirement of additional funding.

The loss of key customers or the failure to secure future sales contracts could have a material adverse effect on our business, financial condition and results of operations

We generate a significant proportion of our revenues from key customers. The loss of all or a substantial portion of the business provided by our key customers or a failure to secure future sales contracts could have a material adverse effect on our business, financial condition and results of operations.

Our ability to secure contracts with certain potential customers (particularly large multinational customers that tender for office seating and furnishing products and services on a multi-national basis) depends on our ability to successfully compete during tender processes and, in some instances, on our financial condition, as some large customers (notably governments) treat a stable financial condition as a bidding factor in tender processes. We may be unable to manage risks associated with these tender procedures, which may materially adversely affect our business, financial condition and results of operations.

Relationships with our suppliers and credit insurers may deteriorate due to doubts about our creditworthiness; credit insurance companies may lower our credit ratings and the amount of credit insurance they are willing to underwrite

Some of our suppliers may in the future believe we are unable to provide adequate assurance of our creditworthiness due to our financial position. As a result, some of these suppliers may impose more restrictive credit terms on us (for example, by requiring us to pay on demand, pay with letters of credit and to provide additional guarantees of payment). These activities may have a material adverse effect on our working capital. Suppliers' doubts about our creditworthiness, and the restrictive credit terms some may impose, may also make it difficult for us to negotiate favourable purchase conditions with those suppliers on a going-forward basis, which may have a negative impact on our ability to reduce our cost of goods. Our financial position and suppliers' doubts about our creditworthiness may result in a loss of supplier rebates and other procurement benefits. All of these factors may have a material adverse effect on our business, financial condition and results of operations.

Credit insurance companies issue ratings on our creditworthiness that determine the amount and terms of the credit insurance they are willing to underwrite in connection with credit extended to us by our suppliers. Due to our financial situation, credit insurers may significantly decrease our credit rating and the amount of credit insurance that they are willing to underwrite in connection with credit purchases made by us. We require credit insurance in order to provide adequate assurance of our creditworthiness to our suppliers. Our credit insurers may not restore our ratings to the extent necessary for them to underwrite the amount of credit insurance we need to cover the credit extended to us by our suppliers. This may cause us to experience a liquidity crisis, which in turn could have a material adverse effect on our business, financial condition and results of operations.

We are exposed to credit risk associated with our dealer network

In specific situations we may choose to extend credit to, or guarantee the obligations of, a dealer which can increase our financial exposure.

A significant portion of our accounts receivable is attributable to sales by our dealers. Individual dealers may not continue to be viable or profitable. If dealers go out of business or restructure, we may suffer losses because such dealers may not be able to pay for products already delivered to them.

Sometimes we loan funds to, or invest funds in, dealers for project financing. We carefully monitor the financial condition of dealers involved in financial transactions. While most of the dealers that have such financing from us are able to honour their financial obligations, some individual dealers could face financial difficulties. If these dealers experience declines in revenues, the likelihood of losses resulting from these financing transactions could increase and we may have to record additional charges or reserves, as necessary. Such losses could have a material adverse effect on our business, financial condition and results of operations.

We are exposed to risks relating to extensive environmental regulations

We are subject to extensive environmental regulations in each of the jurisdictions in which we operate. Given the nature of our business, certain of our production facilities may have caused pollution in the past and certain of the real properties owned or leased by us may be polluted. We can give no assurance that we will not be required to incur significant environment-related costs in the future, either as a result of existing or future regulations, and either as a result of remediation measures imposed by the relevant authorities or to ensure compliance with applicable regulations in the future. These costs could have a material adverse effect on our business, financial condition and results of operations.

We are exposed to health and safety risks

Our business exposes us to health and safety risks, particularly in relation to our employees. We cannot guarantee that the measures taken to ensure employee health and safety and to ensure compliance with the relevant regulations in the various jurisdictions in which we operate will be sufficient in the future, or that we will not be required to incur significant health and safety-related expenses in the future, either as a result of existing or future laws and regulations. Any such expenses could have an adverse effect on our business, financial condition and results of operations.

We could incur material costs related to product defects

We may incur various expenses related to product defects, including product warranty costs, product recall costs and product liability costs. The amount of these costs relative to product sales varies from time to time and could increase in the future. Any significant increase in the rate of these costs could have a material adverse effect on our financial condition and results of operations.

We are exposed to risks relating to the adequacy of our insurance

Although we have insured major risks, we can give no assurance that our present insurance coverage is sufficient to meet any claims to which we may be subject, that we will in the future be able to obtain or maintain insurance on acceptable terms or at appropriate levels or that any insurance maintained will provide adequate protection against potential liabilities. In addition, defending ourselves against such claims may strain management resources, affect our reputation and require us to expend significant sums on legal costs.

We are exposed to risks relating to potential litigation

At present there are no significant legal actions other than those resulting from "normal operations". Provision has already been made for the outcome of these actions based on our current estimate of our financial exposure and in accordance with our accounting principles, but it cannot be ruled out that our actual exposure is higher and we will continue to adjust the provisions included in our accounts if necessary on the basis of further developments. In addition, we may be subject to significant legal actions in the future, which may have a material adverse effect on our financial condition and results of operations.

We are exposed to risks relating to potential tax liabilities

We are subject to income taxes in The Netherlands and other jurisdictions. Significant judgement is required in determining our worldwide provision for income taxes. In the ordinary course of business there are many transactions, including intra-group transactions, where the ultimate tax determination is uncertain. Additionally, our calculation of income taxes is based in part on our interpretations of applicable tax laws in the jurisdictions in which we operate. Although we believe our tax estimates are reasonable, there is no assurance that the final determination of our income tax liability will not be materially different from what is reflected in our income tax provisions and related balance sheet accounts. Should additional taxes be assessed as a result of new legislation, tax litigation or an audit, if the effective tax rate should change as a result of changes in tax laws, or if we were to change the locations in which we operate, there could be a material effect on our income tax provision and net income.

We are exposed to risks in relation to the realisation of deferred tax assets

As at 31 March 2007 we recognised approximately €13.2 million of deferred tax assets. Realisation of these deferred tax assets depends on our ability to generate future taxable profits in the relevant jurisdictions and by the relevant operating subsidiaries. If we are unable to improve our financial and operating results in the longer term and to generate taxable profits in the relevant jurisdictions that would allow us to realise these deferred tax assets, we may be required to impair the value of these deferred tax assets. Some of our deferred tax assets are, or may in the future be, in jurisdictions where the Euro is not the operating currency and, as a result, the ultimate realisation value of these deferred tax assets will be subject to currency exchange fluctuations. In addition, future changes in tax laws or interpretations of those laws in the various jurisdictions in which we operate may limit our ability to fully utilise deferred tax assets. Furthermore, we operate a central cost-pooling in terms of which various costs of our operating companies outside of The Netherlands are invoiced to our operations in The Netherlands. We cannot guarantee that these costs will be available to the relevant operating subsidiaries for tax purposes.

It may be necessary to impair some or all of our intangible assets, including capitalised software development expenses, which could have a material adverse effect on our business, financial condition and results of operations

As at 31 March 2007 we recognised approximately €24 million of intangible assets, including capitalised software development expenses. It may be necessary to impair some or all of our intangible assets. Any such impairment tests will be based on a set of assumptions made by us but which may subsequently be affected by external factors beyond our control. Such an impairment would not be taken into account in determining our EBITDA but would affect our ordinary results before interest and taxes for the relevant period, and could have a material adverse effect on our business, financial condition and results of operations.

We are exposed to risks relating to fluctuations in currency exchange rates

Our financial statements are expressed in Euro and are therefore subject to movements in currency exchange rates on the translation of financial information of businesses whose operational currencies are other than our reporting currency. For instance, in 2006/2007 we generated revenues in the United Kingdom and Switzerland and accordingly fluctuations in the exchange rates between the euro and the British pound and between the euro and Swiss franc, respectively, could affect our reported results from year to year. In addition, the quotation of commodity prices in US dollars, exposes us to risks in relation to fluctuations in the exchange rates between the euro and the US dollar. Furthermore, as a result of currency fluctuations, the value of the relevant subsidiary or subsidiaries operating in those markets could fluctuate and affect our balance sheet and equity position from year to year. In addition, some of our subsidiaries may incur costs in currencies other than those in which revenues are earned. The relative movements between the exchange rates in the currencies in which costs are incurred and the currencies in which revenues are earned can affect the profits of those subsidiaries. This could have a material adverse effect on our business, financial condition and results of operations.

Risks relating to the Rights and the Ordinary Shares

If you do not exercise all of your Rights, your percentage ownership of our Ordinary Shares will be significantly diluted

The Rights Offering is designed to enable us to raise capital in a manner that gives the opportunity to eligible existing holders of Ordinary Shares to subscribe for the Offer Shares pro rata to their holdings in our Ordinary Shares at the Record Date, subject to applicable securities laws. The Joint Global Coordinators have agreed, subject to certain conditions, to procure subscribers for any Rump Shares. To the extent that you do not exercise your Rights, your proportionate ownership and voting interest in us will be reduced by approximately 27%. Even if you elect to sell your Rights, or if you decide to hold your Rights through the end of the Exercise Period and are entitled to receive any Unexercised Right Payment (as defined in the chapter headed "Definitions"), the consideration you receive, if any, may not be sufficient to fully compensate you for the dilution of your percentage ownership of our Ordinary Shares that may be caused as a result of the Rights Offering.

Our Ordinary Shares may be further diluted

Your shareholding and voting rights in Samas and earnings per Ordinary Share may be further diluted as a result of the exercise of employee share options or any future issue by us of Ordinary Shares or securities convertible into Ordinary Shares or rights to acquire those securities, including issues of Ordinary Shares pursuant to equity offerings to obtain further capital, whilst we exclude or limit pre-emptive rights (*wettelijke voorkeursrechten*) pertaining to the outstanding Ordinary Shares. Any issue of Ordinary Shares could have a negative impact on the trading price of our Ordinary Shares and could increase the volatility in the trading price of our Ordinary Shares.

Our anti-takeover arrangement may depress our share price

Our Articles of Association have anti-takeover provisions that may have the effect of preventing, discouraging or delaying a change of control. The foundation Stichting Samas (Stichting Samas) is entitled to acquire from us cumulative preference shares in our share capital, with a nominal value of €1 each (the Preference Shares), up to a maximum of 99% of our total issued and outstanding ordinary share capital. The issue of Preference Shares in this manner would cause substantial dilution to the voting power of any shareholder, including a shareholder attempting to gain control of us, and could therefore have the effect of preventing, discouraging or delaying a change of control that might otherwise be in your best interest or offer you the opportunity to sell your Ordinary Shares at a premium over the market price. See "Share Capital — Preference

Shares and Stichting Samas". This anti-takeover measure may have an adverse effect on the market price of the Ordinary Shares.

The marketability of our Ordinary Shares may decline and the market price of our Ordinary Shares may fluctuate and decline below the Issue Price

We cannot assure you that the marketability of our Ordinary Shares will improve or remain as it was before the Offering. The market price of our Ordinary Shares at the time of the Offering may not be indicative of the market price for our Ordinary Shares after the Offering has been completed. The market price of our Ordinary Shares has been volatile in the past and may continue to fluctuate widely, depending upon many factors beyond our control. These factors include, amongst others, actual or anticipated variations in operating results and earnings by Samas and our competitors, changes in financial estimates by securities analysts, market conditions in the office furnishing industry and the general state of the securities market, governmental legislation or regulation, as well as general economic and market conditions, such as recessions. The market price of our Ordinary Shares is also subject to fluctuations in response to issues of Ordinary Shares by us, the liquidity of trading in our Ordinary Shares and capital reduction or purchases of Ordinary Shares by us, as well as investor perception of the success and impact of the Offering. As a result of these or other factors, our Ordinary Shares may trade at prices significantly below their market price before the announcement of the details of the Offering. We cannot assure you that the public trading market price of our Ordinary Shares will not decline below the Issue Price. Should that occur after you have exercised your Rights, which exercise cannot be revoked or modified by you, you will suffer an immediate unrealised loss as a result. Moreover, we cannot assure you that following the exercise of Rights you will be able to sell your Ordinary Shares at a price equal to or greater than the Issue Price.

We may not be able to meet our dividend policy in the future

Although our dividend policy since the conversion of our cumulative convertible financing preference shares (the **Financing Preference Shares**) into Ordinary Shares on 15 December 2005 has been a dividend payout on our Ordinary Shares of 50% of net profit from ordinary activities for the relevant year, given the recent results of operations (i) we did not pay out any dividends on our Ordinary Shares in the financial years 2004/2005 and 2005/2006, (ii) did not pay the statutory dividend of €0.69 in cash per Financing Preference Share in the financial year 2004/2005, and (iii) have not proposed a dividend on the Ordinary Shares for the financial year 2006/2007. In the future we may also not be able to pay dividends or may only be able to pay dividends at rates that are less than our dividend policy ratio. See "Dividends and Dividend Policy".

If you do not properly and timeously exercise your Rights by the end of the Exercise Period, you will no longer be able to exercise those Rights and you may not receive any compensation for them

The Exercise Period for the Rights commences at 09.00 hours, CET, on 12 June 2007 and expires at 15.30 hours CET, on 21 June 2007. Eligible Persons and, if applicable, financial intermediaries acting on their behalf, must act promptly to ensure that all required exercise instructions and certificates are actually received by the Subscription Agent before the expiration of the Exercise Period. If you are an Eligible Person and you or your financial intermediary fail to correctly follow the procedures that apply to the exercise of your Rights, we may, depending on the circumstances, reject your exercise of Rights. If you fail to validly exercise your Rights, your Rights will continue to be reflected in your securities account only for the purpose of distribution of Unexercised Right Payments, if any. We cannot assure you, however, that there will be Unexercised Right Payments for distribution to holders of unexercised Rights.

We cannot assure you that an active trading market will develop for the Rights and, if a market does develop, the Rights may be subject to greater volatility than our Ordinary Shares

We intend to set a trading period for the Rights on Eurolist by Euronext Amsterdam from 09.00 hours, CET, on 12 June 2007 until 13.15 hours, CET, on 21 June 2007. We do not intend to apply for the Rights to be traded on any other exchange. Prior to the Offering there has been no market for the Rights. We cannot assure you that an active trading market in the Rights will develop or be sustained on Eurolist by Euronext Amsterdam during that period. If such a market fails to develop or be sustained, this could negatively affect the liquidity and price of the Rights, as well as increase their price volatility. Accordingly, we cannot assure investors of the liquidity of any such market, any ability to sell the Rights or the prices that may be obtained for the Rights. Additionally, because the trading price of the Rights depends on the trading price of our Ordinary Shares, the existing volatility of our Ordinary Shares, as described above in "The marketability of our Ordinary

Shares may decline and the market price of our Ordinary Shares may fluctuate and decline below the Issue Price", may magnify the volatility of the Rights and impact the value of the Rights.

If securities or industry analysts cease to publish research reports on our business, or adversely change or make negative recommendations regarding our Ordinary Shares, the market price and trading volume of our Ordinary Shares could decline

Whether there is an active trading market for our Ordinary Shares will be influenced by the continued availability and recommendations of research reports covering our business. If one or more research analysts ceases to cover our business or fails to regularly publish reports on our business, we could lose visibility in the financial markets, which could cause the market price or trading volume of our Ordinary Shares to decline. In addition, if research analysts do not make positive recommendations regarding our Ordinary Shares, or if negative research is published on the industry or geographic markets we serve, the price and trading volume of our Ordinary Shares could decline.

A limited number of shareholders may collectively own a substantial percentage of our Ordinary Shares after the Offering, and could significantly influence matters requiring shareholder approval

Certain institutional shareholders (see also "Principal Shareholders and Related Party Transactions – Principal Shareholders") currently hold, and may continue to hold after the Offering (whether or not they exercise their Rights), and other investors may acquire pursuant to the Offering, a significant part of our outstanding Ordinary Shares. These shareholders may, if they act together, exercise significant influence over all corporate matters requiring shareholder approval after the Offering, including the election of members of our Executive Board (*hoofddirectie*) (**Executive Board**) and our supervisory board (*raad van commissarissen*) (the **Supervisory Board**) and the determination of significant corporate actions. These shareholders may vote their shares in a way with which you do not agree and this concentration of ownership could adversely affect the trading volume and market price of our Ordinary Shares or delay or prevent a change of control that could be otherwise beneficial to our shareholders.

Shareholders in certain jurisdictions may not be able to participate in rights offerings or elect to receive share dividends and may experience dilution of their holdings

We may, from time to time, distribute rights to our shareholders, including rights to acquire Ordinary Shares. However, we will not distribute rights to shareholders in jurisdictions where the sale of such rights is restricted. Accordingly, shareholders in certain jurisdictions may be unable to participate in rights offerings and, as a result, may experience dilution of their shareholdings. In addition, if we are unable to sell rights that are not exercised or not distributed or if their sale is not lawful or reasonably practicable, we may allow the rights to lapse, in which case shareholders in the relevant jurisdictions will receive no value for these rights.

In addition, we may from time to time offer a share dividend election to shareholders, subject to applicable securities laws, in respect of future dividends. However, we will not permit shareholders in certain restricted jurisdictions to exercise this election. Accordingly, shareholders in these restricted jurisdictions may be unable to receive dividends in the form of shares rather than cash and, as a result, may experience dilution of their holdings. See "Selling and Transfer Restrictions" for the restrictions that apply to the Offering.

The granting of the Rights, and the offer of the Offer Shares, is conditional upon the fulfilment of certain conditions precedent and may be withdrawn if these conditions are not met

The grant of the Rights, and the offer of the Offer Shares (pursuant to the exercise of Rights or otherwise) is conditional upon the fulfilment of certain conditions precedent; see "Subscription and Sale – Conditions to the Offering". If any of these conditions are neither met nor waived before the Closing Date, the Rights Offering and the Rump Offering may be withdrawn. In such event, both the exercised and unexercised Rights will be forfeited without compensation to their holders, subscriptions for and allotments of Offer Shares that have been made will be disregarded, all transactions in the Rights on Eurolist by Euronext Amsterdam that have not yet been settled, and all transactions in the Offer Shares on Eurolist by Euronext Amsterdam, will be annulled.

3. IMPORTANT INFORMATION

Reliance on information

Potential investors in the Rights and the Offer Shares are expressly advised that an investment in the Rights and the Offer Shares entails financial risk and that they should therefore carefully review the entire contents of this Prospectus, including the information incorporated herein by reference.

In addition to your own examination of us and of the Offering, including the merits and risks involved, you should only rely on the information contained in this Prospectus, or incorporated by reference herein, and any supplements to this Prospectus required under the applicable laws that are published by us which may contain different information from that contained in this Prospectus.

No person is or has been authorised to give any information or make any representation in connection with the Offering other than those contained in this Prospectus, or incorporated by reference herein, or any supplement to this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by us or by the Joint Global Coordinators or any of their affiliates or selling agents. No representation or warranty, expressed or implied, is made by the Joint Global Coordinators or any of their affiliates or selling agents as to the accuracy or completeness of any information contained in this Prospectus, or incorporated by reference herein, and nothing contained in this Prospectus, or incorporated by reference herein, is, or shall be relied upon, as a promise or representation by the Joint Global Coordinators or their affiliates or selling agents as to the past or the future. Neither the delivery of this Prospectus nor any grant, offering, purchase or sale made hereunder shall, under any circumstance, create any implication that there has been no change in our affairs since the date hereof nor that the information in this Prospectus, or incorporated by reference herein, is correct as at any time subsequent to its date.

Although the Joint Global Coordinators are a party to various agreements pertaining to the Offering and have further provided financing to Samas, this should not be considered as a recommendation to invest in the Rights or the Offer Shares. You must consider for yourself, with or without the assistance of an advisor, whether an investment in the Rights or the Offer Shares is appropriate in light of your particular investment profile, objectives and financial circumstances.

Forward-looking statements

We have made forward-looking statements in this Prospectus, including without limitation in the chapters headed "Operating and Financial Review" and "Business and Industry Overview", which are based on our beliefs and assumptions and on information currently available to us. Forward-looking statements include, without limitation: the information concerning our expected future results of operations, business strategies, introduction of our New IT Platform, (re)financing plans, competitive position, potential growth opportunities, potential operating performance improvements and expected trends in the industry in which we operate. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words "believe", "expect", "plan", "intend", "anticipate", "estimate", "seek", "potential", "continue", "may", "will", "should", "could" or the negative of these terms or similar expressions.

The risk factors stated in "Risk Factors", beginning on page 10, as well as any cautionary language in this Prospectus, identify certain important factors that could cause actual results to differ materially from those in forward-looking statements and from historical trends. Forward-looking statements involve risks, uncertainties and assumptions and speak only as at the date they are made. Investors should not place undue reliance on any forward-looking statements. Other than as required by applicable law or the applicable rules of any exchange on which our Ordinary Shares may be listed, we have no intention or obligation to update forward-looking statements after we distribute this Prospectus.

Responsibility statements

We accept responsibility for the information contained in this Prospectus. Having taken all reasonable care to ensure that such is the case, we further declare that the information contained in this Prospectus is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. Potential investors should not assume that the information in this Prospectus is accurate as of any date other than the date hereof.

Fortis and Rabo Securities in their capacity as Joint Global Coordinators, Joint Bookrunners and Joint Listing Agents for the Offering, do not accept any responsibility whatsoever for the contents of this Prospectus nor for any other statements made or purported to be made by either of them or on their behalf in connection with Samas, the Offering or the Securities. Fortis and Rabo Securities accordingly disclaim all and any liability whether arising in tort or contract or otherwise in respect of this Prospectus or any such statement.

In connection with the Offering, the Joint Global Coordinators, through Rabo Securities as stabilising manager or its affiliates or agents, may engage in transactions on Eurolist by Euronext Amsterdam, in the over-the-counter market or otherwise, that stabilise or maintain the market price of the Rights or the Ordinary Shares at levels that might not otherwise exist. Such stabilisation, if commenced, may commence on or after the date on which the Rights begin trading and, if begun, may be ended at any time, may be discontinued at any time without prior notice, and must end no later than 30 calendar days after such date.

Notice to investors

The distribution of this Prospectus and the Offering may, in certain jurisdictions, be restricted by law. Persons in possession of this Prospectus are required to inform themselves about and to observe any such restrictions. This Prospectus may not be used for, or in connection with, and does not constitute, any offer to sell, or an invitation to purchase, in any jurisdiction in which such offer or invitation would be unlawful or be distributed to any person to whom it is unlawful to make such offer or invitation.

No action has been or will be taken to permit the grant of Rights or the offer or sale of Rights or Offer Shares (pursuant to the exercise of Rights or otherwise), or the possession or distribution of this Prospectus or any other material in relation to the Offering in any jurisdiction outside The Netherlands where action may be required for such purpose. Accordingly, neither this document nor any advertisement or any other related material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations.

This Prospectus is being published in connection with the Offering, solely for the purpose of enabling a prospective investor to consider investing in the Offer Shares or trading in the Rights. Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering investing in the Offer Shares or trading in the Rights is prohibited. Each recipient of this Prospectus, by accepting delivery of this Prospectus, agrees to the foregoing.

The Rights and the Offer Shares have not been and will not be registered under the Securities Act or under the relevant securities laws of any state of the United States or any other jurisdiction. The Rights and the Offer Shares may not be, directly or indirectly, offered, granted, issued, sold, pledged, taken up, delivered, renounced or transferred in or into the United States and are being granted, offered and sold in reliance on Regulation S only. Non-Dutch shareholders and any persons (including, without limitation, nominees, custodians and trustees) who have a contractual or legal obligation to forward this document to a jurisdiction outside The Netherlands carefully should read the section entitled "Selling and Transfer Restrictions".

Market and industry data

We confirm that the information in this Prospectus that has been sourced from a third party has been accurately reproduced and that as far as we are aware and able to ascertain from the information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

Unless otherwise stated, statements herein regarding market positions of companies (including ourselves) and market conditions are based on good faith estimates of revenue by our management which are derived from our review of internal surveys, as well as the external sources. External sources relate to market data and other statistical information of independent industry publications, government publications, reports by market research firms or other published (independent) sources, amongst others Eurostat, Statistisches Bundesambt and CBS and market specific research organisations like BSO, VSM, FEMB and Defsa. Without prejudice to the statement in the previous paragraph, although we believe these sources are reliable, as we do not have access to the information, methodology and other bases for such information, we have not independently verified the information and therefore cannot guarantee its accuracy and completeness.

Incorporation by reference

Our articles of association (*statuten*) as in force and effect on the date of this Prospectus (the **Articles of Association**), as they can be found on our website www.samas.com (in Dutch, together with an English translation), shall be deemed to be incorporated in, and form part of, this Prospectus. To the extent that there are any inconsistencies between the Dutch and English versions of our Articles of Association, the Dutch text prevails.

Our audited consolidated financial statements for the financial year ended 31 March 2005 are also incorporated by reference in this Prospectus. Copies of these financial statement can be found on our website www.samas.com.

No other document or information, including the contents of our website (www.samas.com) or of websites accessible from hyperlinks on our website, forms part of, or is incorporated by reference into, this Prospectus.

Other

Certain financial and statistical information in this Prospectus has been subject to rounding adjustments. Accordingly, the sum of certain data may not conform to the total.

This Prospectus is published in English only.

4. PRESENTATION OF FINANCIAL INFORMATION

General

Unless stated otherwise, all financial information in this Prospectus is presented on a consolidated basis. Certain financial and statistical information in this Prospectus has been subject to rounding adjustments and to currency conversion adjustments, where appropriate. Accordingly, the sum of certain data may not conform to the total. Unless stated otherwise, financial information set out in this Prospectus is unaudited.

Financial statements

We have included in this Prospectus our audited consolidated financial statements for the financial years ended 31 March 2007 and 31 March 2006, including the notes thereto. The financial statements for the financial years ended 31 March 2007 and 31 March 2006 were prepared in accordance with international financial reporting standards (**IFRS**) as adopted by the European Union. Our audited consolidated financial statements for the financial year ended 31 March 2005 were prepared in accordance with Dutch GAAP. The financial statements for the financial year ended 31 March 2006 include for comparative purposes the figures for the financial year ended 31 March 2005 restated from Dutch GAAP into IFRS.

Accounting policies and estimates

The preparation of the financial statements requires the use of estimates and assumptions. It also requires management to exercise its judgement in the process of applying our accounting policies. These estimates and assumptions affect the reported amounts of the assets and liabilities and the amounts of the contingent liabilities disclosed in the notes as at the balance sheet date as well as reported income and expenses for the financial year. Among others, we base our estimates on historical experience. The actual results, however, may differ from these estimates.

Our accounting policies are set out in the notes to the consolidated financial statements for the financial year 2006/2007, which are included in the chapter headed "Index to Financial Information".

Currency denominations

Unless otherwise indicated, all references in this Prospectus to "euro", "EUR" or "€" are to the lawful currency of the European Monetary Union, of which The Netherlands is a member.

5. BACKGROUND TO THE OFFERING

Background

In mid 2005 we commenced the rollout of Project Harmony as the final phase of the Operational Excellence Program that we began in 2003. The Operational Excellence Program is a medium-term strategic program aimed at turning Samas from a group of 12 independent local brands into a coherent, integrated enterprise operating in the European office seating and furnishing market.

Project Harmony

Project Harmony focuses on the harmonisation of the business structure, the finance and controlling model, and business processes within the Group, and is aimed at the optimisation of the overall process chain. The specific improvements in our business targeted by Project Harmony are:

Harmonisation of business processes

At the commencement of Project Harmony the business processes between our national operations, and between our individual operations within national markets, were characterised by a high degree of disparity. An important element of Project Harmony is the harmonisation of business processes throughout all of our operating companies, and the central coordination of these business processes, particularly with regard to our supply chain, purchasing management, and financial and controlling processes, to enable centralised steering and integrated reporting.

Single data structure

In Project Harmony we seek to implement a single data structure. This means that the structure of all data is unified, and all data is stored in one repository that is accessible to all of our operating companies and into which each of those operating companies will store data on products, sales, suppliers and customers. From this single repository all operating companies are able to retrieve all data, modelled on demand as operational data, steering information or management reporting.

Changed business structure model

Project Harmony seeks to change the business structure from a multiple legal entity structure to a business unit and value sector-based structure. This element of Project Harmony is meant to intensify the focus of our management and employees on their core areas of responsibility (for instance, by making a clear distinction between the sales and production business processes), and by establishing a clear responsibility for dedicated centrally-based teams to steer the different business processes at a Group level.

Single IT platform

Our operations depend significantly on information and communications technology, both for the management of our internal production and logistical processes (including supply chain management and inventory control), as well as for the management of our external relationships with customers and third party dealers (including ordering and invoicing mechanisms). As a result, a significant component of Project Harmony is the implementation of a uniform IT architecture for the Group that reflects and enables the changed business structure model, single data structure, and the harmonisation of business processes.

The new IT architecture consists of:

- A single network and server infrastructure, which enables intercompany data exchange and replaces a costly local-for-local infrastructure, and decreases the number of servers required.
- An application landscape built around SAP, CRM and a graphical product configuration tool that replaces a large number of existing applications. These three tools are to a large extent integrated and, for instance, are able to graphically represent our products in all stages of their life-cycle (from product development through engineering and production through to the catalogue, the quotation and the sales order).

- A uniform and standardised workspace infrastructure, which includes a standard desktop for all employees, with peripherals such as printers and telephones, that will replace outdated and de-centrally managed solutions. In addition, a small number of 'productivity tools' have replaced a very large number of existing applications.

Once the introduction of the New IT Platform is completed, all of our main operating companies will use a single set of core software applications that will automate almost all business processes (including booking of inventory, booking of purchasing orders, updating of financial information and generating of invoices). A further characteristic of the new IT solution is that it will allow our sales and back-office employees to configure customer orders graphically (with 3D pictures rather than product codes) and produce 'digital mockups'.

Anticipated benefits of the New IT Platform

The anticipated benefits of the New IT Platform include the following:

Improved information flows resulting in more efficient management

The New IT Platform will provide information on our business to management that is more (i) accurate, (ii) comprehensive and (iii) readily and quickly available than was the case in the past. This will improve management's financial and operational control of our business and allow management, both at Group and regional levels, to make better decisions (including increasing their ability to react more quickly to changing market conditions). The benefits will also be seen throughout our production and sales processes (from greater efficiencies in the ordering of raw materials and component parts, to more accurate costing of products and better service delivery to our customers).

Increased synergies between the Group companies

The New IT Platform will result in increased uniformity and simplification of business processes throughout our Group. The increased uniformity will enable increased synergies between our operating companies. For instance, uniform production processes may allow us to optimize production planning between different facilities, based on the correlation between available capacity and cost, thus keeping production at optimal levels in those facilities, enabling quicker delivery to customers (particularly in relation to large orders that stretch the production capacity of individual facilities) and reducing inventory requirements. Uniform business processes will also allow us to offer our products and services in the same way in all markets, thus strengthening our brand profile, and, for international customers, increasing our flexibility to meet large orders with localised manufacturing and delivery, and therefore improving our competitive position in relation to large international customers.

Cost reductions

The New IT Platform should, once implemented, result in direct cost reduction benefits by decreasing the overall IT expenditure of the Group (as the maintenance of a single, centrally run and maintained IT platform decreases our costs in comparison with the old structure in which we had to maintain several different IT platforms). In addition, we expect the greater efficiencies in our operations resulting from the New IT Platform to reduce our working capital requirements (particularly as a result of our increased ability to meet production demands on an order-based approach as opposed to the maintenance of large inventories).

Implementation of the New IT Platform

Given that it represents our smallest operating region, the New IT Platform was rolled out first in Switzerland (which operated as a pilot project for the larger regions) in the second half of 2005. The phased implementation in Germany began in January 2006. In The Netherlands implementation of the New IT Platform started in July 2006. Implementation in France has been postponed pending resolution of the difficulties described below that we have encountered in The Netherlands.

Difficulties encountered in the introduction of the New IT Platform

Although the New IT Platform is robust and fit for purpose, its introduction has necessitated the implementation of many changes in business processes. As a result, we have had to provide, and must continue to provide, extensive re-training to our employees, which is time-consuming and disruptive to normal business operations.

The transition to the New IT Platform in Switzerland was completed without significant disruptions to normal business operations, at least no more than can be expected with such pilot projects. Nor were significant difficulties encountered in the phased introduction in Germany, which benefited from the lessons learned from the Dutch introduction. Implementation in The Netherlands, however, has led to a number of difficulties and adverse effects, such as disruptions in business processes, which in turn led to an adverse effect on service and delivery in the Dutch organisation. Combined with a higher order intake, these disruptions have put the bottom-line and the working capital under serious pressure. On its implementation in The Netherlands, the New IT Platform did not immediately function at the required speed, resulting in business process disruptions. Our Dutch operations also suffered the negative impact of subsequent complications and difficulties, such as delays and errors in deliveries to customers, disruptions in production, decrease of productivity levels, and higher working capital requirements.

On the basis of a thorough analysis, we have concluded that these difficulties are largely attributable to the method used for training employees in the use of the New IT Platform, unforeseen changes in management during and shortly after implementation in The Netherlands began, operational management not being sufficiently involved in the development and implementation of the New IT Platform, and an underestimation of the impact of the changes to our business. These difficulties have resulted in, amongst other things, customer dissatisfaction, disruptions in customer relationships and delays in customer payments.

For the financial year 2006/2007, the difficulties caused by the introduction of the New IT Platform have had cost implications of at least €7 million. We have also suffered loss of revenues.

Although we believe that we have identified all of the difficulties in the implementation of the New IT Platform and are remedying them, we anticipate that we will incur additional costs and may suffer further revenue losses before the introduction of the New IT Platform is successfully completed throughout the Group.

Remediation measures taken

We have taken measures to remedy the adverse effects of the difficulties encountered in the introduction of the New IT Platform as and when they have come to light and to complete the implementation as expeditiously as possible, including the engagement of third party consultants and the establishment of several internal working groups to analyse the difficulties encountered and to plan and implement risk management and remedial measures. In conjunction with these measures, and in light of the difficulties encountered in The Netherlands, we have delayed the introduction of the New IT Platform in France and certain phases in Germany to enable these risk assessments to be performed, to improve preparations and to ensure that the lessons learned from the difficulties encountered in The Netherlands are implemented.

At this point, the difficulties encountered in the implementation of the new business processes and the New IT Platform in The Netherlands have been fully identified and do not differ in any respect from what was known at the time of the announcement on 5 April 2007. The remediation process is already making steady progress, and we believe that, if the current focus is maintained, the situation in The Netherlands should have returned to normal by the end of the first six months of the financial year 2007/2008.

Current financing arrangements

Our current external credit facilities as at 30 April 2007 amounted to, in aggregate, €100.5 million. This sum comprises the Existing Credit Facility of €68 million, the Bridge Facility of €15 million, a factoring arrangement in France of €16.7 million and a €0.8 million bilateral credit arrangement in Germany.

Existing Credit Facility

The Existing Credit Facility consists of a €68 million revolving credit facility for Samas N.V. and certain of its subsidiaries (the **Subsidiary Borrowers**), which may also be utilised by way of bank guarantees or cash pooling facilities. The facility may be used for working capital purposes, to finance trade receivables, to refinance existing bilateral credit facilities and for cash pooling purposes. The Existing Credit Facility expires on 31 March 2010.

The Existing Credit Facility is secured by (i) cross-guarantees by Samas N.V., the Subsidiary Borrowers and certain other subsidiaries of Samas N.V. (jointly with the Subsidiary Borrowers referred to as the **Subsidiary Obligors**) to the extent legally possible and (ii) security interests on the most important assets of Samas N.V. and the Subsidiary Obligors.

The Existing Credit Facility includes events of default customary for financing transactions of this type, including non-payment, misrepresentation, cross default, insolvency, insolvency proceedings, creditors process, ownership of the Subsidiary Obligors, unlawfulness and material adverse change. In addition, it will also be an event of default if the issue of the Offer Shares does not take place within the time-frame envisaged by this Prospectus or if the gross proceeds of the Offering are less than €35 million.

The Existing Credit Facility includes representations and covenants customary for financing transactions of this type, including negative pledge, restrictions on disposals, restrictions on financial indebtedness, restrictions on loans out, restrictions on investments and acquisitions, no change in type or nature of business and restrictions on payment of other indebtedness.

We are obliged to repay €18.5 million on these facilities in connection with a proposed property sale in 2007, and €4.6 million following the Offering. Until December 2007, EBITDA levels per quarter will be the sole financial covenant; from January 2008, the credit facility will be subject to the following covenants:

- Net debt : EBITDA;
- Solvency ratio;
- Interest coverage (EBITDA / interest); and
- EBITDA on a 12 month rolling base.

The required levels of these covenants will be determined in the third quarter of the year 2007/2008.

Bridge Facility

On 5 April 2007 we entered into the Bridge Facility of €15 million. The terms and conditions of the Bridge Facility are incorporated in the Existing Credit Facility. The security granted under the Existing Credit Facility extends to the Bridge Facility.

6. USE OF PROCEEDS

The proceeds of the issue of the Offer Shares, less expenses, commissions and applicable taxes, if any, are expected to amount to approximately €32.5 million, and will be used to repay the entire amount outstanding under the Bridge Facility, to repay a portion of the Existing Credit Facility and for general corporate and business purposes.

7. DIVIDENDS AND DIVIDEND POLICY

Overview

Dividend distributions may only be paid out of the profit as shown in the separate financial statements adopted by the General Meeting. Dividends may not be paid if the distribution would reduce shareholders' equity below the sum of the paid-up and called part of the issued share capital and any reserves which must be retained according to Dutch law or the Articles of Association.

The Preference Shares, if outstanding, will be paid their dividend, which will be a certain percentage of their nominal value, first. The Executive Board, after approval of the Supervisory Board, then determines the amount that shall be reserved from the profits as disclosed in the adopted annual accounts. From the remaining profits, if any, a dividend may be distributed to the holders of Ordinary Shares in proportion to the number of Ordinary Shares held by each of them. The Executive Board may resolve, after approval of the Supervisory Board, to distribute an interim dividend in accordance with the applicable provisions of Dutch law and the Articles of Association.

Dividends which have not been claimed five years after becoming payable shall be forfeited to Samas.

The General Meeting may only resolve to cancel or distribute a distributable reserve at the proposal of the Executive Board, with the approval of the Supervisory Board.

The Offer Shares, upon issue, will rank equally in all respect with the Ordinary Shares and will be eligible for any dividends which Samas may declare on its Ordinary Shares in the future.

Dividend payments on the Ordinary Shares are subject to withholding tax in The Netherlands. See also "Taxation — Dividend tax".

Historical dividends

In the financial year 2004/2005 we did not pay the statutory dividend of €0.69 in cash per Financing Preference Share and did not pay any dividends on the Ordinary Shares.

In the financial year 2005/2006 we did not pay any dividends on the Ordinary Shares. As a result of the conversion of the Financing Preference Shares into Ordinary Shares on 15 December 2005 no Financing Preference Shares were in issue and no dividends were paid thereon (save for a dividend in kind on the Financing Preference Shares in the form of a 0.8 new Ordinary Share per Financing Preference Share). For the financial year 2006/2007, we will not pay a dividend on the Ordinary Shares.

Dividend policy

The general dividend policy is to pay dividends at levels consistent with maintaining a certain reasonable level of liquidity. It is our intention to distribute approximately 50% of net profit, although this percentage may vary depending on internal financing requirements.

Given the significant net loss incurred in the financial year 2006/2007 and the need for Samas to strengthen its financial position no proposal for payment of dividends was made to the annual general meeting of shareholders held on 7 June 2007. Furthermore, no dividend is expected to be distributed in the near future.

8. CAPITALISATION

The following table sets out the consolidated capitalisation of Samas as at 31 March 2007 in accordance with IFRS.

The table should be read in conjunction with the audited consolidated financial information of Samas; see the chapter headed "Selected Financial Information".

(€ thousand)	***As at 31 March 2007***
Current debt	
Guaranteed	-
Secured	23,913
Unguaranteed / Unsecured	-
Total	**23,913**
Non-Current debt (excluding current portion of long-term debt)	
Guaranteed	-
Secured	59,394
Unguaranteed / unsecured	-
Total	**59,394**
Shareholder's equity	
Share capital	24,899
Legal reserve	6,117
Other reserves	42,193
Total	**73,209**
Cash and cash equivalents	
Restricted cash	-
Cash and cash equivalents	2,791
Total	**2,791**

9. SELECTED FINANCIAL INFORMATION

The following selected financial information of Samas should be read in conjunction with our annual accounts for the financial years 2006/2007, 2005/2006 and 2004/2005.

	Financial Year ended 31 March		
	2006/2007	***2005/2006***	***2004/2005***
Statement of operations (in € thousand)			
Revenues	352,432	355,609	354,099
Cost of auxiliary and raw materials	162,757	164,954	163,460
Gross profit	189,675	190,655	190,639
Operating costs	218,034	191,048	246,677
Operating profit	-28,359	-393	-56,038
Share in profits of associates	150	181	298
Net finance costs	-5,021	-983	-7,250
Profit before income tax	-33,230	-1,194	-62,990
Income tax expenses	2,180	1,994	15,934
Profit for the year	**-31,050**	**800**	**-47,056**
Earnings per share (in €)			
Basic	-1.25	0.04	-3.30
Diluted	-1.22	0.03	-2.43
Selected balance sheet data (in € thousand)			
Cash and cash equivalents	2,791	7,133	8,053
Working capital (excluding cash)	60,414	57,432	63,826
Capital and reserves attributable to the shareholders of the company	73,209	105,133	77,431
Cash Flow Data (in € thousand)			
Net cash flow from operating activities	-11,463	7,181	-12,406
Net cash flow from investing activities	-12,539	-34	-2,565
Net cash flow from financing activities	19,660	-8,067	14,693
Additional information (in € thousand)			
EBITDA	-14,749	14,435	-23,877
Capital expenditures	21,290	17,246	12,427

10. OPERATING AND FINANCIAL REVIEW

The following discussion of our financial condition and results of operations must be read in conjunction with our audited consolidated financial statements for the years ended 31 March 2007, 2006 and 2005 including the notes thereto included in this Prospectus. See "Index to Financial Information". The following discussion contains forward-looking statements, which involve risks and uncertainties. Our actual results may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such differences include, but are not limited to, those discussed in the chapter headed "Risk Factors".

General/introduction

Samas is an international company operating in the European markets for office seating and office furnishing. Headquartered in Houten, The Netherlands, Samas has 21 operating (direct and indirect) subsidiary companies in The Netherlands, Germany, France, Belgium, the United Kingdom, Switzerland and several countries in Eastern Europe. For reporting purposes we divide our business geographically into three reporting regions: the Benelux (which encompasses our operations in The Netherlands, Belgium and the United Kingdom), Germany (which encompasses our operations in Germany, Switzerland and Eastern Europe and France.

Businesses outside The Netherlands account for around 73% of turnover and employ around 81% of personnel. In the financial year 2006/2007, our Benelux/UK Reporting Region generated approximately 27% of aggregate turnover, our German/Swiss/Eastern European Reporting Region 45% of aggregate turnover and our French Reporting Region 28% of aggregate turnover.

Major events

The following major events had a significant effect on our business, financial condition and results of operations for the years ended 31 March 2007, 2006 and 2005.

2004/2005

An agreement with Posh (China/Hong Kong) was reached as a first step in a partnership to optimise outsourcing and to cooperate in international sales.

A start was made on the closure of the production facility in Freiburg, Germany in September 2004, mainly by outsourcing part of the activities to other members of the Group in Eastern Europe and partially to Trebbin in Germany.

Following the start of the Redressement Judiciaire procedure in France in December 2004, all French operating subsidiaries were merged during January / February 2005. The brands of Roneo and Sansen were repositioned and approximately 10 sales offices were closed. The production was rationalised and specialised amongst the 3 local production facilities.

Following the acquisition of a 24% stake in Solutions Tertiares (Arfeo) in France, the Group acquired the brand, customer rights, stocks and a section of the sales organisation of Atal (France), formerly a 100% subsidiary of Arfeo.

During the year a decision was made to rename all Samas sales outlets as Samas Office. As a start all local German sales outlets were merged under that name resulting in substantial benefits by optimising the effectiveness of the sales force, reducing overhead and creating a true chain.

Substantial tax benefits were realised following agreement with the Dutch tax authorities with regard to various long-running matters in the period 1995 - 2001.

The reorganisation of the Baarn and Frankfurt dual head office function was completed with the closure of the Frankfurt office.

2005/2006

In June 2005, the closure of the production facility at Freiburg (Germany) was completed. The majority of production was transferred to MBT in Trebbin, one of the two other production sites for furniture in Germany, and a small portion of production was transferred to Eastern Europe.

The *Redressement Judiciaire* of Samas France was finalised in April 2005. Settlement of all claims from suppliers was reached in July 2005 with substantial one-off benefits.

In November 2005, Samas divested its majority share (51%) in Viasit Bürositzmöbel GmbH. Due to the control of the two minority shareholders of the executive board, despite our majority shareholding in the company, we were unable to exercise any control over Viasit and thus to implement our preferred strategy, which precipitated the decision to sell the interest.

As the first step in the implementation of Project Harmony, the introduction of the New IT Platform began at the Sitag operations in Switzerland in November 2005, followed by the start of the phased implementation in Germany in January 2006.

On 15 December 2005, we converted all of our Financing Preference Shares into Ordinary Shares and successfully issued Ordinary Shares in an amount of €17.6 million.

An international key account organisation was introduced. This team of dedicated sales staff explores and utilises cross boundary business opportunities with large customers thus far not in scope or in reach by the Group. Furthermore, the product development organisation was fully centralised. By focussing more on European and worldwide developments this centralisation has resulted in substantial improvements in development efficiency, in cross selling opportunities and the possibility of economies of scale in purchasing in the future.

During the year the product development organisation was fully centralised. By focussing more on European and worldwide developments this centralisation has resulted in substantial improvements in development efficiency, in cross selling opportunities and economies of scale in purchasing in the future.

The re-branding of all 12 Samas local brands under one new corporate image, emphasising visual coherence and one face to the market took place.

Several real estate assets were sold in an amount of approximately €15.8 million.

2006/2007

The reorganisation of the German sales forces became effective from 1 April 2006. The major change was from brand to a distribution channel-oriented selling.

In May 2006, the new head office in Houten, The Netherlands, was opened along with The Village Office.

In the period from June 2006 to August 2006 the reorganisation of Erco at Valkenswaard, The Netherlands, took place; mainly in the areas production and administration overhead.

On 1 July 2006, the introduction of the New IT Platform began in The Netherlands, followed by the German furniture factories in the period from December 2006 to February 2007.

In December 2006, the closure of the Martin Stoll production facility in Waldshut-Tiengen, Germany, was finalised and the activities were transferred to the other production facilities in Minden, Germany, and to certain other production facilities in Eastern Europe.

The Fluor project to improve the logistics channel in France began.

During the financial year 2006/2007, several real estate assets were sold, realising an amount of approximately €5.9 million.

Major factors affecting results

We believe that the following factors have had and will continue to have a material effect on our results of operations and financial condition.

Cyclicality

Product sales in the office seating and furnishing markets are directly tied to corporate spending, which is sensitive to cyclical movements in economic activity and subject to fluctuations in supply and demand which are outside our control. The office seating and furnishing markets are particularly sensitive to general economic conditions because of the nature of the products (as it is reasonably easy for customers to postpone investment in the replacement of office furnishings and seating pending more favourable economic conditions) and because of the high level of fixed costs associated with the industry. Accordingly, a down-turn in economies in general has a marked effect on demand for our products, which can have a material adverse effect on our business, financial condition and results of operations.

Geographical differences

We operate in 13 countries throughout Europe. There can be significant differences in the economic conditions and growth in different countries or regional sectors, which may impact our overall revenues. In addition, our results are affected by regional and industry economic conditions in Europe. These include the conditions in which our customers operate.

Restructuring and consolidation

We have undertaken significant restructuring and consolidation of our operations in the recent past. Although we do not currently anticipate that any further restructuring and consolidation will be required in the near future, we cannot guarantee that any such initiatives will not be necessary and which may, if necessary, have a material adverse effect on our business and operating results.

Cost of raw materials

We procure raw materials from a significant number of sources in Europe. These raw materials are not rare or unique to our industry. The absolute volatility in steel and other commodity costs, such as energy, have significantly increased in recent years due to changes in global supply and demand. Our gross margins could be affected if these types of costs remain high or escalate further. In the short run, rapid changes in supply costs can be very difficult to offset because of price hold agreements we have entered into with our customers. It is difficult to find effective hedge markets to manage these risks. In the longer run, we may not be successful in passing along a portion of the higher raw materials costs to our customers because of competitive pressures.

Capacity utilisation

Despite our policy of maintaining a flexible cost structure by using temporary employees and out-sourcing production and services as far as is possible, we have experienced fluctuations in demand for our production facilities and permanent staff that sometimes result in under utilisation of our production facilities and permanent staff.

Competition in the office seating and office furnishing industry

The office furniture industry is highly competitive, with a number of competitors offering similar categories of product. We compete on a variety of factors, including: product design and features, brand recognition and reputation, price, lead time, delivery and service, product quality, strength of dealers and other distributors, and relationships with customers.

Some of our competitors may have lower cost structures, making it more difficult for us to compete in certain customer segments. In addition, such competition may prevent us from maintaining or raising the prices of our products in response to rising raw material prices and other inflationary pressures. In addition, competitors from outside Europe also wish to enter or strengthen their positions in the European markets and, as a result, it is possible we could see increased competition from imports in our core markets in the future.

Our results of operations will be impacted by the degree in which we are able to compete successfully against other companies that provide similar products and services and to maintain acceptable margins in the competitive environment in which we operate.

Effect of currency fluctuations

Our financial statements are expressed in Euro and are therefore subject to movements in currency exchange rates on the translation of financial information of businesses whose operational currencies are other than our reporting currency. For instance, we operate in the United Kingdom and Switzerland and accordingly fluctuations in the exchange rates between the euro and the British pound and between the euro and Swiss franc, respectively, could affect our reported results from year to year. In addition, the quotation of commodity prices in US dollars, exposes us to risks in relation to fluctuations in the exchange rates between the euro and the US dollar. Furthermore, as a result of currency fluctuations, the value of the relevant subsidiary or subsidiaries operating in those markets could fluctuate and affect our balance sheet and equity position from year to year. In addition, some of our subsidiaries may incur costs in currencies other than those in which revenues are earned. The relative movements between the exchange rates in the currencies in which costs are incurred and the currencies in which revenues are earned can affect the profits of those subsidiaries.

Risk management and risk control

The Executive Board of Samas is responsible for risk management and the systems to manage and control risks within the organisation. These systems are developed and installed to manage the risks that may prevent us from achieving the company’s objectives. However, the system cannot provide absolute assurance regarding the non-existence of inaccuracies of material significance.

At Samas this responsibility consists of the following:

- systematic evaluation of the strategic risks and control environment of the organisation;
- determination of activities and/or operating sections with the largest operational risk. Priority is and will be given to implement risk management – and control systems as well as specific measures to these activities and/or operating sections;
- evaluation of the effective functioning of the risk management and control systems;
- the management of the main operating units makes comparable evaluations, and reports thereon to the Executive Board. These reports are evaluated using the outcomes of internal and external audits; and
- overall risk management activities are discussed with the audit committee and the Supervisory Board and joint conclusions are drawn on this basis.

On the basis of the activities described above Samas is of the opinion that the systems for internal risk management and control are adequate in terms of organisation and setup. At the same time it should be acknowledged that the roll-out of Project Harmony, specifically the implementation of a New IT Platform in The Netherlands, requires additional efforts to remain in control. During the financial year 2007/2008 Samas will review to what extent the current risk management and control systems require further improvement, given the current status of Project Harmony.

Critical accounting policies

Samas' accounting policies are set out in the notes to the consolidated financial statements for the financial year 2006/2007 (see the chapter headed "Index to Financial Information"). Management believes that the following accounting policies are most relevant to an understanding of the review contained in this chapter.

Recognition of revenue and expenditure

Sales and other operating income are accounted for when the service has been provided or the goods delivered. Operating expenses are recognised in the year to which they relate.

Revenue consists of the fair value for the sale of goods and services, net of value added tax, discounts and rebates in the ordinary course of business, and after eliminating intra-group sales. The revenue from services is recognised in the accounting period in which the services are provided, pro-rata to the total services to be rendered.

Inventories

Goods for resale, auxiliary materials and raw materials are carried at the lower of standard costs, based on the FIFO method, and net realisable value. The market value is the estimated selling price in the course of ordinary business operations, less estimated completion and distribution costs. Semi-manufactured goods, work in progress and finished goods are carried at the lower of standard cost price and market value.

Standard cost includes cost of materials, direct and indirect production costs, depreciation and production overhead costs. Inventories are net of a consistently calculated provision for obsolescence. Any impairment to market value is recognised as an expense in the period in which it occurs. The cost of provisions formed are charged to the income statement as costs of auxiliary and raw materials.

Trade and other receivables

Trade and other receivables are presented initially at fair value. A provision for impairment of trade and other receivables is formed when it is more likely than not that the Group will be unable to collect the amounts receivable. The amount of the provision is equal to the difference between the assets' carrying amount and the present value of future cash flows discounted at the original effective interest rate. Impairment losses are charged to the income statement in other operating expenses.

Deferred tax assets and liabilities

Deferred tax assets or liabilities are recognised to provide for temporary differences between the value of assets and liabilities for tax purposes and their carrying value in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at that time of the transaction affects neither accounting nor taxable profit nor loss.

Deferred tax assets and liabilities in respect of temporary differences are calculated using the tax rates in force at the year end or the tax rates for the coming years insofar as these have been enacted or substantially enacted.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Provisions

Provisions are recognised in respect of legally enforceable or constructive obligations resulting from a past event which is likely to trigger an outflow of funds whose amount can be reliably estimated.

Provisions for restructuring are formed when a detailed formal restructuring plan has been approved and made public to those involved. Restructuring provisions mainly comprise staff costs. The provisions are based on the present value of the expected future outlay.

Pension obligations and other employee benefits

Pension obligations

Group companies operate various pension plans, which are mostly funded through payments to insurance companies or pension funds, as determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans.

A defined benefit plan is a pension plan that defines an amount of pension benefit an employee will receive on retirement and which usually depends on one or more factors such as age, years of service and remuneration.

A defined contribution plan is a pension plan under which the Group pays fixed contributions to a separate legal entity. The Group has no legal or deemed obligations to pay any further contributions if the fund does not have sufficient resources to pay all employees the pension benefits relating to their current and past years of service.

The liability recognised in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan's investment portfolio, together with adjustments to actuarial gains or losses that have not yet been recognised. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined obligation is calculated using corporate bond rates whose currency and term to maturity approximate to those of the pension obligation.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension funds on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the Group has no further payment obligations. The contributions are recognised as staff costs as and when due. Prepaid contributions are recognised as an asset provided they can be set off or are refundable.

In accordance with IFRS, pension liabilities resulting from approved pension plans as well as the related deferred tax credit are recognised in the balance sheet.

Samas in The Netherlands has a defined contribution plan. Samas' pension contributions (inclusive of the early retirement plan) in The Netherlands amount to 18% of the total payroll per annum. Moreover, effective 1 January 2005 Samas has undertaken to contribute an additional €1 million to the pension fund annually for six years.

Share-based compensation

The Group operates a share option plan. The fair value of the options is not accounted for as a loss of revenue, the total amount charged to income during the option period is determined by reference to the fair value of the options granted, excluding the impact of any non-market related conditions (such as profitability and sales growth targets). Non-market related conditions are included in the number of options assumed to become exercisable. At each balance sheet date, the company revises its estimates of the number of options expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, plus a corresponding adjustment to equity over the remaining option period. When the options are exercised, the proceeds received net of any transaction costs directly attributable are added to share capital (at nominal value) and to share premium.

Accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions for the future. The resulting accounting outcomes will, by definition, seldom equal the actual results. Estimates and assumptions involving a significant risk of material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Impairment of assets

Following triggering events, and at least annually, the Group tests whether assets have suffered any impairment. For non cash generating units the direct realisable or fair values have been determined based upon surveyor reports and market quotations. This can lead to impairments if the surveyor reports and/or quotations show materially different values.

The recoverable amounts of cash generation units are determined using value-in-use and other calculations. These require the use of estimates. Based on these tests, impairment losses are deemed to have been reported. Should the actual performance of these cash-generating units be materially worse, however, impairment losses could arise or vary from the reported impairment losses. Such impairment losses or variances could have a material effect on the carrying amounts of the intangible assets.

Provisions

A provision is by nature an estimate and/or a judgement. The actual outcome of these uncertain factors may be materially different from the estimates. Hence, the differences between actual outcomes and the recorded provision can impact on the results for the period concerned. Similar uncertainties apply to the timing of the outflow of funds required to pay for these obligations.

Income tax

The Group is subject to corporate income tax in various jurisdictions. Assumptions play a significant role in determining the total provision for income tax. There are many transactions and calculations whose ultimate tax effect on the ordinary course of business operations is uncertain. The Group recognises liabilities arising from potential tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the initial estimates, such differences will affect the income tax charge in the income statement and the tax liabilities in the period in which these variances occur.

Hedge accounting

The Group does not apply hedge accounting toward financial instruments used. Result on the fair value of financial instruments are mostly recognised in the P&L under the finance costs. In the balance sheet the financial instruments are classified under the other short term receivables or payables as the case may be.

Comparative results of operations

Comparative results of operations for the financial years 2006/2007 and 2005/2006

Net Sales

Per division	***Financial Year ended 31 March***		
(in € million)	***2006***	***2007***	***Year on year change***
Benelux/UK Reporting Region	97.2	95.6	- 2%
German/Swiss/Eastern European Reporting Region	162.0	158.7	- 2%
French Reporting Region	96.4	98.1	2%
Total Group	**355.6**	**352.4**	**- 1%**

In the Benelux/UK Reporting Region, particularly in The Netherlands, sales and market share were impacted by the business disruptions related to the implementation of Project Harmony and decreased by 2%. The relatively small sales organisations in Belgium and the United Kingdom obtained various projects and improved their position. In 2006/2007 the Benelux/UK Reporting Region accounted for 27% of total Group sales.

In line with expectations, in the German/Swiss/Eastern European Reporting Region, sales and market share were under pressure in the first half year due to post reorganisation effects and the sales and closure of production facilities in Germany. This decrease was almost fully compensated in the second half of the year. In 2006/2007 the German/Swiss/Eastern European Reporting Region accounted for 45% of total Group sales.

In the French Reporting Region, through greater focus on profit-contributing turnover, the sales increased by 2% in line with the market. In 2006/2007 the French Reporting Region accounted for 28% of total Group sales.

Cost of sales

	Financial Year ended 31 March		
(in € million)	***2006***	***2007***	***Year on year change***
Cost of sales	165.0	162.8	- 1%
In % of net sales	46%	46%	-

Cost of sales decreased somewhat in 2006/2007 in line with the sales development, but included production inefficiencies in Germany (transfer of production Martin Stoll) and The Netherlands (implementation Project Harmony). The non-recurring impact on cost of sales of Project Harmony in The Netherlands is estimated at €2.5 million.

Gross profit

(in € million)	***Financial Year ended 31 March*** 2006	2007	***Year on year change***
Gross profit	190.7	189.7	-
In % of net sales	54%	54%	-

In chairs and furniture there was no change in the underlying gross margin. In France, a stronger focus on profitable sales resulted in a higher gross profit, which was fully offset by the production inefficiencies in Germany and The Netherlands. Currency exchange rates had no material effect on the gross profit.

Staff costs

(in € million)	***Financial Year ended 31 March*** 2006	2007	***Year on year change***
Staff costs	103.7	109.5	6%
In % of gross profit	54%	58%	4%

The average number of full time permanent employees (**FTEs)** decreased by 40 (2%) to 2,407 FTEs in 2006/2007 largely due to the effect of the running restructuring projects. At the end of the financial year 2006/2007 the total FTEs was 2,447, an increase of 80 (3%), principally attributable to increases in the German/Swiss/Eastern European Reporting Region due to in-house production of metal products in Eastern Europe, additional trainees in Germany and additional support staff in Switzerland for Project Harmony.

Other operating expenses

(in € million)	***Financial Year ended 31 March*** 2006	2007	***Year on year change***
Other operating expenditure	72.5	94.9	31%
In % of gross profit	38%	50%	12%

The non-recurring items included in the other operating expenses related largely to Project Harmony (including temporary staff, consultancy fees and logistic costs), the restructuring projects in Germany and The Netherlands and legal and bank fees of refinancing activities.

Total operating expenses increased by €27 million (14%) to €218 million. Of this increase, at least €10 million was non-recurring of which at least €4.5 million was directly linked to the impact of Project Harmony. Exclusive of these one-off effects, the total normalised operating expenses in the financial year 2006/2007 were €208 million compared to €197 million in 2005/2006. The increase of €11 million was largely due to higher staff costs, accommodation and marketing.

Depreciation and amortisation

(in € million)	***Financial Year ended 31 March*** 2006	2007	***Year on year change***
Depreciation	14.8	13.6	- 8%
In % of gross profit	8%	7%	- 1%

At €13.6 million, depreciation decreased by 8% from the 2005/2006 level of €14.8 million. At 31 March 2007 capitalised Project Harmony expenses amounted to €17.9 million, which will be amortised over a 5 year period after completion.

Impairment of tangible fixed assets

As with the financial year 2005/2006, in the financial year 2006/2007 no impairment of tangible fixed assets was necessary.

Operating profit

(in € million)	*Financial Year ended 31 March* 2006	2007	*Year on year change*
Operating profit	- 0.4	- 28.4	-

The operating loss deteriorated from €0.4 million in 2005/2006 to €28.4 million in 2006/2007. Excluding non-recurring items, the "normalised" operating loss increased from €6.4 million in 2005/2006 to €15.8 million in 2006/2007.

Net finance costs

(in € million)	*Financial Year ended 31 March* 2006	2007	*Year on year change*
Net financing costs	0.8	4.9	513%

Finance costs in 2006/2007 amounted to €4.9 million, an increase of €4.1 million compared to the previous financial year. Exclusive of the reversal of €3.2 million of dividend on cumulative convertible Financing Preference Shares, the 2005/2006 finance costs were €4 million. The normalised increase of the finance cost was the result of greater utilisation of existing credit facilities in the financial year and higher interest rates. The average rate of interest rose from 4.3% in 2005/2006 to 5.4% in 2006/2007.

Profit before income tax

(in € million)	*Financial Year ended 31 March* 2006	2007	*Year on year change*
Profit before income tax	- 1.2	- 33.2	-

The loss before income tax increased from €1.2 million in 2005/2006 to €33.2 million in 2006/2007.

Income tax expenses

(in € million)	*Financial Year ended 31 March* 2006	2007	*Year on year change*
Income tax expenses	- 2.0	- 2.2	10%

The positive income tax of €2.2 million was largely due to a previous year's refund in Germany.

Profit for the year

(in € million)	*Financial Year ended 31 March* 2006	2007	*Year on year change*
Profit for the year	0.8	- 31.1	-

The net loss for the year 2006/2007 amounted to €31.1 million, compared to a net profit of €0.8 million for the 2005/2006 financial year. Net earnings per share accordingly resulted in a negative amount of €1.25.

Comparative results of operations for the financial years 2005/2006 and 2004/2005

Net Sales

Per division (in € million)	*Financial Year ended 31 March* 2005	2006	*Year on year change*
Benelux/UK Reporting Region	87.9	97.2	11%
German/Swiss/Eastern European Reporting Region	166.3	162.0	- 3%
French Reporting Region	99.9	96.4	- 4%
Total Group	**354.1**	**355.6**	**-**

In comparison with the financial year 2004/2005 the net sales in 2005/2006 stabilised at an amount of €355.6 million. The net sales amount increased in the Benelux (11%) and declined in both Germany (3%) and France (4%).

The main reason for the increase in the Benelux was a slight improvement of Samas' market share. The improvement was mainly driven by an increase in government spending, while revenues from the business sector stabilised. The decline in Germany was mainly due to the closure of the Freiburg (Germany) plant and the transfer of production to Trebbin (Germany) and Eastern Europe. Consequently, and as anticipated, dealers were somewhat cautious in placing orders immediately after the transfer, which resulted in a loss of revenues. The French market in 2005/2006 declined slightly, although Samas more or less maintained its market share.

Cost of sales

	Financial Year ended 31 March		
(in € million)	***2005***	***2006***	***Year on year change***
Cost of sales	163.5	165.0	-
In % of net sales	46%	46%	-

Cost of sales (raw and auxiliary materials) increased slightly in 2005/2006 in comparison with the previous year. Positive effects in France were offset by substantial price increases in various raw materials, although raw material cost increases were, to the extent possible, passed on to end-customers. The mix of own production and traded products changed slightly positive during 2005/2006. Generally a higher volume in traded goods adversely affects the development of cost of sales.

Gross profit

	Financial Year ended 31 March		
(in € million)	***2005***	***2006***	***Year on year change***
Gross profit	190.6	190.7	-
In % of net sales	54%	54%	-

With respect to chairs and furnishing sales the underlying change in margin was nil, while there was virtually no currency effect on the gross profit.

Staff costs

	Financial Year ended 31 March		
(in € million)	***2005***	***2006***	***Year on year change***
Staff costs	125.6	103.7	- 17%
In % of gross profit	66%	54%	- 12%

Staff costs include wages, salaries, pension contributions, social security charges and redundancy payments for permanent staff.

The staff costs for 2005/2006 decreased in comparison with 2004/2005 by €21.9 million (17%) to €103.7 million. Normalised (excluding non-recurring items) staff costs decreased by an amount of €11.5 million, (€115.2 million versus €103.7 million). Total FTEs at the end of the financial year 2005/2006 amounted to 2,367, representing 119 FTEs less than at the end of the previous financial year.

By geographical business segment, the net reduction in FTEs amounted to 89 and 36 in Germany and France respectively, whilst there was a net increase of 6 FTEs in The Netherlands. The net reduction of 119 FTEs was largely caused by:

- the closure of the production facility at Freiburg in Germany upon completion of a restructuring project, which resulted in 140 FTEs being made redundant. The effect of the transfer of the production to Trebbin (Germany) was an increase of FTEs by 48. The net reduction was 92 FTEs resulting in annual savings of €3.5 million.
- the specialisation of the 3 French plants, resulting in improvement in productivity and efficiency, and the start of the redesign of the logistic platforms formed the substance of the reduction of FTEs in France.

Other operating expenses

(in € million)	*Financial Year ended 31 March* 2005	2006	*Year on year change*
Other operating expenditure	88.9	72.5	18%
In % of gross profit	47%	38%	- 9%

Other operating expenses of the financial year 2005/2006 reduced by €16.4 million (18%) to €72.5 million. Exclusive of the one off effects, the normalised other operating expenses in the financial year 2005/2006 were €78.5 million (2004/2005 €76.7 million), an increase in comparison with 2004/2005 of €1.8 million (2.3%).

The main one-off effect was the "*redressement judiciaire*" (payment moratorium) affecting all French companies. On 13 July 2005 under the terms of the "redressement judiciaire" a settlement was reached with all claims from suppliers. This resulted in a one-off benefit (reduction) of other operating expenses by approximately €8.6 million.

The main reduction of the "normalised" total operating expenses in 2005/2006 was caused by reaching the cost reduction targets of approximately €20 million by, amongst other things, closure of the Freiburg production facility, centralisation of marketing activities and general cost reductions.

Depreciation and amortisation

(in € million)	*Financial Year ended 31 March* 2005	2006	*Year on year change*
Depreciation	18.3	14.8	- 19%
In % of gross profit	10%	8%	- 2%

At €14.8 million, depreciation before impairment was €3.5 million (19%) lower than in 2004/2005. The change was significantly influenced by extraordinary write-offs in 2004/2005 and closure of the production facility at Freiburg, Germany (which has subsequently been put up for sale).

Impairment of tangible fixed assets

In the financial year 2004/2005 impairment on land & buildings in an amount of €13.8 million was taken with regard to non-core, un-used or to be closed locations. Substance of the impairment resulted from the location Freiburg (Germany) with an approximate amount of €9 million. In the financial year 2005/2006 no impairment of tangible fixed assets was necessary.

Operating profit

(in € million)	*Financial Year ended 31 March* 2005	2006	*Year on year change*
Operating profit	- 56.0	- 0.4	99%

As a result of the foregoing, the operating result improved significantly from €56 million negative to €0.4 million negative. Operating profit before restructuring costs improved from €32 million negative to €6.4 million negative.

Net finance costs

(in € million)	*Financial Year ended 31 March* 2005	2006	*Year on year change*
Net financing costs	7.0	0.8	- 89%

Interest charges were €0.8 million in the year 2005/2006, representing a decrease of 89%. This was largely due to the reversal of €3.2 million of dividend on the Financing Preference Shares under IFRS charged to interest cost in 2004/2005 due to the conversion in December 2005 of the Financing Preference Shares into Ordinary Shares. These charges were credited to the interest charges in the financial year 2005/2006. The costs for the revolving credit facility and the term loan agreed in 2003 are written off over the term of the facility (3 years) at €0.5 million per year. Average interest paid increased from 4.0% in 2004/2005 to 4.3% in 2005/2006.

Profit before income tax

	Financial year ended 31 March		
(in € million)	***2005***	***2006***	***Year on year change***
Profit before income tax	- 63.0	- 1.2	98%

The loss before income tax reduced from €63.0 million in 2004/2005 to €1.2 million in 2005/2006 as a result of the improved operating results and lower finance costs.

Income tax expenses

	Financial Year ended 31 March		
(in € million)	***2005***	***2006***	***Year on year change***
Income tax expenses	- 15.9	- 2.0	- 87%

In 2004/2005, the positive tax amount of €15.9 million was mainly due to agreement reached with the Dutch tax authorities on certain long running matters. The most important on these were the recognition of liquidation loss on the closures of production facilities in the UK (2001), treatment of costs incurred in the issue of cumulative preference shares (1995) and the treatment of a hybrid loan between The Netherlands and Germany (1995-1998).

Profit for the year

	Financial Year ended 31 March		
(in € million)	***2005***	***2006***	***Year on year change***
Profit for the year	- 47.1	0.8	-

The net result improved from a loss of €47.1 million in 2004/2005 to a profit of €0.8 million in 2005/2006. The net profit available to holders of Ordinary Shares was €0.03 per Ordinary Share in 2005/2006. The net profit was as a result of income from corporate taxes and limited loss from operations.

Prospects

Our immediate priority is to strengthen our financial position. For the financial year 2007/2008, our initial priorities are to finalise the implementation of Project Harmony, reap the first benefits of the harmonisation of business processes and boost our sales and service efforts in order to accelerate a return to profitability.

As the years of decline in the European office furnishing markets, also given the economic cycle, seem to be behind us, it is expected that the various markets in which we operate will show a positive growth for the coming years.

At the start of the financial year 2007/2008 we had our new business structure in place, with a reshaped and more effective sales organisation, an enhanced positioning and an upgraded product portfolio better tailored to evolving customer demands. These building blocks, combined with the intended strengthening of our financial position and the expected proceeds of the future sale (and lease back) of real estate, constitute the basis for the further implementation of our strategy.

Although the initial priority is to report a positive result from operations, we aim to achieve an EBITDA-margin of at least 7% in three years time. With respect to financing, the initial scope is to meet the relevant debt service requirements and decrease the indebtedness. Thereafter, the aim is to manage the leverage to a net debt / EBITDA ratio of 2.

The pace at which we are able to return to profitability will depend to a large extent on market conditions and our related sales performance.

Liquidity and Capital Resources

(in € million)	*Financial Year ended 31 March* 2005	2006	2007
Cash Flow from operations before operating working capital	- 14.9	11.9	-17.5
Movement in working capital and other current assets and liabilities	2.5	- 4.7	6.0
Net Operating Cash Flow	**- 12.4**	**7.2**	**- 11.5**
Net cash flow from investing activities	- 2.6	-	- 12.5
Net cash flow from financing activities	14.7	- 8.1	19.7
Net increase / decrease in cash and cash equivalents	**- 0.3**	**- 0.9**	**- 4.3**
Cash and cash equivalents at end of period	8.0	7.1	2.8

Financial year 2006/2007 against financial year 2005/2006

The 2006/2007 net cash flow before financing was € 24 million negative due to a net operating cash outflow of €11.5 million and an outflow from investing activities of €12.5 million. The net operating cash flow was the balance of a negative earnings before interest, tax, depreciation and amortisation (**EBITDA**) of €14.7 million, partly compensated by a positive net cash flow of €3.2 million from a balance of payments under pension obligations and restructuring, taxes, working capital movement and other current assets and liabilities.

The provisions for reorganisation in Germany and The Netherlands have been used partly in 2006/2007. At the end of the financial year the restructuring provision amounted to € 2.1 million.

In 2006/2007 the most significant capital expenditure was the development of new products at €2.4 million and the implementation of Project Harmony at €7.2 million. The capital expenditure of machinery, equipment, etc. at €11.3 million was more or less in line with the annual depreciation.

Financial year 2005/2006 against financial year 2004/2005

In comparison with the previous year the 2005/2006 Net Operating Cash Flow improved by €19.6 million. The 2005/2006 cash inflow of €7.2 million was generated by the positive EBITDA of €14.4 million, a tax inflow of €6.8 million and a positive working capital movement of €6.4 million offset by cash outflows under pension obligations and restructuring costs of €9.3 million and other movements in short term receivables and payables of €11.1 million.

The cash outflow from the investing activities (mainly in machinery and equipment and Project Harmony) in the financial year 2005/2006 of €17.2 million was offset by inflow of several real estate disposals of €15.8 million (amongst others Maiden Lane in the United Kingdom and Houten in The Netherlands) and the disposal of the participation in Viasit of €1.4 million, resulting in a neutral net cash flow from investing activities.

Working capital

(in € million)	*Financial Year ended 31 March* 2005	2006	2007
Inventories	34.2	31.7	37.8
Trade receivables	62.6	55.4	71.1
Trade payables	33.0	29.7	48.5
Working capital	**63.8**	**57.4**	**60.4**

Financial year 2006/2007 against financial year 2005/2006

In the last few months of the financial year 2006/2007, the working capital position came under pressure due to the difficulties with the implementation of Project Harmony in The Netherlands. The consequences notably included approximately €10 million higher than normal balance sheet positions in inventories and receivables at year-end.

The stock turn came down from 5.4 in 2005/2006 to 4.8 in 2006/2007. On average trade receivables were outstanding to 56 days which deteriorated with 11 days in comparison with the previous financial year. In France and Germany, both these ratios improved slightly.

Financial year 2005/2006 against financial year 2004/2005

Working capital declined in the financial year 2005/2006 from prior year levels. Current assets were down by €10.1 million mainly as a result of received tax payments, while current liabilities decreased by €4.8 million mainly as a result of redundancy payments. The stock turnover improved from 5.0 in 2004/2005 to 5.4 in 2005/2006. The average number of days of trade debtors outstanding decreased by 5 days in comparison with the previous financial year to 45 days. This was mainly due to a decrease in France as a result of the "*redressement judiciaire*". This ratio also improved in Germany and the Benelux following improved credit management procedures.

Borrowings

	Financial Year ended 31 March		
(in € million)	***2005***	***2006***	***2007***
Drawings under Factoring Arrangement	-	-	17.7
Drawings on syndicates credit facility	38.4	16.0	41.7
Subordinated debt	14.2	-	-
Other non-current borrowings	-	0.8	-
Total non-current borrowings	**52.6**	**16.8**	**59.4**
Drawings under Factoring Arrangement	-	16.8	-
Drawings on syndicates credit facility	36.8	23.1	23.1
Other current borrowings	-	0.9	0.8
Total current borrowings	**36.8**	**40.8**	**23.9**
Total borrowings	**89.4**	**57.6**	**83.3**

Repayment obligations within 12 months are included under current liabilities

Financial year 2006/2007 against financial year 2005/2006

Total amount of current and non-current borrowings rose by 45% from €57.6 million in 2005/2006 to €83.3 million in 2006/2007. The average finance costs of these loans rose to 5.4% compared to 4.3% in 2005/2006.

During 2006/2007 various adjustments were made to the Existing Credit Facility, resulting in a facility amount of €68 million on 31 March 2007 with a term ending 30 September 2008.

On 11 May 2007 the terms and conditions of the Existing Credit Facility were altered to reflect the business developments and current financing needs. See also "Background to the Offering – Current Financing Arrangements – Existing Credit Facility".

Financial year 2005/2006 against financial year 2004/2005

The borrowings include bank loans with an average interest rate of 4.3% in 2005/2006. All loans are denominated in Euros.

During the financial year 2005/2006 the committed Existing Credit Facility was decreased to €50 million with a term ending 31 March 2007. These facilities are secured partially on the fixed assets (€96.3 million) and partially on the receivables portfolio (€25.6 million).

Net debt decreased from €67.1 million (exclusive of subordinated debt) in 2004/2005 to €50.5 million in 2005/2006. This reduction was funded by the net proceeds of the issue of Ordinary Shares in December 2005 in an amount of €17.6 million. The subordinated debt, comprising of the Financing Preference Shares and dividends arrears in respect of the Financing Preference Shares, of €14.2 million was converted into ordinary share capital on 15 December 2005 following the conversion of the Financing Preference Shares into Ordinary Shares.

Working capital statement

In our opinion our working capital is sufficient for present requirements, i.e. for a period of 12 months from the date of this Prospectus.

Contingent liabilities

The following rights and liabilities were not included in the audited balance sheet for the years ended 31 March 2007, 2006 and 2005:

	Financial Year ended 31 March		
(in € million)	***2005***	***2006***	***2007***
Guarantees and security deposits in ordinary course of business	2.3	2.2	2.4

Financial liabilities

	Financial Year ended 31 March		
(in € million)	***2005***	***2006***	***2007***
Rental obligations (mainly related to office buildings)			
Up to 1 year	1.1	1.9	4.7
1 to 5 years	4.6	7.3	7.6
More than 5 years	1.5	1.6	3.2
Future minimum lease payments (mainly related to vehicles and hardware)			
Up to 1 year	0.9	0.9	4.7
1 to 5 years	3.5	3.5	7.6
More than 5 years	-	-	-
Total	**11.6**	**15.2**	**27.8**

11. BUSINESS AND INDUSTRY OVERVIEW

Overview

Samas is an international company operating in the European markets for office seating and office furnishing. In the financial year 2006/2007 we posted annual turnover of approximately €352 million and employed approximately 2,400 employees on a full-time basis. Samas is headquartered in Houten, The Netherlands and has 21 operating (direct and indirect) subsidiary companies throughout Europe, including The Netherlands, Belgium, Germany, France, the United Kingdom, Switzerland and several countries in Eastern Europe. Altogether we believe this gives us a leading position in Europe. Businesses outside The Netherlands account for approximately 73% of turnover and employ approximately 81% of personnel.

We manufacture office seating and a wide variety of office furnishings under 12 brands. With these strong local brands our businesses have leading market positions in the markets in which they operate.

For reporting purposes we divide our business geographically into three reporting regions: the Benelux (which encompasses our operations in The Netherlands, Belgium and the United Kingdom), Germany (which encompasses our operations in Germany, Switzerland and Eastern Europe and France. In the financial year 2006/2007, our Benelux/UK Reporting Region generated approximately 27% of aggregate turnover, our German/Swiss/Eastern European Reporting Region 45% of aggregate turnover and our French reporting Region 28% of aggregate turnover.

History

The roots of Samas N.V. go back to a stationery store in the Dutch town of Zaandijk in 1923, when Aspa was incorporated. Aspa was converted into a public limited liability company in 1932 and has subsequently been renamed several times, culminating in the change of name to "Samas N.V." with effect from 1 September 2006. Over the years our activities have gradually expanded from The Netherlands into other European countries through the incorporation of new subsidiaries and by acquisitions. Significant acquisitions and divestments have included:

- the acquisition of Sansen SA in 1987 in France;
- the acquisition of Roneo SA in 1990 in France;
- the acquisition of Vickers Roneo Ltd in 1990 in the United Kingdom. It was subsequently renamed "Samas Roneo"; the company was wound up in 2006;
- the incorporation of Aspa Buro N.V. (subsequently renamed "Samas België N.V.") in 1992;
- the acquisition of Wagemans Maastricht B.V. (trading as "Artifort") in 1994 in The Netherlands; Artifort was sold in 1998;
- in Germany, the acquisition of the Schaerf Group (including Schärf, Fortschritt, Drabert, Sitag, Erco, Falco, Märkische Buromöbelwerke Trebbin, PanBrasilia, Schaerf-ROVI and Spiral) in 1994, along with a majority interest in Viasit Bürositzmöbel GmbH. The PanBrasilia operations were closed in 2003; Spiral was wound-up in 2003; we sold our minority interest in Viasit Bürositzmöbel GmbH in 2005;
- in 2001 we sold our office supplies and stationery division to Buhrmann (now called "Corporate Express");
- the incorporation of Samas UK Limited in 2005.

Subsequent to the sale of our office supplies and stationery division to Buhrmann in 2001, we have focussed exclusively on office seating and office furnishings. We now have 21 operating (direct and indirect) subsidiary companies throughout Europe, including The Netherlands, Germany, France, Belgium, the United Kingdom, Switzerland and several countries in Eastern Europe.

The office seating and furnishing markets

The European market

While market conditions in the first half of the financial year 2006/2007, particularly in the German market, remained poor, market conditions in the second half of the year improved across Europe. On balance, the office seating and furnishing markets showed limited growth for the full financial year. In the markets in which we operate, 2006/2007 saw growth in the

Benelux and United Kingdom, as did the German, Swiss and Eastern European markets, whilst the French market recovered slightly from the decreases of previous years.

The general downturn in the European economy in the recent past has had a direct impact on office seating and furnishing product sales, which are sensitive to cyclical movements in economic activity. The office seating and furnishing markets are particularly sensitive to movements in economic activity given the nature of the products as customers tend to postpone investment in the replacement of office seating and furnishing pending more favourable economic conditions.

Customers in the office seating and furnishing markets are also spending less per employee due to developments in office workspace technologies. For instance, the increased use of wireless communication in the office environment and the possibilities virtual office technologies offer for employment flexibility (resulting in, for instance, an increase in the number of employees that work from home) are fostering a drive towards optimisation of the office workspace and could result in a decrease in customer spend per employee.

The reduced customer spending referred to above has been partially offset by significant changes in the concept of workspace design and office furnishing, and the business priority that customers are increasingly attaching thereto. The perception of the office as a collection of desks and chairs in separate rooms or cubicles is fast becoming a thing of the past. Our customers are becoming increasingly sensitive to the productivity benefits that can be achieved with efficient design of their offices. For instance, design elements can significantly enhance communication between employees by shifting to open-plan workspaces that allow employees to communicate on an ad hoc basis, as opposed to the scheduled or meeting-based communication that was a by-product of the traditionally cellular office environment. In addition, there is growing recognition of the importance of the office as a social and cultural environment and the productivity benefits that can be generated from increased health and comfort of employees. This recognition of possible productivity benefits has elevated workspace design and office furnishing to a business priority for management, rather than merely a function of aesthetics as was previously the case. As a result, customer demand has increased for consulting and design-related services, a greater variety of options in relation to meeting and conference facilities, reception areas, relaxation and lounge areas, and a demand for flexible solutions to the relevant customer's specific requirements. For participants in office seating and furnishing markets, this means that product development and innovation is becoming increasingly important.

Competition in the European market and market share

As a result of the adverse market conditions referred to above, the European office seating and furnishing markets have seen relatively little growth in the recent past and are marked by a high level of over-capacity. Competition in these markets is characterised by a high degree of fragmentation, comprising only a small number of large competitors with a European presence amongst others Ahrend, Steelcase, K&N, Gispen, Haworth and a large number of smaller competitors focussing on local European markets and competitors with a small product range that focus on niche products. In addition, there are few competitors within national European markets that have a clear advantage in market share.

Driven by our focus on remedying the difficulties encountered with the implementation of Project Harmony and the introduction of the New IT Platform, market share was under pressure in The Netherlands. The relatively small sales organisations in Belgium and the United Kingdom obtained various projects and improved their position. In line with expectations, in the German/Swiss/Eastern European Reporting Region sales and market share were under pressure in the first half of 2006/2007 due to the post reorganisation effects and the sales and closure of production facilities in Germany. This decrease was almost fully compensated for in the second half of the year. In France the market share developed in line with the market.

Competitive strengths

- Few of our competitors in the office seating and furnishing markets in which we operate can match our scale of operations. We operate in 13 countries throughout Europe, including a significant number of national sales offices, national production facilities and national product development and design teams.
- Our European footprint gives us the ability to enter into central contracts with the increasing number of large multinationals that tender internationally. We have few competitors that can tender for these contracts as most of our competitors in Europe participate only in national markets and depend on third parties to provide services outside of their local markets.

- A significant number of our competitors in national markets operate in only either, but not both, of the office seating and furnishing markets. We have a competitive advantage over these competitors as we have an extensive portfolio of office seating and furnishing products, which are highly complementary and which enables us to offer a one-stop solution to their office furnishing needs.
- Of the few competitors that we believe are able to tender for multinational business in Europe, only Samas is based in and focussed on Europe, and only Samas has a network of national sales offices and production facilities that allow it to deliver locally using primarily its own resources. This structural advantage is particularly important in the office seating and furnishing markets where cultures, languages, design preferences and design aesthetics differ markedly between national markets and play an important role in understanding and meeting customer demand.
- Our national operations give us a competitive advantage in terms of product development and innovation. We are able to respond to trends in customer demands in national markets and to react quickly and accurately to those demands in relation to the development of both new products and the improvement of existing products. This is particularly relevant in light of the changing perception and role of the work environment discussed above, which we believe will increase customer demand for flexible and innovative solutions to their requirements (and which we believe will increasingly require additional consulting, design and other after-sales and auxiliary services). Our scale of operations also allows us to implement successful product developments and innovations in several markets.
- We have an extensive product portfolio in both office seating and office furnishing that caters for a broad range of customer tastes and requirements. This gives us a competitive edge, particularly over smaller national competitors with less extensive product portfolios, as we are able to offer a greater number and variety of office seating and furnishing solutions to meet customer demands.
- The new business processes that will be in place once the implementation of Project Harmony (including the introduction of the New IT Platform) is completed will (i) increase the accuracy and availability of information flows to management, (ii) provide for increased opportunities for intra-group synergies (including cross-selling and cross-production opportunities) and (iii) decrease working capital requirements and costs of production, each of which will result in increased efficiencies within our business and give us an advantage over our competitors. In addition, the New IT Platform and other harmonised business processes will afford us a competitive advantage in terms of the flexibility of our operations (which may in turn enable us to integrate acquisitions and implement partnerships and alliances more quickly and more efficiently than our competitors, thereby enabling us to increase our market share).

Strategy and objectives

General

Samas seeks to become the leading high quality partner for customers and suppliers within the European office seating and furnishing markets, both in terms of scale and of performance. Our two core activities of office seating and furniture are highly complementary.

The key medium term strategic objectives, which are currently being implemented, are the following:

Consolidation of market position

Given the fragmented nature of the European market, we aim to consolidate our market position within the markets in which we currently operate; we have not undertaken significant initiatives to expand into new markets. An example of this consolidation strategy is the development of a new corporate identity for all of Samas brands by the introduction of Samas style element, which creates a visual unity without derogating from individual brand recognition. See also "Products and brands" below.

Product development and innovation

Through product development and innovation much focus has been put into the introduction of new, innovative and challenging office concepts and products, both within the Group and in partnership with other parties. Product development and design focuses not only on new products, but also on the enhancing of existing products. See also "Product development and innovation" below.

Consolidation of operating companies and business processes

In the past our operating companies functioned fairly autonomously with no uniformity in business processes. As a result, there were little or no synergies between operations in different countries and, in some instances, between operating companies in the same national market. In addition, business process disparities mitigated against efficient centralised management.

Through the restructuring of operations (including the closure of several production facilities) and the business process improvements targeted by Project Harmony, we seek to consolidate operations and to create opportunities for intra-group synergies, including opportunities for cross-production and cross-sales, both in terms of cross-border initiatives and within national operations.

Unification of information technology systems

An integral part of Project Harmony is the introduction of a New IT Platform across the Group. Under the New IT Platform each of our operating companies will use the same IT platform. See also "Background to the Offering".

Expansion of auxiliary services

Although auxiliary services currently constitute only a small portion of our operations (generating approximately €3 million in aggregate consolidated revenues in 2006/2007), we will seek to expand these services in the future. See also "Auxiliary services" below.

Samas Dealers and Samas Partners

In all markets a lot of effort is being put into the long term symbiosis between us and our dealers and other partners through the 'preferred partnership' concepts of Samas Dealers and Samas Partners. See also "Sales, marketing, assembly and delivery– Samas Dealer and Samas Partner initiatives" below.

Products and brands

Our two core activities are the manufacturing and sale of office seating and office furniture. Our products are marketed under a variety of different brands: Samas Office, Erco Interieurbouw, Drabert by Samas (which is marketed to the mid to higher segment of the office seating market with traditional, classical features), Sitag by Samas (which focuses on the market for modern and contemporary office seating), Fortschritt by Samas (which is aimed at the exclusive segment of wooden office furniture including those with a high quality veneer finish), Schärf by Samas (which is aimed at the wide-ranging medium-sized segment for wooden furniture), Märkische Buromöbelwerke by Samas (which is aimed at the lower to mid-priced segment of the wooden office furnishing market), Roneo by Samas (which is aimed at the low to mid-market segment in France), Sansen by Samas (which is aimed at the mid to high-market segment in France), Falco by Samas (which is aimed at the mid-priced market segment in Hungary), Assenburg by Samas (which is aimed at the mid to high-priced market segments in The Netherlands) and Martin Stoll (which is aimed at the exclusive, high-quality market throughout our European operations).

The market for office seating is an international market in which the characteristics of the products play a more important role than the brands. Conversely, the differentiation between the office furnishing markets in different countries is evident in the types of furniture, price, quality, functionality and style that appeal to those markets. As a result, several of the individual office furnishing brands are marketed predominantly in local markets, whilst others are marketed only in a small number of countries. For instance, whereas Fortschritt, Schärf and Märkische Buromöbelwerke are supplied predominantly to the German market, and Roneo and Sansen are supplied predominantly to the French market, chairs in the Sitag product-line are marketed across Europe, as is the Martin Stoll product-line.

The most significant recent development in relation to our brands is the unification of our corporate identity with the introduction of a Samas-style element in the various national brands. The Samas-style element was introduced into established brands to create "one-face" to the market without derogating from the established national brands. In this way, we aim to increase cross-selling opportunities by the introduction of brands into other markets in which we operate and to benefit from a reduction in brand-maintenance costs.

Auxiliary services

In addition to office seating and furnishing, we also offer a variety of auxiliary services. These services include, amongst others: providing consultancy services to customers to assist them in the planned design of their office environment (including the incorporation of the latest technological advances and pro-efficiency design elements), the provision of transitional services (for instance, the facilitation of furniture rental to clients on an interim basis pending delivery of their new Samas furniture) and on-going post-sales services (for instance, facilitating office cleaning services).

Although auxiliary services currently constitute only a small portion of our operations (generating approximately €3 million in consolidated revenues in 2006/2007), we will seek to expand these services in the future.

Product development and innovation

Market drivers

Product development and innovation are an integral part of our strategy. The market elements driving our focus on product development and innovation are:

The changing concept of the office environment

As mentioned above there have been significant recent changes in the concept of workspace design and office furnishing and an increased recognition of the productivity benefits that can be achieved with efficient office design; see "The European market" above. As a result, customer demand has increased for a greater variety of options in relation to meeting and conference facilities, reception areas, relaxation and lounge areas, greater attention to the health and ergonomics of office furniture and seating, and a demand for flexible solutions to meet their specific requirements. All of these factors have increased the importance of product development and innovation.

Individualisation

Customers desire distinctive design elements to reflect their corporate identities, cultures and profiles, with the consequence that office furnishing design is becoming increasingly tailor-made to customer preferences.

Health factors

Ergonomics plays an ever increasing role in the design of office seating. Not only seating comfort, but also seating posture and the possibility to adjust seating to each individual employee, are having a marked effect on customer design requirements. In addition, the importance of the office as a social and cultural environment in which the health and comfort of employees, and the productivity benefits these can generate, is receiving increasing recognition.

Information and telecommunication technologies

There is an increasing demand for developments in information and telecommunication technologies (for instance, wireless communication technologies and virtual office technologies) to be integrated into innovative designs for office furnishing. Together with the volume of these technological developments, this means that scale of operations to research and develop products will become increasingly important to meet market demands.

Samas product development and innovation

We recognise the sharp distinctions in design requirements between the various markets in which we operate. These are characterised by market preferences in type of office furniture, price, quality, functionality and style. For this reason, we maintain a close proximity to our local markets and the process of development and innovation begins with frequent market research in our local markets (both amongst dealers and end-users). This is carried out or coordinated by dedicated locally-based research and design teams for each of our brands.

The role of the product development and design manager is to steer the locally based design teams in consultation with the Executive Board. In addition, local design teams sometimes make proposals to the product development and design manager with regard to new design initiatives, which the product development and design manager evaluates and, if warranted, puts before the Executive Board. Our current budget for product development and design across the Group stands at over €3 million per annum.

A recent example of a successful design initiative is the Drabert Flexxback Chair, which will be introduced into the market in 2007/2008 and which incorporates a revolutionary weight-shifting mechanism that enhances the ergonomic qualities of the chair.

Partnerships in product development and innovation

In addition to in-house development and innovation, we sometimes participate in design initiatives in partnership with third parties. A good example of the latter is the design of the Sitag World Chair in 2007, which incorporates unique design elements that give it greater versatility and make it suitable to a broad range of markets (both in terms of design and in terms of the sourcing of raw materials). The design of the Sitag World Chair was initiated by Samas and has been licensed to third parties. The chair will be marketed by each of these parties in their home markets, with Samas having an exclusive right to market the chair in Europe.

Product manufacturing

In aggregate, we operate 13 production facilities in Europe. The principal raw materials used in the manufacture of our products are metal (including chrome, aluminium and steel), wood and synthetic substitutes, and textiles.

Our production facilities may be broadly differentiated between those facilities that produce steel-based products, those that produce wood-based products and those that produce office seating products. Whereas those facilities that manufacture metal products are largely industrialised, those that manufacture wood-based products are more employee and skills intensive 'job shops'. These different characteristics mean that very different manufacturing processes are employed, which was a primary reason for various recent restructuring initiatives in the recent past (notably the closure of three production facilities in Germany).

Supply of raw materials and component parts

The supply chains in relation to raw materials and component parts are historically decentralised, with our national operations meeting their purchasing requirements locally with many single source local suppliers. Due to the fairly small volume per order in respect of a significant number of component parts, we are dependent in many of our operations on single source suppliers. However, we have some large supply contracts, notably in respect of steel.

In 2005 we appointed purchasing managers for our operations in The Netherlands, Germany, France and Switzerland. These purchasing managers report to a centrally-based purchasing manager who coordinates purchasing of raw materials and components at a Group level. By virtue of this structure we are able to manage our use of national and strategic suppliers, along with global supplier markets (including the Far East), as optimally as possible.

By ensuring that there is regular communication between our purchasing managers (by, for instance, regular meetings at an international level), we ensure that our suppliers are treated equally (although we do have a separate policy for suppliers with whom we have close, and often long-term, relationships). Once implemented, the New IT Platform should enable us to benefit from increased efficiencies and cross-border supply synergies in our purchasing and supply chains.

Production facilities

Benelux/UK Reporting Region

We operate two production facilities in The Netherlands: an all-purpose factory that manufactures products in all of our Dutch product-lines (including the manufacture of all metal components and assembly into finished products, but excluding table-tops, which are purchased from third party suppliers), and the Erco Interieurbouw production facility (which manufactures only wood products). We do not have production facilities in the United Kingdom or Belgium, in which we operate only sales offices.

German/Swiss/Eastern European Reporting Region

Subsequent to the completion of restructuring initiatives in the German/Swiss/Eastern European Reporting Region, we now have three specialised production facilities and one multi-purpose production facility. These comprise: a chair factory in Minden (which manufactures the Drabert and Martin Stoll product-lines); a large all-purpose production facility in Trebbin (manufacturing products in the Fortschritt and MBT product-lines, both of which are predominantly wood-based); a production facility in Worms (manufacturing products in the Schärf product-line - which is also a wood-based brand, and including the manufacture of wood veneer tabletops for our other German production facilities) and a multi-purpose chair and furniture factory in Sennwald, Switzerland (manufacturing products in the Sitag product-line). In addition, we hold a majority equity-stake in Metallbau Nick, which operates a metal components manufacturing facility in Lampertheim, together with a majority equity stake in several smaller manufacturing and assembly facilities in Eastern Europe.

French Reporting Region

We currently have three specialised production facilities in France, comprising a production facility in Noyon (which manufactures and assembles metal products and workstations), a production facility in Guise (which manufactures metal cupboards), and a tabletop production facility in Bressuire.

Customer profile

A distinction can be drawn between one-off projects for customers that require services for a single office, or a relatively small number of offices and large national and multinational customers that are increasingly tendering for services on an international level.

With regard to large international customers, we are increasingly entering into master services contracts that typically govern pricing arrangements and other general conditions of sale and purchase over extended periods (usually 3 to 4 years). Within the framework of these master services agreements, local branches of our large customers consider their specific needs (including specific product requirements and delivery lead times) and make independent orders to our local operating subsidiaries. This arrangement allows our local operating companies to produce and deliver locally on an order basis and to provide sales, consulting and other auxiliary services that are tailored to the specific requirements of the customer's local branch.

Sales, marketing, assembly and delivery

Sales offices and third party dealers

We have sales offices in each of the countries in which we operate. At a Group level, approximately two thirds of our consolidated revenues are achieved through direct sales to end-users, and approximately one-third via third party dealers. By geographic region, approximately 80% of revenues are generated through direct sales in both the Benelux and French Reporting regions; in contrast we are substantially reliant on third party dealers in Germany, where revenues are evenly split between direct sales to end-users and indirect sales via third party dealers.

Samas Dealer and Samas Partner initiatives

We have recently implemented the Samas Dealer and Samas Partner initiatives. These sales initiatives are intended to build our relationship with third party dealers (and certain other third parties), and to strengthen our dealer networks. We typically select our Samas Partners and Samas Dealers on the basis of the size of the local market they service, their financial stability and whether or not we have a local Samas office or a complementary customer base.

Marketing

We market our products through our network of nationally based sales offices, showrooms and third party dealers, and we tender for multinational contracts primarily through our head-office in Houten, The Netherlands. Currently our sales offices have approximately 35 showrooms.

The opening of The Village Office in Houten, The Netherlands in May 2006 represents the most significant recent development in our marketing strategy. This European showroom provides a very wide-ranging view of the many contemporary and innovative options that we can offer, not just in the area of office furniture and seating but also in the area of total concepts for modern office furnishing. Since its opening The Village Office has had approximately 9,000 visitors. Although only currently in place in The Netherlands, the success of The Village Office has prompted plans to open similar facilities in our major markets in Germany and France.

In addition to national showrooms located at our sales offices and The Village Office, we market our products by participating in international and national design exhibitions for office seating and furnishings. Amongst other, in 2006/2007 we exhibited at the Orgatec exhibition in Köln, Germany.

Assembly and transport

We assemble our chairs at our production facilities. We assemble our office furniture products both at our production facilities or on-site at the relevant customer's premises, depending on the nature of the product, the requirements of the project and the customer's requirements, efficiency of available third party assemblers and installers, and cost considerations.

With the exception of the Sitag operations in Germany and Switzerland, we do not maintain our own cost-intensive transport and logistics infrastructure, and outsource our transport and logistics requirements to third parties. However, we maintain close working relationships with our third party transport and logistics suppliers and, in many cases, our third party transport suppliers have dedicated employees at our production facilities or, at a minimum, are in direct and constant contact with our production facilities by electronic links.

Litigation

We not currently party to any significant governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which we are aware) which during the 12 months preceding the date of this Prospectus have had, or which may have, significant effects on our business, financial condition or results of operations.

12. EXECUTIVE BOARD, SUPERVISORY BOARD AND EMPLOYEES

General

Set out below is a summary of certain relevant information concerning the Executive Board, the Supervisory Board and our employees, as well as a brief summary of certain significant provisions of Dutch corporate law in force on the date of this Prospectus and of the Articles of Association related to the Executive Board and Supervisory Board.

Management Structure

We have a two-tier board structure with a separate Supervisory Board (*raad van commissarissen*) and Executive Board (*hoofddirectie*). The Executive Board is responsible for the management of the company and the Supervisory Board monitors and advises the Executive Board.

Executive Board

Powers, composition and function

The Executive Board is responsible for the day-to-day management of our operations under the supervision of the Supervisory Board. The Executive Board is required to keep the Supervisory Board informed, consult with the Supervisory Board on important matters and submit certain important decisions to the Supervisory Board for its approval. See "Supervisory Board".

The Executive Board may perform all acts necessary or useful for achieving our corporate purpose, save for those acts that are prohibited by law or by the Articles of Association. The Executive Board as a whole is authorised to represent us, as is each member of the Executive Board acting individually. The Executive Board may grant a power of attorney to one or more persons, whether or not employed us.

A member of the Executive Board must immediately report any conflict of interest or potential conflict of interest that may be of material significance to us and/or to him, to the chairman of the Supervisory Board and to the other members of the Executive Board. Such member must provide all relevant information. The chairman of the Supervisory Board will decide whether there is a conflict of interest. A member of the Executive Board may not take part in any discussion or decision-making that involves a subject or transaction in relation to which he has a conflict of interest. Where a member of the Executive Board has a conflict of interest with us, we shall further be represented by other members of the Executive Board or by a member of the Supervisory Board, unless the General Meeting designates another person for that purpose.

Meetings and decision-making

All resolutions of the Executive Board taken in a meeting shall be adopted by a simple majority of votes. If less than half of the members of the Executive Board are present at a given meeting, no resolutions may be adopted. In a tied vote, the chairman shall have the casting vote. The Executive Board can also pass resolutions outside of a meeting if all of its members approved the proposal. The Supervisory Board has adopted rules which contain additional requirements for the decision-making process of the Executive Board and details on the assignment of duties.

The Articles of Association require decisions of the Executive Board to be approved by the Supervisory Board for the following matters:

- the issue, disposal or acquisition of Ordinary Shares or debt instruments, or of debt instruments issued by a limited or general partnership of which we are a fully liable partner;
- the co-operation in the issue of registered depositary receipts for Ordinary Shares;
- the application to or withdrawal from listing on any stock exchange of any Ordinary Shares, registered depositary receipts for Ordinary Shares or debt instruments, or of debt instruments issued by a limited or general partnership of which we are a fully liable partner;

- the entry into or termination of a partnership, joint venture or other long-term contractual arrangement involving us or a dependent company (*afhankelijke maatschappij*) with another legal entity or as a fully liable partner in a limited or general partnership, if such cooperation or termination is material to our operations;
- the participation by us or a subsidiary of ours in the capital of another company valued at 25% or more of our issued share capital plus reserves, according to our most recently adopted consolidated annual balance sheet, as well as a significant increase in or reduction of such participating interests;
- the entry into any investments involving an amount equal to 25% or more of our issued share capital plus reserves, according to our most recently adopted consolidated annual balance sheet;
- a proposal to amend the Articles of Association;
- a proposal to dissolve (*ontbinden*) us;
- an application for bankruptcy (*faillissement*) and for suspension of payments (*surséance van betaling*) by us;
- the termination of the employment of a significant number of our employees or the employees of a dependent company (*afhankelijke maatschappij*) within a short timeframe;
- a substantial change in the employment conditions of a substantial number of our employees or of those of a dependent company;
- a proposal to reduce our issued share capital;
- to make a whole or partial interim distribution of reserves;
- the granting of pension rights deviating from existing collective labour agreements or existing pension regulations and regulations in relation to employment agreements;
- granting, amending or cancelling a power of attorney or a title of (deputy) director; and
- a proposal to conclude a legal merger (*juridische fusie*) or a demerger (*splitsing*), involving us.

The following resolutions of the General Meeting may only be adopted upon a proposal by the Executive Board, which proposal has been approved by the Supervisory Board:

- to amend the Articles of Association;
- to dissolve us;
- to reduce our issued share capital through a cancellation of all Preference Shares regardless of who holds the Preference Shares;
- to make a dividend in the form of an issue of Ordinary Shares or to make a dividend whereby Shareholders can choose between receiving Ordinary Shares or receiving a cash dividend;
- to make a whole or partial distribution of reserves; and
- the decisions set out below requiring the approval of the General Meeting.

A resolution of the General Meeting to issue Ordinary Shares or to restrict or exclude pre-emption rights on the Ordinary Shares may further only be adopted with the approval of the Supervisory Board.

Pursuant to the Articles of Association and Dutch law, decisions of the Executive Board involving a significant change in our identity or character are subject to the approval of the General Meeting. Such changes include:

- the transfer of all or substantially all of our business to a third party;
- the entry into or termination of a significant joint venture of ours or of any of our subsidiaries, with another legal entity or company or of our position as a fully liable partner in a limited or general partnership; and
- the acquisition or disposal, by us or any of our subsidiaries, of a participating interest in the capital of a company valued at one-third or more of our assets according to our most recently adopted consolidated annual balance sheet.

Appointment, dismissal and suspension

The number of members of the Executive Board is determined by the Supervisory Board. The members of the Executive Board are appointed by the General Meeting. The Supervisory Board appoints one of the members of the Executive Board as the chairman. The General Meeting determines the remuneration of the Executive Board.

When a member of the Executive Board is to be appointed, the Supervisory Board may make a binding nomination. The Executive Board must invite the Supervisory Board to, within sixty days of such invitation make a proposal so that for each appointment a choice can be made between at least two candidates. The General Meeting may at all times overrule the binding nature of a proposal by a resolution adopted by a simple majority of the votes cast, provided such majority represents at least one-third of the issued and outstanding share capital. If this proportion of the share capital is not represented at the meeting, but a simple majority of the votes cast is in favour of a resolution to cancel the binding nature of a nomination, a new meeting may be convened at which the resolution may be passed by a simple majority of the votes cast, regardless of the proportion of the share capital present or represented at the meeting. The binding nomination shall be included in the notice convening the General Meeting at which the appointment is to be considered. If a binding nomination has not been made by the Supervisory Board, the General Meeting may appoint a member of the Executive Board at its discretion.

A member of the Executive Board is appointed for a maximum period of four years, and unless such member resigns earlier, his appointment shall end on the day of the first annual general meeting of shareholders held four years after his appointment. A member of the Executive Board may be reappointed for terms of not more than four years at a time. The Supervisory Board may draw up a resignation schedule for the members of the Executive Board.

The General Meeting may at any time suspend and dismiss a member of the Executive Board. A resolution of the General Meeting to suspend or dismiss a member of the Executive Board requires a majority of the votes cast, with more than a third of our issued and outstanding share capital being represented when the resolution is taken. If such dismissal or suspension is made at the request of the Supervisory Board, a member of the Executive Board can be suspended or dismissed by a majority of shareholders without such a quorum.

Members of the Executive Board

Mr. J.M.M. van der Ven is the chairman of the Executive Board. Following the resignation of Mr. G. Schlösser, Mr. M.Ch. van den Biggelaar was appointed chief financial officer of Samas with effect from 1 March 2007. In addition, Mr. C.C. Held was appointed to the new position of chief operating officer with effect from 1 January 2007. Mr. van den Biggelaar and Mr. Held were appointed as members of the Executive Board at the annual general meeting of shareholders held on 7 June 2007.

The business address of each of the members of the Executive Board is the registered office of Samas.

Name	***Details***
Mr. J.M.M. van der Ven Appointed 11 March 2003 Appointed chairman 3 September 2003	Mr. van der Ven is the chairman of the Executive Board and the chief executive officer of Samas. Prior to his appointment by Samas in 2003, Mr. van der Ven held various executive positions, including positions at Draka Holding N.V. (chief financial officer, 2001 – 2002), Corus Special Strip (chief executive officer, 1996 - 2001), Hoogovens Deutschland GmbH (board member, 1996 – 2001), N.V. Sep (board member, 1994-1996), Hoogovens Aluminium (board member, 1990 – 1994), Simec N.V., a subsidiary of Hoogovens Aluminium (managing director, 1987 – 1990) and Hoogovens Groep B.V. (director international affairs and governmental relations, 1983 – 1987). Mr. van der Ven was a faculty member at Harvard University from 1981 to 1983. In 1980 Mr. van der Ven was a member of the department of International Affairs and Governmental Relations at Estel, Hoogovens. Mr. van der Ven is a Dutch national and was born in 1953.
Mr. M.Ch. van den Biggelaar Appointed 7 June 2007	Mr. van den Biggelaar is the chief financial officer of Samas. Prior to this appointment on 1 March 2007, Mr. van den Biggelaar held various executive and financial positions at Randstad Nederland (chief financial officer and board member, 2003 – 2007), Randstad Holding N.V. (managing director business planning, strategy and finance, 2000 – 2003; corporate treasurer, 1997 - 1999), Koninklijke Nedlloyd (corporate finance department, 1996) and ABN AMRO Bank N.V. (1990 – 1995). Mr. van den Biggelaar is a Dutch national and was born in 1968.

Mr. C.C. Held
Appointed 7 June 2007

Mr. Held is the chief operating officer of Samas. Prior to this appointment on 1 January 2007, Mr. Held held various executive and business controlling positions within the Group (including being a managing director of Samas Germany from 2005 until his appointment to the Executive Board in 2007, and being responsible for the business controlling of the Samas Group, including responsibility in Germany for the restructuring of the office furniture companies Fortschritt, schärf, MBT and Metallbau Nick from 1998 – 2006). Prior to joining the Group, Mr. Held was responsible for business controlling, acquisitions and business strategy at Dyckerhoff Transport Beton GmbH (1994-1998).

Mr. Held is a German national and was born in 1966.

Supervisory Board

General

The Supervisory Board is responsible for supervising the conduct of and providing advice to the Executive Board and for supervising our business generally. In performing its duties, the Supervisory Board is required to act in the interests of our business as a whole. The members of the Supervisory Board are not authorised to represent us in dealings with third parties, except under special circumstances such as when member(s) of the Executive Board have a conflict of interest with us. The Supervisory Board appoints a chairman from among its members and appoints a secretary who does not have to be a member of the Supervisory Board.

Appointment, suspension and dismissal

The number of members of the Supervisory Board is determined by the Supervisory Board itself. However, the number of members may not be less than three. The General Meeting appoints the members of the Supervisory Board.

When a member of the Supervisory Board is to be appointed, the Supervisory Board may make a binding nomination. A proposal will be drawn up so that for each appointment a choice can be made between at least two candidates. The proposal must state the reasons for nominating the candidates, their age and profession, as well as the number of Ordinary Shares they hold (if any) and their current and previous positions insofar as these are relevant to the performance of the duties of a member of the Supervisory Board. The nomination must also state the candidates' other supervisory board positions. The General Meeting may at all times overrule the binding nature of a proposal by a resolution adopted by a simple majority of the votes cast, provided that such majority represents at least one-third of the issued share capital. If this proportion of the share capital is not present or represented at the meeting, but a simple majority of the votes cast is in favour of a resolution to cancel the binding nature of a nomination, a new meeting may be convened at which the resolution may be passed by a simple majority of the votes cast, regardless of the proportion of the share capital present or represented at the meeting. The binding nomination shall be included in the notice convening the general meeting of shareholders at which the appointment shall be considered. If a binding nomination has not been made, the General Meeting may appoint a member of the Supervisory Board at its discretion.

A member of the Supervisory Board is appointed for a maximum period of four years, and unless such member resigns earlier, his appointment shall end on the day of the first Annual General Meeting that is held four years after his appointment. A member of the Supervisory Board may be reappointed for terms of not more than four years at a time, but such member may not serve on the Supervisory Board for a period longer than twelve years. The Supervisory Board has drawn up a resignation schedule for its members. The Supervisory Board has prepared a profile of its size and composition, taking account of the nature of our business, its activities and the desired expertise and background of the members of the Supervisory Board. The Supervisory Board has discussed the profile with, and will discuss each amendment to the profile with, the General Meeting.

Meetings

A meeting of the Supervisory Board may be convened whenever the chairman of the Supervisory Board or two members of the Supervisory Board deem necessary. The Supervisory Board holds, however, at least four meetings per year. Meetings of the Supervisory Board may also take place over the telephone or via videoconferencing so long as all of the participants can understand each other. At least once annually the Supervisory Board must meet to discuss issues relating to its own functioning, composition and size and the powers, composition, and functioning of the Executive Board. The Supervisory Board has adopted rules which further regulate its decision-making process.

The Supervisory Board can only adopt resolutions if the majority of the members are present or represented. The resolutions may be adopted by a simple majority of the total number of votes to be cast.

The remuneration of the members of the Supervisory Board is determined by the General Meeting.

Members of the Supervisory Board

The Supervisory Board currently has four members. The business address of each of the members of the Supervisory Board is the registered office of Samas N.V.

Name	***Present and previous additional positions***
Mr. J.A.J. Vink, Chairman Appointed 2005 Term expires 2009	Chairman of the supervisory board of Aegon Nederland N.V.; vice chairman of the supervisory board of Vion N.V.; member of the supervisory boards of Koninklijke Wegener N.V., Nutreco Holding N.V. and Cargill B.V. Former chairman of the executive board of CSM N.V. Mr. Vink is a Dutch national and was born in 1947.
Mr. R.G.C. van den Brink Appointed 2001 Reappointed 2005 Term expires 2009	Chairman of the supervisory board of van der Moolen Holding N.V. and member of the supervisory board of Akzo Nobel N.V. Former member of the managing board of ABN AMRO Bank N.V. Mr. van den Brink is a Dutch national and was born in 1948.
Mr. J.F. van Duyne Appointed 2001 Reappointed 2004 Term expires 2008	Chairman of the supervisory board of OPG Groep N.V.; chairman of the supervisory board of Gamma Holding N.V.; chairman of the supervisory board of De Nederlandsche Bank N.V.; member of the supervisory board of Tenet Holding B.V. and Tenet TSO B.V.; president of the supervisory board of Koninklijke Verkade N.V.; chairman of the Preference Share Foundation of Koninklijke Wegener N.V.; chairman of the Trust Office of Vedior N.V.; chairman of the board of the Continuity Foundation of Boskalis Westminster N.V.; member of the board of the Preference Share Foundation of Corporate Express N.V.; chairman of the Trust Office Foundation of Fugro N.V.; crown member of the Sociaal-Economische Raad. Former chief executive officer of the Corus Group PLC. Mr. van Duyne is a Dutch national and was born in 1942.
Mr. A.A. Olijslager Appointed 2005 Term expires 2009	Vice-chairman Supervisory Board AVEBE; member Supervisory Board Center Parcs Europe N.V.; member Supervisory Board ABN AMRO Holding N.V. Former chairman Group Board Royal Friesland Foods N.V. Mr. Olijslager is a Dutch national and was born in 1944.

Supervisory Board Committees

The Supervisory Board is supported by two committees: the Audit Committee and the Remuneration and Appointments Committee. The committees have been formed on a voluntary basis as the Dutch corporate governance code, principles of good corporate governance and best practice provisions (the **Code**) only requires these committees for supervisory boards comprising five or more members, whereas Samas currently has a Supervisory Board comprising four members. Separate regulations have been drawn up for the two committees by the Supervisory Board.

Both committees are made up of two members of the Supervisory Board and each considers decisions on behalf of the Supervisory Board.

Audit Committee

The Audit Committee advises the Supervisory Board on financial information and related publications, internal control systems and the auditor's report. The Audit Committee meets at least twice a year.

The current members of the Audit Committee are Mr. van Duyne, who chairs the committee, and Mr. Olijslager.

Remuneration and Appointments Committee

The Remuneration and Appointments Committee deals with appointments of members of the Executive and Supervisory Boards and their remuneration. The Remuneration and Appointments Committee meets as and when it deems necessary.

The current members of the Remuneration and Appointments Committee are Mr. van den Brink, who chairs the committee, and Mr. Vink.

Remuneration

Executive Board

The Supervisory Board establishes the remuneration of the individual members of the Executive Board in accordance with a remuneration policy which has been adopted by the General Meeting at the proposal of the Supervisory Board. The objective of the remuneration policy is to provide a compensation programme that allows us to attract, retain and motivate members of the Executive Board who we believe have the character traits, skills and background to lead and manage us successfully and to reward them based on both the individual's and our performance.

Any proposal of the Supervisory Board to grant the members of the Executive Board Ordinary Shares or options to purchase Ordinary Shares must be submitted for approval to the General Meeting. Such proposal must specify the number to be granted and, if applicable, any conditions to the granting or exercise of such options.

The contract of employment with Mr. van der Ven, which was agreed prior to publication of the Code, does not fall within the regime of the Code. The individual remuneration of the new members of the Executive Board appointed in 2007, being Mr. van den Biggelaar and Mr. Held, are subject to the Code and the following remuneration policy is applicable to them.

The total remuneration for current and former members of the Executive Board for the financial year 2006/2007 amounted to €961,000. The table set out below shows the fixed, periodically paid remuneration (including social security costs) of the individual members of the Executive Board, the remuneration payable over time (pensions), the incentive bonuses, and any other payments due on termination of their employment that were borne by Samas in the financial year 2006/2007.

(in € thousand)	*Fixed remuneration (1)*	*Bonuses*	*Pensions*	*Total 2006/2007*	*Total 2005/2006*
J.M.M. van der Ven	382	0	114	496	497
G. Schlösser (2)	200	0	59	259	376
M.C. van den Biggelaar (3)	19	0	4	23	-
C.C. Held (4)	177	0	6	183	-
Total	**778**	**0**	**183**	**961**	**873**

(1) including social security costs.

(2) up to resignation on 30 November 2006.

(3) Mr. van den Biggelaar was appointed to the Executive Board by the General Meeting on 7 June 2007. Mr. van den Biggelaar's remuneration includes remuneration since his appointment as chief financial officer on 1 March 2007.
(4) Mr. Held was appointed to the Executive Board by the General Meeting on 7 June 2007. Mr. Held's remuneration includes his remuneration as a senior employee in the financial year 2006/2007, together with his remuneration as the chief operating officer from 1 January 2007.

The table shows the bonuses for the financial year 2006/2007. Bonuses of €134,000 to Mr Van der Ven and €121,000 to Mr Schlösser relating to the previous financial year were paid in the financial year 2006/2007.

Remuneration policy for the Executive Board

The remuneration policy for the Executive Board features three major sections:

- fixed component;
- short term variable component; and
- long term variable component.

The variable component forms an important part of the remuneration package in that the underlying criteria are crucial to the generation of value for the company and its Shareholders.

Short term variable component

The short term variable component may provide a maximum of 50% of the fixed salary. In this context the following performance criteria are applicable:

- profit;
- cash flow; and
- personal objectives.

At the start of every year the relevant targets are set by the Supervisory Board, whereby each performance criterion is weighted at around one third of the total.

Long term variable component

The long term variable component is provided by the senior management share option plan, in which the Executive Board participates. The underlying value of options to be granted reflects a maximum of 50% of the fixed salary. Options may be exercised where:

- the person involved continues to be employed by the company,
- at least three years have passed since the options were granted, and
- the share market price at any given time in the three years exceeded the price when the options were granted by a pre-determined percentage. This percentage has been set at 25% for the next several years.

Pensions

The accrual of pension rights for members of the Executive Board is based on average salary. The pensionable age was 62, but was raised to 65 years as from 1 January 2006 due to changes in tax legislation in addition to, in that context, the amendment of the regulations of Stichting Pensioenfonds Samas.

It is Group policy that loans may not be granted to members of the Executive Board.

Share Option Plan

In 1999, the Supervisory Board approved a share option plan, which has been amended on an interim basis in each subsequent year. This plan provides for an annual issue of options not exceeding 1% of the total issued shares to a defined group of senior managers, presently comprising approximately 20 persons. Under the terms of the plan the number of options to be granted to the Executive Board is determined by the Supervisory Board, while the number of options to be granted to other managers is determined by the Executive Board, with due approval of the Supervisory Board.

The number of options granted annually is linked to the Group's performance, and to the performance of the individual manager during the past financial year. In this regard, one option carries the right to buy one Ordinary Share at the exercise price.

The exercise price is the same as the closing price of our Ordinary Shares on Eurolist of Euronext Amsterdam N.V. on the day of granting. Options are generally granted shortly after publication of the Group's annual figures.

In the past the scheme has changed from time to time due to, amongst other things, changes in tax law. For example, for a number of years managers taxable in The Netherlands could elect for options to be conditional or unconditional. The unconditional options may be exercised in a period of 6 or 8 years after issue, to be determined at the time these are obtained by the manager. Conditional options can only be exercised on the date 5 years and 2 months after the date of issue.

Since 2005, a tax related choice is no longer possible and the scheme is equal for all persons involved in that the exercise period is 8 years after issue and exercise is not possible within 3 years of the date of issue.

In principle, granted options lapse on termination of employment before pension date.

Under the current management share option plan as at 31 March 2007 there were 549,928 options outstanding with an average exercise price of €7.50 and expiry dates up to 23 May 2014. This represents approximately 2.2% of total shares issued. Further details of the outstanding share options are set out in the table below.

On 7 June 2007 the annual general meeting of shareholders approved the grant of further options in respect of 150,000 Ordinary Shares to members of the Executive Board comprising options in respect of 50,000 Ordinary Shares to Mr. Van der Ven, options in respect of 60,000 Ordinary Shares to Mr. van den Biggelaar and options in respect of 40,000 Ordinary Shares to Mr. Held. On 22 May 2007 options in respect of 91,000 Ordinary Shares were granted to other employees.

	For the financial year ended 31 March							
	2007	*2006*	*2005*	*2004*	*2003*	*2002*	*2001*	*2000*
Executive Board	70,000	40,000	46,992	58,000	43,750	77,143	111,429	81,428
Other employees	104,500	85,000	93,000	31,650	47,375	65,394	83,984	97,008
Options granted	**174,500**	**125,000**	**139,992**	**89,650**	**91,125**	**142,537**	**197,413**	**178,436**
Exercised / lapsed options								
- to 31 March 2006	-	-	16,000	20,950	32,150	83,696	150,957	141,236
- in 2006/2007	32,500	19,000	24,797	61,125	1,000	-	5,314	-
Outstanding at 31 March	**142,000**	**106,000**	**99,195**	**7,575**	**57,975**	**58,841**	**41,142**	**37,200**
Exercise price (€)	8.38	5.74	5.32	4.00	8.50	9.33	9.72	8.77
Exercise period up to and including	23-05-2014	24-05-2013	2-06-2012	3-09-2011	27-06-2010	27-06-2009	28-06-2008	7-07-2007

As at the end of the financial year 2006/2007 the current and former members of the Executive Board held the following options:

	Options as at 31 March 2006	*Options granted in 2006/ 2007*	*Exercise price (€)*	*Expiry date of options 2006/2007*	*Exercised in 2006/ 2007*	*Lapsed in 2006/ 2007*	*Options Outstanding as at 31 March 2007*	*Lowest/ highest exercise price (€)*
J.M.M. van der Ven	72,195	40,000	8.38	23-05-2014	20,000	-	92,195	5.32/8.38
G. Schlösser	69,797	30,000	8.38	23-05-2014	35,000	64,797	0	-/-
M.C. van den Biggelaar	-	-	-	-	-	-	-	-
C.C. Held (1)	16,500	7,000	8.38	23-05-2014	1,250	-	22,250	5.32/8.50
J.C. de Mos	151,428						151,428	8.50/9.72
Total	**309,920**	**77,000**	**-**	**-**	**56,250**	**64,797**	**265,873**	**-**

(1) The options granted to Mr. Held in the financial year 2006/2007 were granted to him prior to his appointment to the Executive Board and were granted in his capacity as a senior manager in the Group.

Employment and Severance Agreements

Set out below is a summary of the termination provisions and severance arrangements included in the employment agreements of the members of the Executive Board. Currently, no other employment agreements exist which provide benefits to members of the Executive Board or Supervisory Board upon termination of service.

J.M.M. van der Ven

On 10 March 2003, Samas N.V. entered into an employment agreement with Mr. van der Ven for an indefinite period of time. We can terminate his employment agreement on 6 months notice while Mr. van der Ven can terminate his employment agreement on 3 months notice.

M.Ch. van den Biggelaar

On 1 March 2007, Samas N.V. entered into an employment agreement with Mr. van den Biggelaar for a period of 4 years and 6 months. We can terminate his employment agreement on 4 months notice while Mr. van den Biggelaar can terminate his employment agreement on 2 months notice.

If the company decides to terminate Mr van den Biggelaar's employment for reasons other than immediate dismissal or dismissal for urgent reasons, or if Mr. van den Biggelaar and Samas have a severe conflict about the business policy to be followed by Samas or Mr. van den Biggelaar's position is changed significantly, Samas will pay Mr. van den Biggelaar a severance payment. The amount of the severance payment will be calculated based on the so-called "kantonrechtersformule" with a minimum of 9 months salary and a maximum of 12 months salary.

C.C. Held

On 12 May 1998, Samas Deutschland Büroeinrichtungs GmbH entered into an employment agreement with Mr. Held. The agreement has been renewed from time to time and is now for an indefinite period. This agreement is governed by German law. In addition to the German employment agreement Samas entered into a management agreement with Mr. Held with effect from 1 January 2007 for a period of 4 years to be counted from the moment the General Meeting confirms his appointment to the position of chief operating officer and appoints him to the Executive Board. Both the company and Mr. Held may terminate the management agreement on 6 months notice. The management agreement excludes any severance payment.

Additional arrangements

Members of the Executive Board are provided with a company car and a cost allowance, and participate in the Group's pension plan.

Supervisory Board

Fees for members of the Supervisory Board are set independently of the Group results and are determined by the shareholders in general meeting. The current annual fees of the Supervisory Board were determined by the annual general meeting of shareholders held on 16 August 2005 and total €18,000 per member and €25,000 for the chairman of the Supervisory Board. Furthermore, the annual general meeting of shareholders determined that the members of the Supervisory Board Audit Committee and the Remuneration and Appointments Committee should receive a supplementary fee of €1700 and €1500 respectively per committee meeting. Other than membership of the board, the members of the Supervisory Board have no business relationship with the company. During the financial year 2006/2007 the following fees (including expense accounts, excluding VAT) were paid to members of the Supervisory Board:

	Financial year	
(in €)	***2006/2007***	***2005/2006***
J.A.J. Vink (chairman)	31,250	18,604
R.G.C. van den Brink	23,250	30,550
J.F. van Duyne	27,750	29,450
A.A. Olijslager	30,535	13,900
A.H.J. Risseeuw (former chairman)	-	12,646
J.J. Slechte	-	9,521
Total	**112,785**	**114,671**

Other information relating to members of the Supervisory Board and the Executive Board

In relation to the members the Supervisory Board and the Executive Board we are not aware of (i) any convictions in relation to fraudulent offences for at least the previous five years, (ii) any bankruptcies, receiverships or liquidations with which such member who was acting in such capacity, was associated for at least the previous five years except for those liquidations in the ordinary course of business or (iii) any official public incrimination and/or sanctions of such member by statutory or regulatory authorities (including designated professional bodies) and as far as we are aware none of such members has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

Potential conflicts of interest

We are not aware of any conflicts of interest or potential conflicts of interest between, on the one hand, the duties of the members of the Executive Board and Supervisory Board towards Samas and, on the other hand, their private interests or other duties.

Employees

The following table shows the number of Samas employees (on a permanent full time equivalent basis) as at the dates indicated.

	As at 31 March		
	2007	***2006***	***2005***
Total number of employees	2,447	2,367	2,486

The following table shows the number of Samas employees (on a permanent full time equivalent basis) by reporting region as at the dates indicated.

	As at 31 March	
	2007	***2006***
Benelux/UK Reporting Region	438	445
German/Swiss/Eastern European Reporting Region	1,267	1,190
French Reporting Region	718	713
Holding	24	19
Total	**2,447**	**2,367**

Pension plans

Group companies operate various pension plans. The pension plans in The Netherlands are generally funded through payments to insurance companies or trustee-administered funds, as determined by periodic actuarial calculations.

At the start of the financial year 2004/2005 the pension obligations of Samas within The Netherlands were based on a defined benefit plan. Effective as of 1 January 2005 the financing agreement between Samas and the pension fund as well as the articles of association of the pension fund were changed to a defined contribution plan. From 1 January 2005 onwards pension obligations (inclusive of the early retirement plan) amount to an approximate 18% of gross salaries. Furthermore Samas has undertaken to pay an additional €1.0 million per year into the pension fund for a period of 6 years as from 1 January 2005, which is fully provided for.

Labour collective agreements in France, Germany and The Netherlands include pension plans. When applicable, the relevant operating companies contribute to these pension plans.

Directors' Insurance and indemnification

In order to attract and retain qualified and talented persons to serve as members of the Supervisory Board, Executive Board or in senior management functions, we provide such persons with protection through a directors' and officers' insurance policy.

13. PRINCIPAL SHAREHOLDERS

Principal Shareholders

As at the date of this Prospectus, we have received the following notifications of a capital interest in our share capital of 5% or more pursuant to the obligations relating to the disclosure of major shareholdings in terms of the Financial Supervision Act:

Shareholder	*Notification date*	*Percentage holding*
ING Groep N.V.	1 November 2006	16.0%
Kempen Capital Management N.V.	1 November 2006	12.8%
Generali Holding Vienna AG	1 November 2006	5.8%
Aviva plc	1 November 2006	5.6%
Insinger de Beaufort Alchemy N.V.	31 May 2007	5.3%
ING Fund Management B.V.	10 November 2006	5.1%
Total		**50.6%**

None of these Shareholders has special voting rights.

Shareholdings of members of the Executive Board and the Supervisory Board

As at the date of this Prospectus no member of the Executive Board or the Supervisory Board holds any shares in us.

14. SHARE CAPITAL

The description set out below is a summary of material information relating to our share capital, including summaries of certain provisions of the Articles of Association and applicable Dutch law in effect on the date hereof, as well as relevant proposed legislation and regulation. This summary does not purport to be complete and is qualified in its entirety by reference to the full text of the Articles of Association. The full text of the Articles of Association is available in the Dutch language (together with an English translation) at our principal office and on our website: www.samas.com.

General

Samas was incorporated under, and is governed by, the laws of The Netherlands on 17 November 1923. Samas was converted into a public limited liability company (*naamloze vennootschap met beperkte aansprakelijkheid*) in 1932. Samas has its corporate seat in Utrecht, The Netherlands and is registered under no. 31036325 with the Trade Register at the Chamber of Commerce and Industries of Utrecht, The Netherlands. Samas has its head office at Elzenkade 1, 3992 AD Houten, The Netherlands. The Articles of Association were last amended by a notarial deed dated 1 September 2006, executed before Mr. Frederik Karel Buijn, civil law notary (*notaris*) in Rotterdam.

Objects

The objects of Samas are:

- participate in other companies of any kind; to manage and finance such companies; and the provision of services to enterprises affiliated to the company;
- to trade in and the manufacturing of products relating to the administrative organisation and the furnishing of governmental institutions, other service providing institutions and the business community; and providing advise in the aforementioned area;
- the acquirement, encumbering, disposal, management and exploitation of immovable properties; and
- to do all such things as are incidental to the attainment of the above objects.

Share capital

Samas' authorised share capital amounts to €90 million and is divided into 45 million Ordinary Shares of €1 each and 45 million Preference Shares of €1 each.

As at the date of this Prospectus 24,899,159 Ordinary Shares were issued and outstanding. No Preference Shares have been issued and are outstanding as at the date of this Prospectus. All issued shares have been fully paid.

Conversion of Financing Preference Shares

On 15 December 2005 Samas successfully converted its separately listed 4,627,466 Financing Preference Shares in a one for one conversion (1:1) into Ordinary Shares, combined with the payment of a dividend on the Financing Preference Shares in the form of 0.8 new Ordinary Shares per Financing Preference Share. At the same time an additional 2,258,000 Ordinary Shares were issued bringing the total of outstanding Ordinary Shares with a nominal value of €**1** at 31 March 2006 to 24,839,034.

Decertification

By means of newspaper advertisement dated 4 November 2004 Samas and Stichting Administratiekantoor Samas announced that the certification of both the Ordinary Shares and of the Financing Preference Shares would be terminated.

On 15 November 2004 Stichting Administratiekantoor Samas transferred those shares for which depositary receipts of shares available by giro had been issued. On that date quotation of depositary receipts of shares ended and was replaced by quotation of shares. Since then Stichting Administratiekantoor Samas holds 89 shares for which K-certificates have been issued.

The management of Stichting Administratiekantoor Samas was transferred to N.V. Algemeen Nederlands Trustkantoor ANT (**ANT**). Holders of the above-mentioned K-certificates were entitled to hand in their securities up to 1 April 2007 to ANT stating a securities account in order to obtain shares by giro. In May 2007 the shares were sold; the proceeds will be available to holders of K-certificates up to 1 April 2027.

Form and transfer of Ordinary Shares

As from 15 November 2004, Ordinary Shares may be issued in registered form only. The outstanding Ordinary Shares are included in the deposit system of the Securities Giro Transactions Act (*Wet giraal effectenverkeer*) and as from 15 November 2004 Euroclear Nederland is registered as the shareholder of the outstanding Ordinary Shares. As from 15 November 2004, no share certificates are issued for the Ordinary Shares.

Preference Shares may also be issued in registered form only.

Share capital changes

The following table shows particulars of the authorised and issued Ordinary Shares and Preference Shares as at the dates indicated:

	Number of authorised Ordinary Shares	*Number of issued Ordinary Shares*	*Number of authorised Preference Shares*	*Number of issued Preference Shares*	*Number of authorised Financing Preference Shares*	*Number of issued Financing Preference Shares*
31 March 2004	37,500,000	14,251,600	45,000,000	0	7,500,000	4,627,466
31 March 2005	37,500,000	14,251,600	45,000,000	0	7,500,000	4,627,466
31 March 2006	42,127,466	24,839,034	45,000,000	0	2,872,534	0
31 March 2007	45,000,000	24,899,159	45,000,000	0	0	0
8 June 2007	45,000,000	24,899,159	45,000,000	0	0	0

Preference Shares and Stichting Samas

On 5 July 1985, we established Stichting Samas. The purpose of Stichting Samas is to safeguard our interests and those of our subsidiaries and to protect, insofar as possible, our continuity and corporate identity. The board of Stichting Samas consists of four members who have no ties with us within the meaning of Appendix X of the General Rules of Euronext Amsterdam.

The Preference Shares form an instrument of protection against hostile takeovers. In line with guidance from the Code, we believe that the issuance of Preference Shares may help us to determine our position in relation to a bidder and its plans, and to seek alternatives. The issue of Preference Shares is meant to be temporary. Unless the Preference Shares have been issued by a vote of the General Meeting, the Articles of Association require that a general meeting of shareholders be held within two years after the issue of Preference Shares to consider their cancellation or repurchase. At such general meeting of shareholders, Stichting Samas shall vote all Preference Shares held by it in favour of the proposed resolution to cancel or to repurchase the Preference Shares. In the period between the adoption by the General Meeting of the resolution to cancel or to repurchase the Preference Shares and the actual cancellation or repurchase of the Preference Shares, Stichting Samas shall not take any action which may result in the frustration of a takeover bid or which may impede a third party acquiring or exercising control over us. If the General Meeting does not thereby resolve to repurchase or cancel the preference shares, a general meeting of shareholders will be held every twelve months thereafter for as long as Preference Shares remain outstanding.

In the near future the use of anti-takeover measures will also be regulated by the implementation of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids (the **Takeover Directive**). Although the Takeover Directive should have been implemented before 20 May 2006, the implementation in Dutch law has not taken place yet. With respect to the implementation of the Takeover Directive, Dutch government issued a bill on 31 December 2005 (the **Directive Bill**) and an amendment to the Directive Bill on 18 June 2006 (the **Amendment to the Directive Bill**). The Takeover Directive restricts the use of takeover defences. EU member states, however, have the ability to opt out of these restrictions. The Directive Bill and the Amendment to the Directive Bill propose that The Netherlands opt out of certain of these mandatory restrictions. However, listed companies may choose to opt in or opt out from these restrictions. We have chosen to opt out. We therefore expect that we will continue to be able to issue Preference Shares as an instrument of protection against hostile takeovers, although this may not always be the case.

Under the terms of an agreement entered into between us and Stichting Samas on 28 April 1995, as such agreement was most recently amended on 22 February 2005 (the **Option Agreement**), we have granted Stichting Samas an irrevocable call option the call option entitling it to acquire from us Preference Shares up to a maximum of 99% of our total issued and outstanding ordinary share capital at the time the call option is exercised. Stichting Samas will be entitled to exercise the call option in one or more tranches, and must pay at least 25% of the nominal value of the Preference Shares it acquires from us. In the Option Agreement, Stichting Samas further grants us a put option entitling us to have Stichting Samas acquire Preference Shares up to a maximum of 99% of our total issued and outstanding ordinary share capital at the time the put option is exercised. We can only exercise the put option if (i) Stichting Samas has notified us it has sufficient funds to pay 25% of the nominal value of the Preference Shares it must acquire from us and (ii) on the basis of our financial position at the time of the exercise there is no (reasonable) doubt that we will be able to pay the dividend on the Preference Shares during the next two years. The objects clause of Stichting Samas provides that the objects of Stichting Samas are to attend to our interest in such manner that our interest and the interests of our business and of all our stakeholders will be guaranteed as much as possible and that influences that might affect the continuity and/or the identity of us and our business in violation of those interests, will be resisted to the maximum of its ability.

Under our Articles of Association, each transfer of Preference Shares requires a deed of transfer as well as (except where we are a party thereto) our written acknowledgement of such transfer. Each transfer of Preferences Shares requires the approval of the Executive Board and is subject to further conditions.

Issue of Ordinary Shares

Samas N.V. may only issue authorised shares by virtue of a resolution of the General Meeting and with the approval of the Supervisory Board. The General Meeting may empower the Executive Board, each time for a defined period of not more than 5 years, to issue authorised shares up to a maximum number to be stated for each class in the resolution conferring the power. For such an issue, the Executive Board shall require the approval of the Supervisory Board.

If not otherwise stated in the resolution approving the delegation, such authority is irrevocable. The resolution delegating such authority to the Executive Board must specify the number of Ordinary Shares which may be issued and, if applicable, any conditions to the issuance.

On 7 June 2007, the Executive Board was designated by the General Meeting as the corporate body competent to issue Ordinary Shares, including the Offer Shares, and to grant rights to subscribe for Ordinary Shares.

No resolution of the General Meeting or the Supervisory Board is required for an issue of Ordinary Shares or Preference Shares pursuant to the exercise of a previously granted right to subscribe for Ordinary Shares or Preference Shares.

Pre-emptive rights

Ordinary Shareholders have pre-emptive rights to subscribe for new issues of Ordinary Shares in proportion to their holdings, except (i) for issues of Ordinary Shares to employees of Samas or employees of other Samas companies and (ii) for issues of Ordinary Shares in return for non-cash consideration. Holders of Preference Shares do not have pre-emptive rights upon issues of Ordinary Shares and vice versa. Pre-emptive rights with respect to the Ordinary Shares may be restricted or excluded by a resolution of the General Meeting after approval of the Supervisory Board. For these purposes, the granting of rights to subscribe for Ordinary Shares (including convertible debt, options and warrants with respect to such shares) is treated as an issue of Ordinary Shares, but not the issue of Ordinary Shares to a person exercising a previously obtained right to subscribe for Ordinary Shares.

The General Meeting may grant authority to restrict or exclude pre-emptive rights to the Executive Board if the authority to resolve upon the issuance of shares has been granted to the Executive Board, for a period not exceeding five years. Supervisory Board approval is required if the Executive Board resolves to restrict or exclude pre-emptive rights.

On 7 June 2007, the annual general meeting of shareholders was held at which several resolutions were adopted to approve and enable the Offering, including the granting of authority to the Executive Board, subject to approval by the Supervisory Board, to issue Ordinary Shares and/or Preference Shares, to grant the right to subscribe for Ordinary Shares and/or Preference Shares and to limit or exclude the statutory pre-emptive rights in the event of issue of Ordinary Shares.

Acquisition by Samas of shares in its own capital

We may acquire our own fully paid Ordinary Shares or any depository receipts issued for the Ordinary Shares at any time for no consideration (*om niet*), or subject to certain provisions of Dutch law and the Articles of Association if (i) shareholders' equity less the payment required to make the acquisition does not fall below the sum of the paid-up and called part of the issued share capital and any reserves required by Dutch law or the Articles of Association and (ii) Samas and its subsidiaries would thereafter not hold or have pledged to them shares in Samas with an aggregate nominal value exceeding one-tenth of Samas' issued share capital. Shares held by Samas or any of its subsidiaries may not be voted on or counted for quorum purposes and do not give the relevant company a right to any distribution.

Acquisitions by Samas of shares in its own share capital for consideration may only take place if the General Meeting has granted to the Executive Board the authority to effect such acquisitions and with the approval of the Supervisory Board. Such authority may apply for a maximum period of 18 months and must specify the number of shares or depositary receipts that may be acquired, the manner in which shares may be acquired and the price limits within which shares may be acquired.

No resolution granting authority to the Executive Board to repurchase any shares in the issued share capital of the Company was proposed or passed at the General Meeting on 7 June 2007.

Capital reduction

The General Meeting may resolve, subject to the relevant provisions of Dutch law and the Articles of Association, to reduce the outstanding share capital of Samas by cancelling shares or reducing the nominal value of shares pursuant to amendment of the Articles of Association.

In the event of the cancellation of Preference Shares the approval of the Executive Board and of the Supervisory Board is required, unless all Preference Shares to be cancelled are held by Samas.

Dividends and other distributions

We may only make distributions to our shareholders in so far as our shareholders' equity exceeds the sum of the paid-in and called-up share capital plus the reserves as required to be maintained by Dutch law or by the Articles of Association.

Under the Articles of Association, a dividend will be distributed on any Preference Shares that are outstanding equal to (i) twelve months' "EURIBOR" calculated according to the number of days the rate applied during the financial year to which the distribution relates, plus (ii) up to 4%, the percentage being determined by the Executive Board subject to approval of the Supervisory Board, on the amount paid on those shares. If in a relevant financial year our profit is not sufficient to fully make this distribution, the deficit must be paid in subsequent financial years until the deficit has been cleared. Following the payment of the dividend on any Preference Shares, including any deficit over past years, the Executive Board determines, subject to the prior approval of the Supervisory Board, which part of any profit will be reserved. Any profits remaining after such reservation, if any, will be at the disposal of the General Meeting.

We may only make a distribution of dividends to our shareholders after the adoption of our annual accounts demonstrating that such distribution is legally permitted. The Executive Board is however permitted, subject to certain requirements and subject to approval of our Supervisory Board, to declare interim dividends without the approval of the General Meeting.

Claims to dividends and other distributions not made within five years from the date that such dividends or distributions became payable will lapse and any such amounts will be considered to have been forfeited to us (*verjaring*).

Shareholders' meetings

The annual general meeting of shareholders must be held within six months of the end of the financial year for the purpose, among other things, of adoption of the annual accounts and the discharge of the members of the Executive Board and the Supervisory Board from liability in respect of their duties for the relevant financial year, to the extent that such duties are evident from the annual accounts or otherwise. Our financial year runs from 1 April to 31 March. A general meeting of shareholders may be convened by the Executive Board or the Supervisory Board. All notices convening a general meeting of shareholders and all announcements to Shareholders and holders of depositary receipts for shares (if any) must be effected through notices in a nationally distributed newspaper with circulation in The Netherlands, and in the Euronext Amsterdam Daily Official List. General meetings of shareholders shall be held in The Netherlands in Utrecht, Houten, Tilburg, Amsterdam or Rotterdam.

Each Shareholder is required to notify the Executive Board in writing of its intention to attend the General Meeting or have itself represented at the General Meeting by a proxy-holder, in each case not later than on the third day before the meeting. Where it concerns book-entry shares the Shareholders must, at the place indicated in the notice and ultimately on the date indicated in the notice, deposit such evidence of their ownership of shares as is acceptable for Samas - a declaration of the relevant institution associated with Euroclear Nederland will in any way constitute sufficient evidence.

Shareholders representing at least 10% of the issued and outstanding share capital may, pursuant to Dutch law, request that a General Meeting be convened, specifying the items for discussion. If such meeting is not held within six weeks following such request, the Shareholders requesting such meeting are authorised to call such meeting themselves with due observance of the relevant provisions of the Articles of Association. The notice convening any General Meeting must include an agenda indicating the items for discussion, or it must state that the Shareholders or holders of depositary receipts for the Ordinary Shares may review such agenda at our main offices in The Netherlands at one or more banks indicated in the notice. The explanatory notes to the agenda contain all facts and circumstances that are relevant for the proposals on the agenda. Such explanatory notes must be placed on our website: www.samas.com.

Shareholders and holders of depositary receipts for shares that are issued with the cooperation of Samas representing at least 1% of the issued share capital or holding shares with a value exceeding €50 million according to the Euronext Amsterdam Daily Official List have the right to request the inclusion of additional items on the agenda of general meetings of shareholders. If Samas has important reasons not to address the suggested items, they do not have to be included in the agenda. The request must be made 60 days prior to the relevant General Meeting.

Each Ordinary Share issued by Samas is entitled to one vote. Shareholders may vote by written proxy or electronically. Resolutions by the General Meeting require the approval of a simple majority of votes validly cast, unless otherwise required by Dutch law or the Articles of Association.

See "Executive Board, Supervisory Board and Employees — Executive Board —Meetings and decision making" for a list of resolutions of the General Meeting that can only be adopted upon a proposal of the Executive Board which is approved by the Supervisory Board.

Annual accounts

The Executive Board must prepare the annual accounts of Samas, which must be accompanied by an annual report, within five months of the end of Samas' financial year, unless the General Meeting has extended this term by a maximum of six months by reason of special circumstances. The Executive Board must prepare a preliminary report on the annual accounts, which must be submitted to the General Meeting. The annual accounts must be adopted by the General Meeting. Copies of the financial statements, annual reports and the preliminary report must be made available to the Shareholders from the date of notice of the General Meeting.

All of the members of the Executive Board and of the Supervisory Board must sign the annual accounts. If any member does not so sign, the reason for this needs to be stated.

The annual accounts, the annual report, the advice of the Supervisory Board and the auditor’s report must be made available to our shareholders without charge at our head office in Houten during regular business hours. These documents must be available beginning from the day upon which the notice was made concerning the general meeting of shareholders until the annual meeting has taken place. During the annual meeting of shareholders, the General Meeting shall be requested to adopt the annual accounts.

Amendment of the Articles of Association

The General Meeting may only resolve to amend the Articles of Association at the proposal of the Executive Board (which proposal has been approved by the Supervisory Board). Any such resolution requires a majority of at least two-thirds of the votes validly cast at the General Meeting.

Dissolution and rights upon dissolution

The General Meeting may only resolve to dissolve Samas at the proposal of the Executive Board (which proposal has been approved by the Supervisory Board). Such resolution requires a majority of at least two-thirds of the votes validly cast at the General Meeting. In the event of dissolution and liquidation of Samas, any assets remaining after settlement of debts and winding-up costs shall be distributed to the Shareholders in the following manner. First, the nominal value of the issued Preference Shares (if any) shall be distributed to the holders thereof. Subsequently, the Preference Shareholders are entitled to any arrears in dividend and an amount per Preference Share that equals the relevant yield base. The balance remaining shall be distributed *pro rata* among the Ordinary Shareholders based on the aggregate nominal amount of such Ordinary Shareholders.

Disclosure of holdings by Shareholders

Pursuant to the Financial Supervision Act, each person whose holding of voting rights and/or capital interest, directly or indirectly, in a public limited liability company incorporated under Dutch law of which the (depositary receipts) for shares are admitted to trading on a regulated market in the European Economic Area (such as the Company), amounts to 5% or more must notify the AFM immediately by means of a standard form.

Any person who directly or indirectly acquires or disposes of an interest in the Company's capital and/or voting rights must immediately notify the AFM by means of a standard form if, as a result of this acquisition or disposal, the percentage of capital interest or voting rights held directly or indirectly meets, exceeds or falls below the following thresholds: 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%.

We are required to notify the AFM immediately if our share capital or voting rights have changed by 1% or more since our previous notification on outstanding capital and voting rights. We must notify the AFM of our outstanding share capital and voting rights at least once per calendar quarter, within eight days after the end of the quarter. Anyone whose direct or indirect capital interest and/or holding of voting rights meets or passes the thresholds referred to in the previous paragraph as a result of a change in the share capital or voting rights that are outstanding must notify the AFM no later than the fourth trading day after the AFM has published the change in the Company's share capital and/or voting rights.

Once every calendar year, holders of a 5% or larger interest in our share capital or voting rights whose interest has, in the period after their most recent notification to the AFM, changed (in composition) as a result of certain acts (including, but not limited to, the exchange of shares for depositary receipts and vice versa, and the exercise of a right to acquire shares) must notify the AFM. The notification must be effected within four weeks after the end of the calendar year.

Subsidiaries, within the meaning of the relevant regulation under the Financial Supervision Act, do not have reporting obligations under the Financial Supervision Act, as their, direct and indirect, interests are attributed to their (ultimate) parent. Any person may qualify as a parent for purposes of the Financial Supervision Act, including an individual. A person who disposes of a 5% or larger interest in our share capital or voting rights and who ceases to be a subsidiary for these purposes must immediately notify the AFM. As of that moment, all notification obligations under the Financial Supervision Act will become applicable to the former subsidiary.

For the purpose of calculating the percentage of capital interest or voting rights, among other metrics, the following interests must be taken into account; (i) shares or depositary receipts for shares or voting rights directly held (or acquired or disposed of) by any person, (ii) shares or depositary receipts for shares or voting rights held (or acquired or disposed of) by such person's subsidiaries or by a third party for such person's account or by a third party with whom such person has concluded an oral or written voting agreement (including a discretionary power of attorney), and (iii) shares or depositary receipts for shares or voting rights which such person, or any subsidiary or third party referred to above, may acquire pursuant to any option or other right held by such person (or acquired or disposed of, including, but not limited to, on the basis of convertible bonds).

Special rules apply with respect to the attribution of shares or depositary receipts for shares or voting rights which are part of the property of a partnership or other community of property. A holder of a pledge or right of usufruct in respect of shares or depositary receipts for shares can also be subject to the reporting obligations of the Financial Supervision Act, if such person has, or can acquire, the right to vote on the shares or, in the case of depositary receipts, the underlying shares. If a pledgee or usufructuary acquires the voting rights on the shares or depositary receipts for the shares which are the subject of such pledge or usufruct arrangement, this may trigger a corresponding reporting obligation for the holder of the shares or depositary receipts for the shares.

The Financial Supervision Act and the rules promulgated pursuant thereto contain detailed rules that set out how its requirements apply to certain categories of holders, including, but not limited to (managers of) investment funds, investment managers, custodians, market makers, clearing and settlement institutions, brokers and credit institutions.

Disclosure of information

As a Dutch listed company, we are required to publish certain financial information within three months after the end of each financial year and for each six-month interim period. We do not intend to publish interim financial information over the first quarter and first nine months of each financial year.

We must also disclose all new facts relating to our business that are not publicly known and that could materially affect the market price of our Ordinary Shares. Dutch law contains specific rules intended to prevent insider trading and price manipulation. Pursuant to these rules, the Company has adopted a code of conduct in respect of the reporting and regulation of transactions in our shares.

Reporting of insider transactions

Pursuant to the section of the Financial Supervision Act (*Besluit Marktmisbruik Wft*) (the **Market Abuse Decree**) implementing the Market Abuse Directive 2003/6/EC and related Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC, members of the Executive Board and the Supervisory Board and any other person who has managerial responsibilities or who has the authority to make decisions affecting our future developments and business prospects or who has regular access to inside information relating, directly or indirectly, to us (an **Insider**), must notify the AFM of all transactions conducted on his own account relating to the Ordinary Shares or in securities the value of which is determined by the value of the Ordinary Shares.

In addition, persons designated by the Decree on Market Abuse pursuant to the Financial Supervision Act who are closely associated with the members of the Executive Board, the Supervisory Board or any of the Insiders must notify the AFM of the existence of any transactions conducted for their own account relating to the Ordinary Shares or securities the value of which is determined by the value of the Ordinary Shares. The Market Abuse Decree designates the following categories of person as being closely related for the purpose of Market Abuse Decree: (i) the spouse or any partner considered by national law as equivalent to a spouse, (ii) dependent children, (iii) other relatives who have shared the same household for at least one year at the relevant transaction date, and (iv) any legal person, trust or partnership, amongst other things, whose managerial responsibilities are discharged by a person referred to under (i), (ii) or (iii) above.

The AFM must be notified of transactions effected in either the Ordinary Shares or securities the value of which is determined by the value of the Ordinary Shares, within five days following the relevant transaction date. Notification may be postponed until the date the aggregate value of the relevant transactions amounts to €5,000 or more per calendar year.

We are also required to have a code of conduct in respect of the reporting and regulation of transactions in our securities and to draw up a list of persons working for us, under a contract of employment or otherwise, who could have access to inside information, to regularly update this list of persons and to inform persons on this list about the relevant prohibitions and sanctions in respect of insider knowledge and market abuse.

Non-compliance

Non-compliance with the disclosure obligations described above is an economic offence and may lead to criminal prosecution. The AFM may impose administrative penalties or a cease-and-desist order for non-compliance. In addition, a civil court can impose sanctions against any person who fails to notify, or who notifies the AFM incorrectly, of matters required to be notified. A claim requiring that such measures be imposed may be instituted by us and/or one or more Shareholders who alone, or acting together with other Shareholders, represent at least 5% of our issued and outstanding share capital.

The sanctions that the civil court may impose include:

- an order requiring the person violating the disclosure obligations under the Financial Supervision Act to make appropriate disclosure;
- suspension of voting rights in respect of such person's shares for a period of up to three years as determined by the court;
- voiding a resolution adopted by the General Meeting if the court determines that the resolution would not have been adopted but for the exercise of the voting rights of the person who failed to comply with his disclosure obligations, or the suspension of a resolution until the court makes a final decision about such voiding; and
- an order prohibiting the relevant person who has violated his disclosure obligations under the Financial Supervision Act, during a period of up to five years as determined by the court, from acquiring shares and/or voting rights in shares.

Non-compliance with the notification obligations under the market abuse obligations laid down in the Financial Supervision Act may also lead to criminal fines, administrative fines, imprisonment or other sanctions.

Public registry

The AFM keeps a public registry of and publishes all notifications made pursuant to the Financial Supervision Act.

Mandatory public offers

Currently there is no obligation under Dutch law for a shareholder whose interest in a company's share capital or voting rights passes a certain threshold to launch a public offer for all or part of the outstanding shares in the share capital of such company. However, when the Takeover Directive is implemented in The Netherlands, in addition to providing for certain restrictions on takeover defences, a shareholder who has acquired a certain threshold of the Ordinary Shares or of the voting rights will be obliged to launch a public offer for all outstanding shares in our share capital. The draft legislation for the implementation of the Takeover Directive as at 8 June 2007, proposes to set such threshold for triggering the mandatory offer requirement at 30 per cent. Under this draft, the obligation to make a public offer will only start to apply to a selling shareholder once its interest in a company's share capital decreases below 30 per cent. (and then again increases to 30 per cent. or higher). Shareholders acting in concert who have a combined interest of at least 30 per cent. of a company's share capital are also obliged to make a public offer. The same applies when one or more shareholders have agreed with the target company to frustrate the public offer.

After a public offer, a holder of at least 95 per cent. of the outstanding shares and voting rights has the right to require the minority shareholders to sell their shares to it. Any such attempt to require the minority shareholders to sell their shares must be filed with the Enterprise Chamber of the Amsterdam Court of Appeal (*Ondernemingskamer*) (the **Enterprise Chamber**) within three months after the end of the acceptance period of the public offer. Conversely, in such a case, each minority shareholder has the right to require the holder of at least 95 per cent. of the outstanding shares and voting rights to purchase its shares. The minority shareholders must file such claim with the Enterprise Chamber within three months after the end of the acceptance period of the public offer.

15. CORPORATE GOVERNANCE

General

On 9 December 2003, the Dutch Corporate Governance Committee, also known as the Tabaksblat Committee, presented the Code, which came into effect on 1 January 2004. The Code contains 21 principles and 113 best practice provisions for managing boards, supervisory boards, shareholders and general meetings of shareholders, as well as financial reporting, auditors, disclosure, compliance and enforcement standards.

Dutch companies listed on a government recognised stock exchange, whether in The Netherlands or elsewhere, are required under Dutch law to disclose in their annual reports whether or not they apply the provisions of the Code that are addressed to their managing board or supervisory board and, if they do not apply them, to explain the reasons why. The Code provides that if a company's general meeting of shareholders explicitly approves the corporate governance structure and policy of a company and endorses such company's explanation for any deviation from the best practice provisions, such company will be deemed to have applied the Code.

The Executive Board and the Supervisory Board are very aware of developments in regard of the changing position of the General Meeting under the Code. The implementation of the Code by the Executive Board was supported by the general meeting of shareholders held on 16 August 2005.

The Executive Board and the Supervisory Board are responsible for the corporate governance structure of Samas and are accountable for this to the General Meeting. Substantial changes to the corporate governance structure are laid before the General Meeting.

Samas is of the opinion that it meets the requirements of the Code, with a limited number of exceptions set out below.

Rule III.5: composition and role of three key committees of the Supervisory Board

If the Supervisory Board consists of more than four members, it shall appoint from among its members an audit committee, a remuneration committee and a selection and appointment committee. The function of the committees is to prepare the decision-making of the Supervisory Board. If the Supervisory Board decides not to appoint an audit committee, a remuneration committee and a selection and appointment committee, best practise provisions III.5.4, III.5.5, III.5.8, III.5.9, III.5.10, III.5.13, V.1.2, V.2.3 and V.3.1 shall apply to the entire Supervisory Board. In its report, the Supervisory Board shall report on how the duties of the committees have been carried out in the financial year.

Samas position

The Supervisory Board has two committees: the Audit Committee and the Remuneration and Appointments Committee. The recommendations relating to these committees do not apply in terms of the composition of the core committees as set out in principle III.5 as there are only four members of Samas' Supervisory Board.

Rule II.1.1, II.2 and II.2.7: term, amount and composition of the remuneration and severance package

II.1.1: A management board member is appointed for a maximum period of four years at a time. A member may be reappointed for a term of not more than four years at a time.

II.2: The amount and structure of the remuneration which the management board members receive from the company for their work shall be such that qualified and expert managers can be recruited and retained. If the remuneration consists of a fixed and a variable part, the variable part shall be linked to previously-determined and measurable targets, which must be achieved partly in the short term and partly in the long term. The variable part of the remuneration is designed to strengthen the board members' commitment to the company and its objectives. The remuneration structure, including severance pay, is such that it promotes the interests of the company in the medium and long term, does not encourage management board members to act in their own interests and neglect the interests of the company and does not 'reward' failing board members upon termination of their employment. The level and structure of remuneration shall be determined in the light of, among other things, the results, the share price performance and other developments relevant to the company. The shares held by a management board member in the company on whose board he sits are long-term investments. The amount of compensation which a management board member may receive on termination of his employment may not exceed one year's salary, unless this would be manifestly unreasonable in the circumstances.

II.2.7: The maximum remuneration in the event of dismissal is one year's salary (the 'fixed' remuneration component). If the maximum of one year's salary would be manifestly unreasonable for a management board member who is dismissed during his first term of office, such board member shall be eligible for a severance pay not exceeding twice the annual salary.

Samas position

The recommendations in regard to the four year term in office of management directors (II.1.1) and their remuneration (II.2) as well as the recommendations relating to the compensation on involuntary termination of employment (II.2.7) are observed with regard to new members joining the Executive Board.

The Code's recommendations apply to two out of the three members of the Executive Board (Mr. van den Biggelaar and Mr. Held). With regard to Mr. van der Ven, the Code's recommendations are not applied because the Code's recommendations are not observed where these recommendations diverge from the contracts of employment of members of the Executive Board appointed before the implementation of the Code.

Rule II.2.6 and III.7.3: board members' shareholdings in third parties

II.2.6: The supervisory board shall draw up regulations concerning ownership of and transactions in securities by management board members, other than securities issued by their 'own' company. The regulations shall be posted on the company's website. A management board member shall give periodic notice, but in any event at least once a quarter, of any changes in his holding of securities in Dutch listed companies to the compliance officer or, if the company has not appointed a compliance officer, to the chairman of the supervisory board. A management board member who invests exclusively in listed investment funds or who has transferred the discretionary management of his securities portfolio to an independent third party by means of a written mandate agreement is exempted from compliance with this last provision.

III.7.3: The supervisory board shall adopt a set of regulations containing rules governing ownership of and transactions in securities by supervisory board members, other than securities issued by their 'own' company. The regulations shall be posted on the company's website. A supervisory board member shall give periodic notice, but in any event at least once a quarter, of any changes in his holding of securities in Dutch listed companies to the compliance officer or, if the company has not appointed a compliance officer, to the chairman of the supervisory board. A supervisory board member who invests exclusively in listed investment funds or who has transferred the discretionary management of his securities portfolio to an independent third party by means of a written mandate agreement is exempted from compliance with this last provision.

Samas position

There is no regulation covering private investment by members of the Executive Board (II.2.6) or members of the Supervisory Board (III.7.3). Members of both boards are already subject to general legislation and regulations and monitoring private investment is unnecessarily bureaucratic.

Rule IV.1.7.: record date

The company shall determine a record date for the exercise of the voting rights and the rights relating to meetings.

Samas position

The company does not have a record date for the annual general meeting of shareholders in view of the practical problems this would cause.

Rule IV.3.1: shareholders following meetings and presentations in real time

Meetings with analysts, presentations to analysts, presentations to investors and institutional investors and press conferences shall be announced in advance on the company's website and by means of press releases. Provision shall be made for all shareholders to follow these meetings and presentations in real time, for example by means of webcasting or telephone lines. After the meetings, the presentations shall be posted on the company's website.

Samas position

In view of the high costs involved in positioning web cams and/or other technical equipment for third parties to follow analysts' and other meetings and for shareholders to participate in meetings (IV.3.1), in the short term no initiative will be taken to enable this.

16. MARKET INFORMATION

The Ordinary Shares are listed on Eurolist by Euronext Amsterdam under the symbol "SAMAS". The following table sets out the high and low closing prices for the periods indicated for the Ordinary Shares on Eurolist by Euronext Amsterdam as reported by Thomson ONE Banker, as well as the average daily trading volume in shares.

Thomson ONE Banker automatically updates historical share trading price information to take account of certain corporate events such as conversions of shares and rights issues. The historical data for 2004, 2005, 2006 and 2007 up to and including 8 June 2007 has therefore been adjusted to take account of the conversion of the Financing Preference Shares in December 2005 and the dividend of Ordinary Shares in relation to that conversion.

	Price (closing)		***Average daily trading volume (number of Ordinary Shares in thousands)***
	High (€)	***Low (€)***	
2004			
1st Quarter	5.95	4.60	10.8
2nd Quarter	5.72	5.15	7.9
3rd Quarter	5.95	5.05	30.0
4th Quarter	5.40	4.10	11.3
2005			
1st Quarter	7.09	5.25	69.4
2nd Quarter	6.72	5.38	26.2
3rd Quarter	6.74	6.10	14.3
4th Quarter	8.59	6.50	62.2
2006			
1st Quarter	9.75	8.30	79.7
2nd Quarter	10.69	7.51	129.4
3rd Quarter	8.50	7.55	27.3
4th Quarter	8.50	7.18	39.3
2007			
1st Quarter	9.00	7.52	78.8
April	7.62	6.07	193.7
May	6.14	5.30	60.5
8 June 2007	5.79	5.79	229.4

For the actual share price and other graphics of the historic share price of the Ordinary Shares, please refer to www.euronext.com.

17. TAXATION

The following summary describes certain principal Netherlands tax consequences of the acquisition, holding and disposal of Offer Shares and Rights (other than via redemption by Samas and/or by a direct or indirect subsidiary of Samas), but does not purport to be a comprehensive description of all Netherlands tax considerations that may be relevant. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of an investment in Offer Shares and Rights.

This summary is based on the tax legislation, published case law, treaties, regulations and published policy, in force as of the date of this Prospectus, though it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address The Netherlands tax consequences for:

(a) holders of Offer Shares or Rights holding a substantial interest (*aanmerkelijk belang*) in Samas. Generally speaking, a holder of Offer Shares and Rights holds a substantial interest in Samas, if such holder of Offer Shares and Rights, alone or, where such holder is an individual, together with his or her partner (statutory defined term) or certain other related persons, directly or indirectly, holds (i) an interest of 5% or more of the total issued capital of Samas or of 5% or more of the issued capital of a certain class of shares of Samas, (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit sharing rights in Samas.

(b) holders of Offer Shares and Rights that are subject to special tax rules, including dealers in securities, financial institutions, investment institutions and insurance companies.

(c) corporate holders of Offer Shares and Rights holding, alone or together with related corporate entities, a qualifying participation (*deelneming*) in Samas. Generally speaking, a shareholding is considered to qualify as a participation if it represents an interest of 5% or more of the nominal paid-up share capital (**Participation**).

Dividend tax

Withholding requirement

Samas is required to withhold 15% Netherlands dividend tax in respect of proceeds from the Offer Shares, which include:

(i) proceeds in cash or in kind including deemed and constructive proceeds;

(ii) liquidation proceeds in excess of its average paid-in capital recognised for Netherlands dividend tax purposes; and

(iii) the par value of Offer Shares issued to a holder of the Offer Shares or an increase of the par value of the Offer Shares, except when the (increase in the) par value of the Offer Shares is funded out of the Samas' paid-in capital as recognised for Netherlands dividend tax purposes; and

(iv) partial repayments of paid-in capital for tax purposes, if and to the extent there are qualifying profits (*zuivere winst*), unless the general meeting of the shareholders of Samas has resolved in advance to make such repayment and provided that the nominal value of the Offer Shares concerned has been reduced by an equal amount by way of an amendment of the articles of association and the paid-in capital is recognised as capital for Netherlands dividend tax purposes.

Residents of The Netherlands

If a holder is a resident of The Netherlands, Netherlands dividend tax which is withheld with respect to proceeds from the Offer Shares will generally be creditable for Netherlands corporate income tax or Netherlands income tax purposes if the holder is the beneficial owner (as described below) thereof.

On request and if certain conditions are met, a refund of The Netherlands dividend tax is available to certain exempt entities such as Netherlands qualifying pension funds, and Netherlands investment institutions.

Non-residents of The Netherlands

If a holder is a resident of a country other than The Netherlands and if a treaty for the avoidance of double taxation with respect to taxes on income is in effect between The Netherlands and that country, and such holder is the beneficial owner (as described below) of the proceeds from the Offer Shares and a resident for the purposes of such treaty, such holder may, depending on the terms of that particular treaty, qualify for full or partial relief at source or for a refund in whole or in part of The Netherlands dividend tax.

A refund of The Netherlands dividend tax is available to EU tax resident entities, provided these entities are not subject to corporate income tax there and would not be subject to tax, if it would be tax resident in The Netherlands.

Beneficial owner

A recipient of proceeds from the Offer Shares will not be entitled to any exemption, reduction, refund or credit of Dutch dividend tax if such recipient is not considered to be the beneficial owner of such proceeds. One will not be considered the beneficial owner of these proceeds, if, in connection with such proceeds, one has paid a consideration as part of a series of transactions in respect of which it is likely:

(a) that the proceeds have in whole or in part accumulated, directly or indirectly, to a person or legal entity that would:

  (i) as opposed to the one paying the consideration, not be entitled to an exemption from dividend tax; or

  (ii) in comparison to the one paying the consideration, to a lesser extent be entitled to a lower rate or refund of dividend tax; and

(b) that such person or legal entity has, directly or indirectly, retained or acquired an interest in shares, profit-sharing certificates or loans, comparable to the one it had in similar instruments prior to the series of transactions being initiated.

Corporate and individual income tax

Residents of The Netherlands

If a holder is resident or deemed to be resident of The Netherlands for Netherlands tax purposes and is fully subject to Netherlands corporate income tax or is only subject to Netherlands corporate income tax in respect of its enterprise to which the Offer Shares and Rights are attributable, income derived from the Offer Shares and Rights and gains realised upon the disposal of the Offer Shares and Rights are generally taxable in The Netherlands.

If an individual holder is resident or deemed to be resident of The Netherlands for Netherlands tax purposes (including the individual holder who has opted to be taxed as a resident of The Netherlands), income derived from the Offer Shares and Rights and gains realised upon the disposal of the Offer Shares and Rights are taxable at the progressive rates of The Netherlands income tax act 2001, if:

(i) the holder has an enterprise or an interest in an enterprise, to which enterprise the Offer Shares or Rights are attributable; or

(ii) such income or gains qualify as income from miscellaneous activities (resultaat uit overige werkzaamheden), which include the performance of activities with respect to the Offer Shares or Rights that exceed regular, active portfolio management (normaal, actief vermogensbeheer).

If neither condition (i) nor condition (ii) applies to the holder of the Offer Shares and Rights, taxable income with regard to the Offer Shares and Rights must be determined on the basis of a deemed return on income from savings and investments (sparen en beleggen), rather than on the basis of income actually received or gains actually realised. At present, this deemed return on income from savings and investments has been fixed at a rate of 4% of the average of the individual's yield basis (rendementsgrondslag) at the beginning of the calendar year and the individual's yield basis at the end of the calendar year, insofar as the average exceeds a certain threshold. The average of the individual's yield basis is determined as the fair market value of certain qualifying assets held by the holder of the Offer Shares and Rights less the fair market value of certain qualifying liabilities on 1 January and 31 December, divided by two. The fair market value of the Offer Shares and Rights will be included as an asset in the individual's yield basis. The deemed return on income from savings and investments of 4% will be taxed at a rate of 30%.

Non-residents of The Netherlands

If a holder is not a resident nor deemed to be a resident of The Netherlands for Netherlands tax purposes (nor has opted to be taxed as a resident of The Netherlands), such holder is not taxable in respect of income derived from the Offer Shares and Rights and gains realised upon the disposal of the Offer Shares and Rights, unless:

(i) the holder has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in The Netherlands to which permanent establishment or a permanent representative the Offer Shares or Rights are attributable; or

(ii) the holder is entitled to a share in the profits of an enterprise that is effectively managed in The Netherlands, other than by way of securities, and to which enterprise the Offer Shares or Rights are attributable; or

(iii) the holder is an individual and such income or gains qualify as income from miscellaneous activities in The Netherlands, which include the performance of activities in The Netherlands with respect to the Offer Shares or Rights that exceed regular, active portfolio management.

Gift and inheritance taxes

Residents of The Netherlands

Generally, gift and inheritance tax will be due in The Netherlands in respect of the acquisition of the Offer Shares and Rights by way of a gift by, or on the death of, a holder that is a resident or deemed to be a resident of The Netherlands for the purposes of Netherlands gift and inheritance tax at the time of the gift or his or her death.

A holder of The Netherlands nationality is deemed to be a resident of The Netherlands for the purposes of The Netherlands gift and inheritance tax, if he or she has been resident in The Netherlands during the ten years preceding the gift or his or her death. A holder of any other nationality is deemed to be a resident of The Netherlands for the purposes of The Netherlands gift and inheritance tax if he or she has been resident in The Netherlands at any time during the twelve months preceding the time of the gift. The same twelve-month rule may apply to entities that have transferred their seat of residence out of The Netherlands.

Non-residents of The Netherlands

No gift or inheritance taxes will arise in The Netherlands in respect of the acquisition of the Offer Shares and Rights by way of gift by, or as a result of the death of, a holder that is neither a resident nor deemed to be a resident of The Netherlands for the purposes of The Netherlands gift and inheritance tax, unless:

(i) such holder at the time of the gift has, or at the time of his or her death had, an enterprise or an interest in an enterprise that is or was, in whole or in part, carried on through a permanent establishment or a permanent representative in The Netherlands and to which permanent establishment or a permanent representative, the Offer Shares or Rights are or were attributable; or

(ii) the Offer Shares or Rights are or were attributable to the assets of an enterprise that is effectively managed in The Netherlands and the donor is or the deceased was entitled, other than by way of securities or through an employment contract, to a share in the profits of that enterprise, at the time of the gift or at the time of his or her death; or

(iii) in the case of a gift of the Offer Shares or Rights by a holder who at the date of the gift was neither a resident nor deemed to be a resident of The Netherlands, such holder dies within 180 days after the date of the gift, while at the time of his or her death being a resident or deemed to be a resident of The Netherlands.

Value added tax

In general, no value added tax will arise in respect of payments in consideration for the issue of the Offer Shares and Rights or in respect of a payment made under the Offer Shares and Rights, or in respect of a transfer of Offer Shares and Rights.

Other taxes and duties

No registration tax, customs duty, transfer tax, stamp duty, capital tax or any other similar documentary tax or duty, will be payable in The Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Offer Shares and Rights.

18. THE OFFERING

In the Rights Offering, we are offering 9,337,182 Offer Shares with a nominal value of €1 each at the Issue Price of €3.75 per Ordinary Share. Subject to applicable securities laws, existing holders of our Ordinary shares as at the Record Date are being granted Rights to subscribe for the Offer Shares, in amounts *pro rata* to their shareholdings. Following expiry of the Exercise Period for the Rights, the Joint Global Coordinators, subject to the terms and conditions of the Underwriting Agreement, will offer the Rump shares for sale by way of private placements to institutional investors at a price at least equal to the Issue Price and any expenses related to procuring such subscribers (including any value added tax). Any Offer Shares not subscribed for through the exercise of Rights in the Rights Offering or sold by the Joint Global Coordinators in the Rump Offering will be subscribed and paid for by the Joint Global Coordinators at the Issue Price, subject to the terms and conditions of the Underwriting Agreement. See "Subscription and Sale".

For information on applicable selling and transfer restrictions in respect of the Offer Shares and the Rights, see "Selling and Transfer Restrictions".

Timetable

The timetable below lists certain expected key dates for the Offering. All times referred to are CET.

Record Date	Immediately following after the close of trading of our Ordinary shares on Euronext by Euronext Amsterdam at 17:40 hours, on 11 June 2007
Ex-Rights trading in our Ordinary shares commences on Eurolist by Euronext Amsterdam	12 June 2007
Exercise Period commences	12 June 2007
Trading in the Rights commences on Eurolist by Euronext Amsterdam	12 June 2007
Trading in the Rights ceases on Eurolist by Euronext Amsterdam	13:15 hours, on 21 June 2007
End of Exercise Period	15:30 hours, on 21 June 2007 (1)
Rump Offering Period	Expected to commence on 22 June 2007and ending no later than 17:30 hours on 22 June 2007
Expected allotment of Offer Shares	22 June 2007
Listing of, and start of trading in, the Offer Shares commences on Eurolist by Euronext Amsterdam	27 June 2007
Payment for and delivery of the Offer Shares	27 June 2007

(1) The last date and/or time before which notification of exercise instructions may be validly given by you may be earlier than the date and/or time specified above as the end of the Exercise Period, depending on the financial intermediary through which your Rights are held.

We may adjust the dates, times and periods given in the timetable and throughout this Prospectus.

If we should decide to adjust dates, times or periods, we will notify Euronext Amsterdam N.V. and the AFM and inform you through publication in a Dutch national daily newspaper and in the Euronext Amsterdam Daily Official List (*Officiële Prijscourant*). Any other material alterations will be published in a press release, in an advertisement in the Euronext Amsterdam Daily Official List and a Dutch national daily newspaper and in a supplement to this Prospectus.

Rights

Subject to applicable securities laws, our existing Shareholders as at the Record Date are being granted Rights to subscribe for Offer Shares at the Issue Price. Each Ordinary Share that you hold immediately after the close of trading in our Ordinary shares on Euronext Amsterdam at 17.40 hours, CET, on 11 June 2007, which is the Record Date, will entitle you to one Right. An Eligible Person will be entitled to subscribe for 3 Offer Shares for every 8 Rights held. Accordingly, Eligible Persons will be entitled to subscribe for 3 Offer Shares for every 8 Ordinary shares held on the Record Date. Rights can only be exercised in multiples of 8. No fractional Ordinary shares will be issued.

If you hold Ordinary shares on the Record Date, the financial intermediary through which you hold Ordinary shares will customarily give you details of the aggregate number of Rights to which you will be entitled, subject to applicable securities laws. Your financial intermediary will supply you with this information in accordance with its usual customer relations procedures. You should contact your financial intermediary if you are a holder of Ordinary Shares entitled to receive Rights but have received no information with respect to the Offering. Only holders of our Ordinary Shares as of the Record Date will be entitled to receive Rights.

The statutory pre-emptive rights of holders of our Ordinary Shares have been excluded with respect to the Offering.

If you are a shareholder whose holding of Ordinary Shares is registered in our shareholders' register, and the address reflected in the register is in The Netherlands, you will be sent a letter informing you of the aggregate number of Rights to which you are entitled and of the procedures that you must follow to exercise or trade your Rights.

Record Date

The Record Date for determining the holders of our outstanding Ordinary Shares who will receive Rights (subject to applicable securities laws) is immediately after the close of trading on Euronext Amsterdam at 17.40 hours, CET, on 11 June 2007. Until the close of trading in the Ordinary Shares on Euronext Amsterdam on the Record Date, the Ordinary Shares will trade with Rights. From 12 June 2007, the Ordinary Shares will trade ex-Rights.

Trading in Rights

Trading in the Rights on Euronext Amsterdam is expected to commence on 12 June 2007, and will continue until 13:15 hours, CET, on 21 June 2007. The Rights will be traded under the symbol "SAMRI". The transfer of Rights will take place through the book-entry systems of Euroclear Nederland, Euroclear and Clearstream, Luxembourg.

Persons interested in trading or purchasing Rights should be aware that the exercise of Rights by holders who are located in countries other than The Netherlands is subject to restrictions as described under "Selling and Transfer Restrictions".

Exercise Period

Subject to the restrictions set out below, if you are an Eligible Person, you may subscribe for Offer Shares by exercising your Rights from 12 June 2007 up to 15.30 hours, CET, on 21 June 2007, which is the end of the Exercise Period. **The last date and/or time before which notification of exercise instructions may be validly given by you may be earlier, depending on the financial institution through which your Rights are held**. If you have not exercised your Rights by the end of the Exercise Period, you will no longer be able to exercise your Rights. Once you have exercised your Rights, you cannot revoke or modify that exercise unless we amend a material term of the Offering or amend this Prospectus in any material respect. Even if the market price of our Ordinary Shares fluctuates below the Issue Price, if you have exercised your Rights, you will be obliged to pay the Issue Price for any Offer Shares being subscribed for.

We are not taking any action outside The Netherlands to permit the exercise and transfer of Rights by the general public. We urge you to carefully study the restrictions described under "Selling and Transfer Restrictions". We reserve the right, with sole and absolute discretion, to treat as invalid any subscription or purported subscription which appears to us to have been executed, effected or dispatched in a manner that may involve a breach or violation of the laws of any jurisdiction or if we believe that the same may violate applicable legal or regulatory requirements or may be inconsistent with the procedures and terms set out in this Prospectus or in breach of the representations and warranties to be made by an accepting holder, as described herein.

Subscription

If you are an Eligible Person and you wish to exercise your Rights, you should instruct your financial intermediary in accordance with the instructions that you receive from it. The financial intermediary will be responsible for collecting exercise instructions from you and for informing the Subscription Agent of your exercise instructions. See "The Offering - Subscription Agent" below.

Subject to applicable securities laws, you may instruct your financial intermediary to sell some or all of your Rights, or to purchase additional Rights, on your behalf. See "The Offering - Trading in Rights" above.

All questions concerning the timeliness, validity and form of instructions to a financial intermediary in relation to the exercise, sale or purchase of Rights will be determined by the financial intermediary in accordance with its usual customer relations procedures or as it otherwise notifies you.

We are not liable for any action or failure to act by a financial intermediary through which Eligible Persons hold their Ordinary Shares or by the Subscription Agent in connection with any subscriptions or purported subscriptions.

Method of payment

You should pay the Issue Price for the Offer Shares that you subscribe for in accordance with the instructions you receive from the financial intermediary through which you exercise your Rights. The financial intermediary will pay the Issue Price to the Subscription Agent, who will in turn pay it to us. Payment for the Offer Shares to the Subscription Agent must be made no later than the Closing Date, which is expected to be 27 June 2007. **Accordingly, financial intermediaries may require payment by you, if you are an Eligible Person, to be provided to them prior to the Closing Date.**

Subscription Agent

Rabo Securities will act as Subscription Agent to accept subscriptions for Offer Shares through the exercise of Rights (the **Subscription Agent**). The financial intermediary through which Eligible Persons hold their Rights will be responsible for collecting exercise instructions from them and for informing the Subscription Agent of their exercise instructions.

Unexercised Rights and the Rump Offering

Rights can no longer be exercised after 15.30 hours, CET, on 21 June 2007, which is the end of the Exercise Period. At that time, any unexercised Rights will continue to be reflected in your securities account solely for the purpose of the distribution of Unexercised Right Payments, if any.

After the Exercise Period has ended, the Joint Global Coordinators will, subject to the terms and conditions of the Underwriting Agreement, commence the Rump Offering, in which they will offer for sale by way of private placements to institutional investors the Rump Shares, being the number of Offer Shares that were issuable upon the exercise of the Rights but that were not subscribed for during the Exercise Period. The Joint Global Coordinators have agreed to procure purchasers through private placements of any Rump Shares at a price which is at least equal to the total of the Issue Price and any expenses related to procuring such purchasers (including any value added tax). The Rump Offering, if any, is expected to commence on 22 June 2007, and to end no later than 17:30 hours, CET, on 22 June 2007. Any Offer Shares not subscribed for through the exercise of Rights in the Rights Offering or sold by the Joint Global Coordinators in the Rump Offering will be subscribed for by the Joint Global Coordinators at the Issue Price, subject to the terms and conditions of the Underwriting Agreement. See "Subscription and Sale".

Unexercised Rights Payments

Upon the completion of the Rump Offering, if the aggregate proceeds for the Rump Shares offered and sold in the Rump Offering, after deduction of any expenses related to procuring such subscribers (including any value added tax), exceed the aggregate Issue Price for such Rump Shares (such amount, the **Excess Amount**), each holder of a Right that was not exercised at the end of the Exercise Period will be entitled to receive, except as noted below, a part of the Excess Amount in cash proportional to the number of unexercised Rights reflected in each such holder's securities account (the **Unexercised Rights Payment**). If the Excess Amount divided by the total number of unexercised Rights is less than €0.01, no Unexercised Rights Payment will be made to the holders of any unexercised Rights and, instead, any Excess Amount will be retained by the Underwriters for their own benefit. We will not be entitled to receive any Excess Amount.

The Unexercised Rights Payments, if any, will be distributed to holders of unexercised Rights as soon as practicable after the closing of the Rump Offering and will be credited to those holders through the facilities of Euroclear Nederland, Euroclear and Clearstream Luxembourg. Payments will be made in euro only, without interest and after the withholding of any applicable taxes. If we have announced that an Excess Amount is available for distribution to holders of unexercised Rights and you have not received payment thereof within a reasonable time following the closing of the Rump Offering, you should contact the financial intermediary through which you hold unexercised Rights.

We cannot guarantee you that the Rump Offering will take place. Should the Rump Offering take place, neither we, the Subscription Agent nor the Joint Global Coordinators, nor any other person procuring subscriptions for Rump Shares, will be responsible for any lack of Excess Amount arising from any sale of the Rump Shares in the Rump Offering.

Allotment of Offer Shares

Allotment of Offer Shares issued pursuant to the Offering is expected to take place on 22 June 2007. For allotment purposes, it will make no difference through which financial intermediary subscription is made.

Listing agents and paying agent

Fortis and Rabo Securities are the Joint Listing Agents and Rabo Securities is the paying agent with respect to the Offering.

Subscription Agent

Rabo Securities is the Subscription Agent for the Rights Offering.

Stabilisation Manager

Rabo Securities is acting as Stabilisation Manager in connection with the Offering.

Payment and delivery

Payment for and delivery of the Offer Shares is expected to take place on 27 June 2007. Delivery of Offer Shares will take place through the book-entry systems of Euroclear Nederland, Euroclear and Clearstream Luxembourg.

Ranking and dividends

The Offer Shares will, upon issue, rank equally in all respects with our currently outstanding Ordinary Shares and will be eligible for any dividends which we may declare on our Ordinary Shares in the future. See "Dividends and Dividend Policy".

Listing and trading

Application has been or will be made to list the Offer Shares on Eurolist by Euronext Amsterdam. We expect that the Offer Shares will be listed, and that trading in such shares will commence, on Eurolist by Euronext Amsterdam on 27 June 2007, barring unforeseen circumstances.

Our outstanding Ordinary Shares are listed on Euronext Amsterdam under the symbol "SAMAS". The Rights will be traded on Euronext Amsterdam under the symbol "SAMRI".

19. SUBSCRIPTION AND SALE

Underwriting arrangements

On 11 June 2007, we entered into an Underwriting Agreement with the Joint Global Coordinators in respect of the Offering.

Subject to the terms and conditions of the Underwriting Agreement, the Joint Global Coordinators have agreed to procure subscribers for any Rump Shares through private placements to institutional investors at a price which is at least equal to the Issue Price and any expenses related to procuring such subscribers (including any value added tax). Any Rump Shares not sold in the Rump Offering and any Offer Shares for which no payment has been made by subscribers for the Offer Shares on the Closing Date will be subscribed and paid for at the Issue Price by the Joint Global Coordinators, severally and not jointly, *pro rata* to the following underwriting commitments:

Joint Global Coordinators	***Offer Shares***
Fortis	50%
Rabo Securities	50%
Total	**100%**

The total costs of the Offering are expected to amount to approximately €2.5 million.

We have given certain representations and warranties and undertakings to the Joint Global Coordinators. In addition, we have agreed to indemnify the Joint Global Coordinators against certain liabilities in connection with the Offering. Each of the parties to the Underwriting Agreement has agreed that it will not offer or sell any Securities, or distribute any prospectus or offering document in connection therewith, in violation of the provisions of the Underwriting Agreement. In addition, the Underwriting Agreement provides that the obligations of the Joint Global Coordinators are subject to certain conditions precedent and termination rights.

Conditions to the Offering

The Underwriting Agreement provides that the obligations of the Joint Global Coordinators are subject to customary conditions precedent. The Underwriting Agreement also provides that the Joint Global Coordinators may terminate the Underwriting Agreement upon the occurrence of certain circumstances.

If any or all of the conditions referred to above are not met or not waived, or if any of the circumstances referred to above occur prior to payment for and delivery of the Offer Shares, the Joint Global Coordinators may terminate the Underwriting Agreement in which case the obligation of the Joint Global Coordinators to subscribe and pay for any Rump Shares not sold in the Rump Offering will lapse. In such event the Rights Offering will be withdrawn. Upon withdrawal of the Rights Offering, the Rights granted will be forfeited without compensation to their holders or the persons entitled to the rights attached thereto and the Offer Shares will not be offered and sold. Any subscription payment received by us will be returned promptly, without interest. Any such forfeiture of Rights will be without prejudice to the validity of any settled trades in the Rights. There will be no refund or compensation in respect of any Rights purchased in the market.

Lock-up

We have agreed with the Joint Global Coordinators that for a period of 180 days following the Closing Date, save with the prior written consent of the Joint Global Coordinators, we will not, directly or indirectly, issue, agree to issue, offer, list, pledge, transfer, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer or dispose of, directly or indirectly, any shares in us or any securities convertible into or exercisable or exchangeable for our shares or which carry rights to subscribe for or purchase shares in us, or make available any prospectus under the laws of any jurisdiction or file a registration statement under the Securities Act with respect to any of the foregoing or enter into any swap, derivative or any other transaction, of whatever kind, which directly or indirectly leads to a total or partial transfer, legally or economically, to one or more third parties of any interest in, or risk exposure to, any of our shares or any securities convertible into or exchangeable for shares, or which in any way whatsoever fixes, limits or transfers any risk arising from the possibility of price movement, up or down, in respect of such shares or any securities convertible into or exchangeable for shares, whether any such swap, derivative or other transaction is to be settled by delivery of shares or other securities, in cash or otherwise, or announce or undertake any of the foregoing or propose an authorisation of the Executive Board to issue any shares in us or grant rights to subscribe for any shares, or propose an issue of shares or grant of rights to subscribe for shares for approval to the General Meeting, other than, in each case, (i) to the Offer Shares to be issued, (ii) to any shares in us or other securities convertible into or exercisable or exchangeable for Ordinary Shares to be issued or pursuant to any existing employee option or share purchase plans or equity savings schemes as disclosed in this Prospectus, or (iii) to preference shares issued to Stichting Samas.

Stabilisation

In connection with the Offering, the Joint Global Coordinators, through Rabo Securities as stabilising manager or its affiliates or agents, may engage in transactions on Eurolist by Euronext Amsterdam, in the over-the-counter market or otherwise, that stabilise or maintain the market price of the Rights or the Ordinary Shares at levels that might not otherwise exist. However, there is no obligation on Rabo Securities or any of its affiliates or agents to do this. Such stabilisation, if commenced, may commence on or after the date on which the Rights begin trading and, if begun, may be ended at any time, may be discontinued at any time without prior notice, and must end no later than 30 calendar days after such date.

Neither we nor any of the Joint Global Coordinators makes any representation or prediction as to the direction or the magnitude of any effect that stabilisation transactions may have on the price of the Rights or the Ordinary Shares. In addition, neither we nor any of the Joint Global Coordinators makes any representation that Rabo Securities will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Potential conflicts of interest

Rabo Securities and Fortis, which are regulated in The Netherlands by the Dutch Central Bank (*De Nederlandsche Bank)* and the AFM in relation to the Offering and in relation to the listing of the Offer Shares, are acting exclusively for us and for no one else and will not be responsible to anyone other than to us for giving advice in relation to, respectively, the Offering and the listing of the Offer Shares.

Fortis and Rabo Securities, and/or their respective affiliates, have from time to time engaged, and may in the future engage, in commercial banking, investment banking and financial advisory and ancillary transactions in the course of their businesses with us or any parties related to us in respect of which the sharing of information is generally restricted for reasons of confidentiality, by internal procedures or by rules and regulations. As a result of these transactions, these parties may have interests that may not be aligned, or could potentially conflict, with your and our interests.

Rabo Securities is the equity (linked) investment bank of Rabobank, and, together with Fortis, are acting as Joint Global Coordinators, Joint Bookrunners and Joint Listing Agents for the Offering. In addition, each of Rabobank and Fortis is acting as a debt provider to us with respect to the Existing Credit Facility and the Bridge Facility.

20. SELLING AND TRANSFER RESTRICTIONS

General

The grant of Rights and the offer of Offer Shares upon exercise of Rights and the offer of Rump Shares to persons located in, resident in, or who are citizen of, countries other than The Netherlands, may be affected by the laws of the relevant jurisdiction. You should consult your professional advisors as to whether you require any governmental or other consents or need to observe any other formalities to enable you to exercise your Rights or to subscribe for the Offer Shares.

We are not taking any action to permit a public offering of the Securities in any jurisdiction outside The Netherlands. Receipt of this Prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstance, this Prospectus will be sent for information purposes only and should not be copied or redistributed. Except as otherwise disclosed in this Prospectus, if you receive a copy of this Prospectus in any territory other than The Netherlands, you may not treat this Prospectus as constituting an invitation or offer to you, nor should you in any event deal in the Securities being offered in the Offering, unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to you, or the Securities could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements.

Accordingly, if you receive a copy of this Prospectus you should not distribute or send the same, or transfer Securities to any person, in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If you forward this Prospectus into any such territories (whether under a contractual or legal obligation or otherwise), you should draw the recipient's attention to the contents of this chapter.

Except as otherwise expressly noted in this Prospectus:

- the Rights being granted in the Rights Offering may be exercised only by an Eligible Person (as defined below), subject to applicable securities laws;
- the Rights and the Offer Shares being granted or offered in the Offering may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, jurisdictions outside The Netherlands wherein the Rights and the Offer Shares may not be offered (the **Ineligible Jurisdictions**);
- this Prospectus may not be sent to any shareholder or other person residing in an Ineligible Jurisdiction (the **Ineligible Persons**); and
- the crediting of Rights to an account of an Ineligible Person does not constitute an offer of the Offer Shares to such person.

In this Prospectus, persons who are not Ineligible Persons are referred to as eligible persons (the **Eligible Persons**).

Representations and warranties by investors in the Offering

If you (a) take up, deliver or otherwise transfer Rights, (b) exercise Rights to obtain the Offer Shares, or (c) trade or otherwise deal in the Rights or the Offer Shares granted or offered in the Offering, you will be deemed to have made, and, in some cases, be required to make, the following representations and warranties to us, the Joint Global Coordinators, the Subscription Agent and any person acting on our or their behalf, unless such requirement is waived by us:

(a) you are not located in an Ineligible Jurisdiction;

(b) you are not an Ineligible Person;

(c) you are not acting, and have not acted, for the account or benefit of an Ineligible Person;

(d) you are:

    (i) located outside the United Kingdom; or

(ii) a person to whom the Offer Shares being offered in the Offering may be offered and sold, as set out in the paragraph "United Kingdom" below;

(e) you are located outside the United States and any person for whose account or benefit you are acting is located outside the United States and, upon acquiring Offer Shares in the Offering you and any such person will be located outside the United States;

(f) you will not offer, sell or otherwise transfer either a Right or an Offer Share to any person located in the United States;

(g) you may lawfully be offered, take up, subscribe for and receive Rights and Offer Shares in the jurisdiction in which you reside or are currently located; and

(h) you were an Ordinary Shareholder and held Ordinary Shares at 17.40 hours, CET, on the Record Date, or you legally acquired Rights.

We, the Joint Global Coordinators and any persons acting on behalf of us or the Joint Global Coordinators will rely upon your representations and warranties. Any provision of false information or subsequent breach of these representations and warranties may subject you to liability.

If you are a person acting on behalf of an eligible holder of the Rights (including, without limitation, as a nominee, custodian or trustee), you will be required to provide the foregoing representations and warranties to us and the Subscription Agent with respect to the exercise of Rights on behalf of such eligible holder. If you do not or are unable to provide the foregoing representations and warranties, neither we nor the Subscription Agent will be bound to authorise the allocation of any of the Offer Shares being offered in the Rights Offering to you or the person on whose behalf you are acting.

Subject to the specific restrictions described below, if you (including, without limitation, your nominees and trustees) are outside The Netherlands and wish to exercise or otherwise deal in your Rights or subscribe for the Offer Shares being offered in the Offering, you must satisfy yourself as to full observance of the applicable laws of any relevant territory, including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories.

The comments set out in this chapter are intended as a general guide only. If you are in any doubt as to whether you are eligible to exercise your Rights or subscribe for the Offer Shares being offered in the Offering, you should consult your professional advisors without delay.

Rights will initially be credited to the financial intermediaries for the accounts of all Ordinary Shareholders that hold our Ordinary Shares as of the Record Date in custody through such an intermediary. A financial intermediary may not exercise any Rights on behalf of any person in the Ineligible Jurisdictions or any Ineligible Persons and will be required in connection with any exercise of Rights to certify to such effect. Subject to certain exceptions, financial intermediaries are not permitted to send this Prospectus or any information about the Offering into any Ineligible Jurisdiction or to any Ineligible Persons. The crediting of Rights to the account of persons in Ineligible Jurisdictions or to Ineligible Persons does not constitute an offer of the Offer Shares to such persons. Financial intermediaries, which include brokers, custodians and nominees, holding for Ineligible Persons may consider selling any and all Rights held for the benefit of such persons to the extent permitted under their arrangements with such persons and applicable law and to remit the net proceeds to the accounts of such persons.

Subject to certain exceptions, exercise instructions or certifications sent from or postmarked in any Ineligible Jurisdiction will be deemed to be invalid and the Securities being offered in the Offering will not be delivered to addresses inside any Ineligible Jurisdiction. We and the Subscription Agent reserve the right to reject any exercise (or revocation of such exercise) in the name of any person who provides an address in an Ineligible Jurisdiction for acceptance, revocation of exercise or delivery of such Securities, who is unable to represent or warrant that such person is not in an Ineligible Jurisdiction and is not an Ineligible Person, who is not acting on a discretionary basis for such persons, or who appears to us or our agents to have executed its exercise instructions or certifications in, or dispatched them from, an Ineligible Jurisdiction. Furthermore, we reserve the right, with sole and absolute discretion, to treat as invalid any exercise or purported exercise of Rights in the Rights Offering, which appears to us to have been executed, effected or dispatched in a manner that may involve a breach or violation of the laws or regulations of any jurisdiction or if we believe that the same may violate or be inconsistent with applicable legal or regulatory requirements, the procedures and terms set out in this Prospectus or in breach of the representations and warranties to be made by an accepting holder, as described herein.

Despite any other provision of this Prospectus, we and the Subscription Agent reserve the right to permit you to exercise your Rights if we and the Subscription Agent, in our absolute discretion, are satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question. Applicable exemptions in certain jurisdictions are described further below. In any such case, neither we nor the Subscription Agent accept any liability for any actions that you take or for any consequences that you may suffer by us accepting your exercise of Rights.

United States

The Rights and the Offer Shares have not been and will not be registered under the Securities Act, and may not be offered, granted, issued, sold, taken up, delivered, renounced, or transferred in or into the United States. Accordingly, the Rights are being granted and the Offer Shares are being offered by us only in transactions that are exempt from registration under the Securities Act pursuant to Regulation S.

European Economic Area

In relation to each Member State which has implemented the Prospectus Directive (each, a **Relevant Member State**), an offer to the public of the Securities may not be made in that Relevant Member State other than the offer contemplated in this Prospectus in The Netherlands once this Prospectus has been approved by the competent authority in The Netherlands and published in accordance with the Prospectus Directive as implemented in The Netherlands, except that an offer to the public in that Relevant Member State of the Securities may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43 million and (3) an annual net turnover of more than €50 million as shown in its last annual or consolidated accounts;

(c) by the Joint Global Coordinators to fewer than 100 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or

(d) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Securities shall result in a requirement for the publication by us or the Joint Global Coordinators of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer to the public**" in relation to any Securities in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Securities to be offered so as to enable an investor to decide to purchase or subscribe for any Securities, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

United Kingdom

Each of the Joint Global Coordinators has represented, warranted and agreed that it has (i) only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the **FSMA**)) received by it in connection with the issue or sale of any of the Securities in circumstances in which section 21(1) of the FSMA does not apply to us and (ii) complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom.

21. GENERAL INFORMATION

Corporate resolutions

The Offering was authorised by resolution of our Executive Board adopted on 8 June 2007 and adopted by our Supervisory Board on 6 June 2007. The General Meeting granted authority to the Executive Board, subject to the approval of the Supervisory Board, to grant the Rights, to issue the Offer Shares and to limit or exclude the statutory pre-emptive rights of holders of our outstanding Ordinary Shares at the General Meeting held on 7 June 2007.

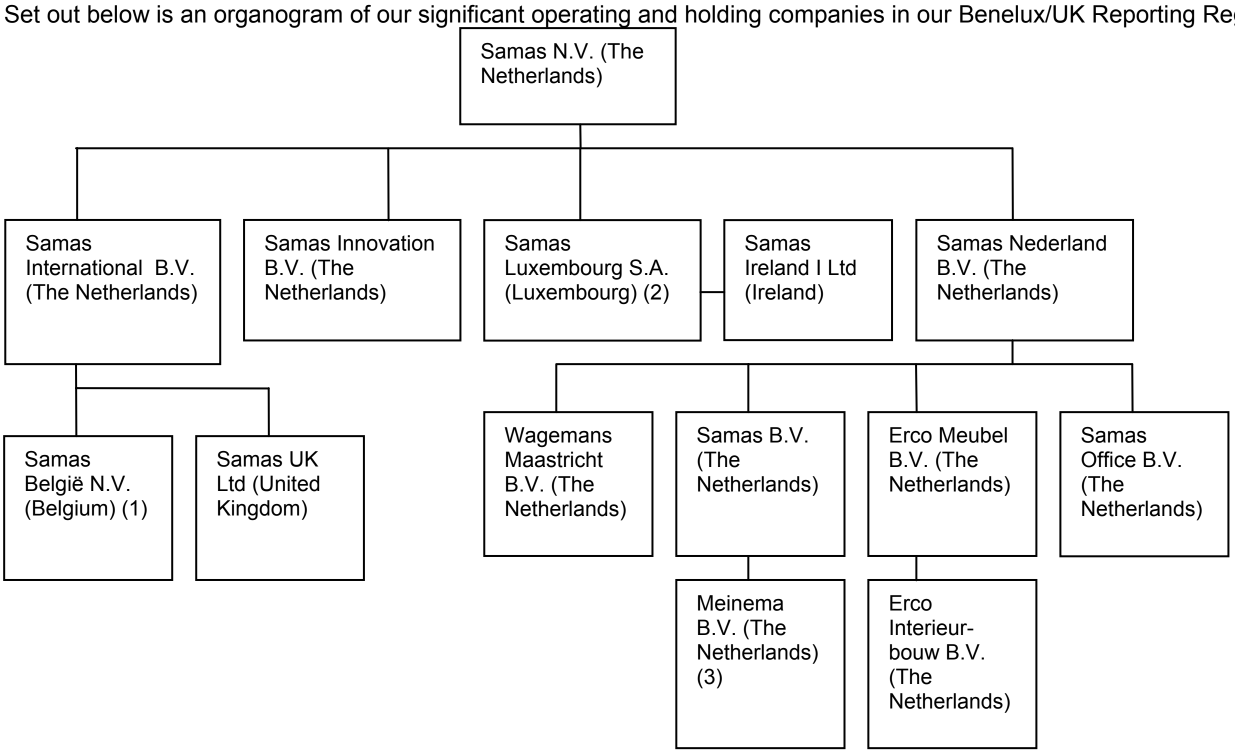
Material adverse change

Save as disclosed in this Prospectus, there has been no significant change in our financial or trading position, and no material adverse change in our financial position or prospects, since 31 March 2007.

Operating and holding companies

Benelux/UK Reporting Region

Set out below is an organogram of our significant operating and holding companies in our Benelux/UK Reporting Region.



Unless otherwise specified, each operating company is wholly-owned.

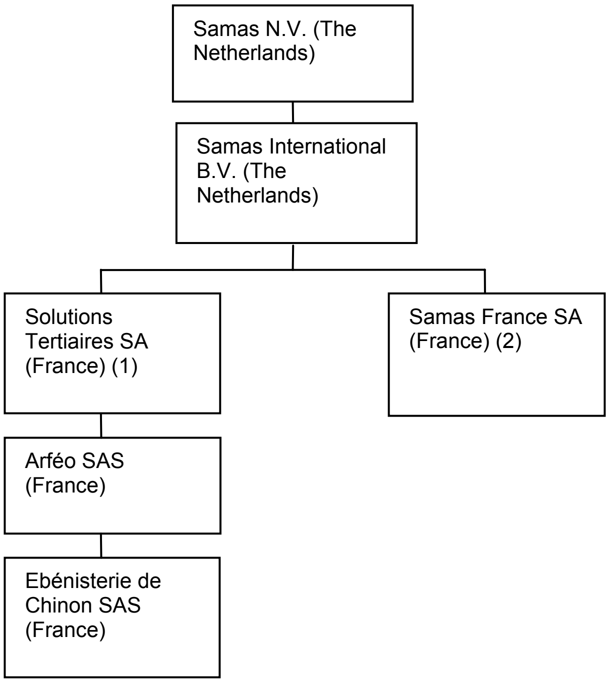
(1) Samas N.V. holds approximately 0.01% of the shares in Samas België N.V.

(2) Samas International B.V. holds approximately 0.01% of the shares in Samas Luxembourg S.A.

(3) Samas B.V. holds approximately 33.3% of the shares in Meinema B.V.

French Reporting Region

Set out below is an organogram of our significant operating and holding companies in our French Reporting Region.



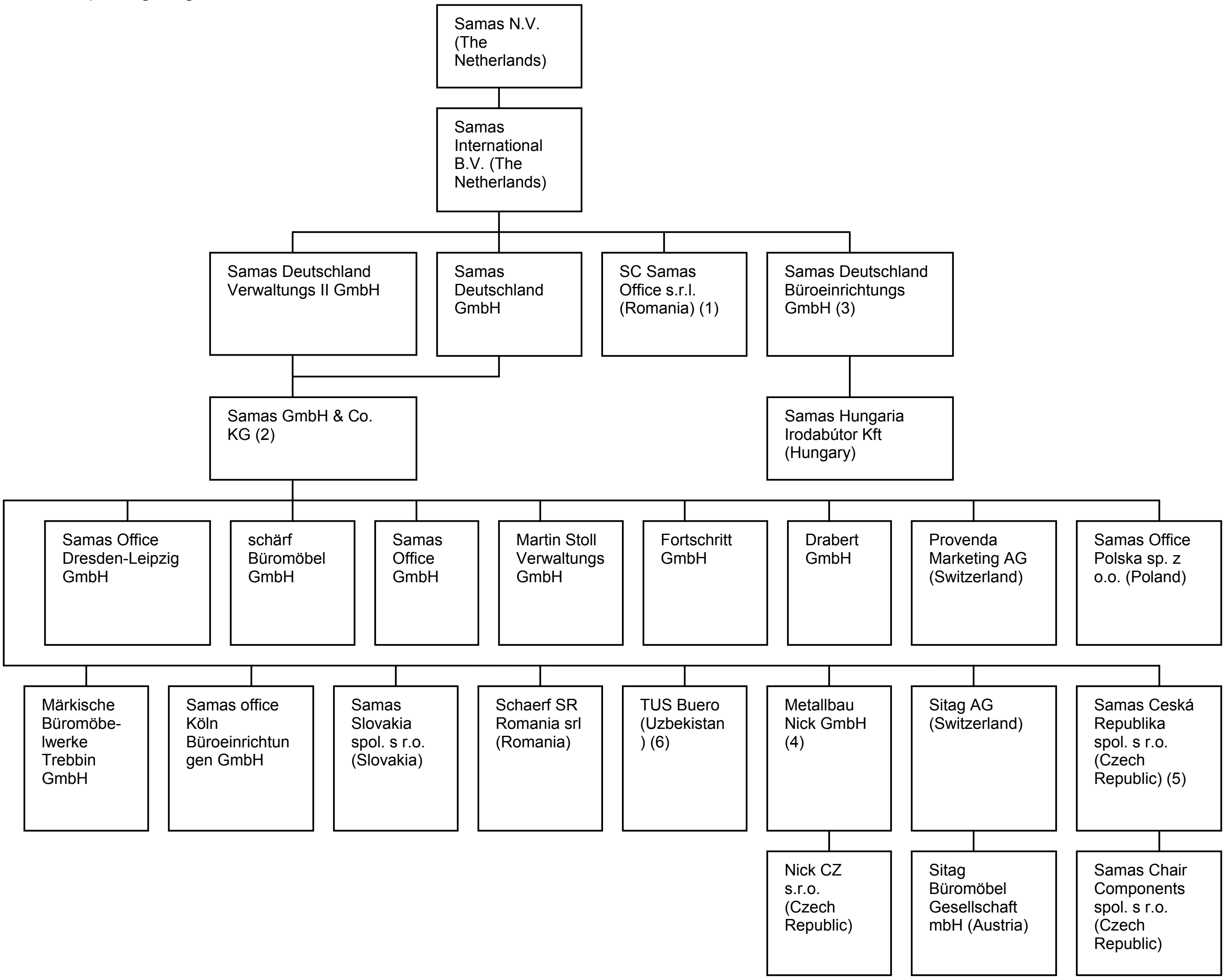
Unless otherwise specified, each operating company is wholly-owned.

(1) Samas International B.V. holds approximately 24.2% of the shares in Solutions Tertiaires SA. Other shareholders are Parconexi B.V., CDC Enteprises SAS, SDR Ouest (Sodero) SAS and Mr. A. Migaud.

(2) Samas International B.V. holds approximately 99.9% of the shares in Samas France SA. Other shareholders are board members and managers of Samas.

German/Swiss/Eastern European Reporting Region

Set out below is an organogram of our significant operating and holding companies in our German/Swiss/Eastern European Reporting Region.



Unless otherwise specified, each operating company is wholly-owned and are incorporated in Germany.

(1) Samas International B.V. holds 51% of the shares in SC Samas Office s.r.l.

(2) Samas Deutschland GmbH holds approximately 60.6% of the shares in Samas GmbH & Co. KG, Samas Deutschland Verwaltungs II GmbH holds approximately 39.4% and Samas Deutschland Büroeinrichtungs GmbH holds approximately 0.01%.

(3) Samas Deutschland Büroeinrichtungs GmbH holds 99% of the shares in Samas Hungaria Irodabútor Kft.

(4) Samas GmbH & Co. KG holds 61% of the shares in Metallbau Nick GmbH.

(5) Samas GmbH & Co. KG holds approximately 96.9% of the shares in Samas Ceská Republika spol. S.r.o.

(6) Samas GmbH & Co. KG holds 60% of the shares in TUS Buero.

Availability of documents

Copies of our annual reports for the financial years 2006/2007, 2005/2006 and 2004/2005, which contain our audited financial statements, including the notes thereto, and the related auditors' reports for the financial years ended 31 March 2007, 31 March 2006 (including the restated financial information in terms of IFRS for the financial year ended 31 March 2005) and 31 March 2005, and our Articles of Association will be available free of charge at our specified office address during normal business hours from the date of this Prospectus for a period of 12 months. The annual report for the financial year 2006/2007 can also be found on our website http://www.samas.com.

Copies of this Prospectus and any supplement to this Prospectus (if any) may be obtained at no cost from the date of this Prospectus or the date of the relevant supplement (if any), by sending a request in writing or by fax or email to us or Rabo Securities or Fortis at the following addresses:

Samas N.V.

Tel: +31 (0) 88 845 5000
Fax: +31 (0) 88 845 5001
E-mail: info@samas.com

Rabo Securities
Amstelplein 1
1096 HA Amsterdam
The Netherlands
Fax: +31 20 460 4949
E-mail: prospectus@rabobank.com

Fortis Bank (Nederland) N.V.
Rokin 55
1012 KK Amsterdam
The Netherlands
Tel: +31 20 527 2467

In addition, copies of this Prospectus and any supplement to this Prospectus (if any) can be obtained through the website of Euronext Amsterdam N.V. at http://www.euronext.com.

Independent auditors

Samas' financial statements as of and for the financial years ended 31 March 2007, 2006 and 2005, have been audited by PricewaterhouseCoopers Accountants N.V., independent auditors, with their address at Archimedeslaan 21, 3584 BA Utrecht, The Netherlands, of which the responsible partner is a member of the Royal Dutch Institute of Chartered Accountants (*Koninklijk Nederlands Instituut van Registeraccountants*), as stated in their report appearing therein. PricewaterhouseCoopers Accountants N.V. have given, and have not withdrawn, their written consent to the inclusion of their report and the references to themselves herein in the form and context in which they are included.

We confirm that the information in PricewaterhouseCoopers Accountants N.V.'s reports in the annual financial statements set out in "Index to Financial Information" have been accurately reproduced and that as far as we are aware and able to ascertain from information published by PricewaterhouseCoopers Accountants N.V., no facts have been omitted which would render PricewaterhouseCoopers Accountants N.V.'s reports inaccurate or misleading.

Publications

According to our Articles of Association, all notices of general meetings of shareholders, announcements of dividends and other distributions and all other communications to the Shareholders will be published in a Dutch national daily newspaper and the Euronext Amsterdam Daily Official List. Publications relating to the issue of Offer Shares will also be published in a Dutch national daily newspaper and the Euronext Amsterdam Daily Official List.

22. DEFINITIONS

For convenience, certain defined terms used throughout this Prospectus are set out below.

ABN AMRO	ABN AMRO Bank N.V.
AFM	Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*)
Amendment to the Directive Bill	the amendment made to the Directive Bill on 18 June 2006
Annual General Meeting	means the annual general meeting of Shareholders
ANT	N.V. Algemeen Nederlands Trustkantoor ANT
Articles of Association	The articles of association of Samas N.V. currently in effect and dated 1 September 2006
Benelux/UK Reporting Region	The reporting region encompassing our operations in The Netherlands, Belgium and the United Kingdom
Bridge Facility	The temporary additional credit facility in an amount of €15 million made available to Samas by Rabobank, Fortis and ABN AMRO in anticipation and up to the time of the Offering in terms of an agreement dated 1 May 2007
CET	Central European Time
Clearstream	Clearstream Banking S.A.
Closing Date	the date of payment for and delivery of the Offer Shares, which is expected to be 27 June 2007
Code	The Dutch corporate governance code, principles of good corporate governance and best practice provisions
Directive Bill	The bill issued by the Dutch government on 31 December 2005 with respect to the implementation of the Takeover Directive
EBITDA	Earnings before interest, tax, depreciation and amortisation
Eligible Person	Any person who is not an Ineligible Person
Enterprise Chamber	The Enterprise Chamber of the Amsterdam Court of Appeal (*ondernemingskamer*)
Euroclear	Euroclear Bank S.A./N.V., as operator of the Euroclear System
Euroclear Nederland	Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V., the Dutch depository and settlement institute, a subsidiary of Euroclear

Eurolist by Euronext Amsterdam	Euronext Amsterdam N.V.'s Eurolist by Euronext Amsterdam
Euronext Amsterdam Daily Official List	The Daily Official List of Euronext Amsterdam N.V. (*Officiële Prijscourant*)
Excess Amount	The amount by which the aggregate proceeds for the Rump Shares offered and sold in the Rump Offering after deduction of any expenses related to procuring such subscribers (including any value added tax) exceed the aggregate Issue Price for such Rump Shares
Executive Board	The executive board of Samas N.V. (*hoofddirectie*)
Exercise Period	The period from 12 June 2007 until 15.30 hours, CET, on 21 June 2007 when eligible holders of Rights may subscribe for Offer Shares
Existing Credit Facility	The existing credit facility made available to Samas by ABN AMRO, Fortis and Rabobank, which has been extended by a term of 3 years up to and including March 2010
Financing Preference Shares	The cumulative convertible financing preference shares in the capital of Samas with a nominal value of €1 each that were converted to Ordinary Shares on 15 December 2005
Financial Supervision Act	The Dutch Financial Supervision Act (W*et op het financieel toezicht*)
Fortis	Fortis Bank (Nederland) N.V.
French Reporting Region	The reporting region encompassing our operations in France
FSMA	The Financial Services and Markets Act 2000
FTEs	Permanent full time equivalent Femployees
General Meeting	The general meeting of shareholders of Samas N.V. (*algemene vergadering van aandeelhouders*)
German/Swiss/Eastern European	The reporting region encompassing our operations in Germany,
Reporting Region	Switzerland and Eastern Europe
IFRS	International Financial Reporting Standards
Ineligible Jurisdiction	Any jurisdiction outside The Netherlands wherein the Rights or Offer Shares may not be offered
Ineligible Person	Any shareholder or other person residing in an Ineligible Jurisdiction or person with a citizenship from an Ineligible Jurisdiction such that he cannot lawfully participate in the

	Offering
Issue Price	€3.75 per Offer Share
Joint Global Coordinators	Fortis and Rabo Securities
Market Abuse Directive	Directive 2003/6/EC of the European Parliament and of the Council of the European Union
Member State	Any member state of the European Economic Area
New IT Platform	The new IT platform being introduced to the Group in terms of Project Harmony
Offering	The Rights Offering and the Rump Offering
Offer Shares	9,337,182 new Ordinary Shares offered at the Issue Price
Operational Excellence Program	The medium term strategic program implemented by Samas to turn Samas from a 12 independent local brands into a coherent, integrated company operating in the European market
Option Agreement	The option agreement entered into by Samas N.V. and Stichting Samas on 28 April 1995
Ordinary Shareholders	Holders of Ordinary Shares, from time to time
Ordinary Shares	The ordinary shares in the capital of Samas N.V. with a nominal value of €1 each
Participation	A qualifying participation in Samas within the meaning of Article 13 of The Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*)
Preference Shares	The preference shares in the capital of Samas N.V. with a nominal value of €1 each
Preference Shareholders	Holders of Preference Shares, from time to time
Project Harmony	The project commenced in mid 2005 to harmonise the business structure, the finance and controlling model, and all business processes within the Group
Prospectus	This prospectus dated 11 June 2007
Prospectus Directive	Directive 2003/71/EC of the European Parliament and of the Council of the European Union
Rabobank	Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A.
Rabo Securities	The equity (linked) investment banking division of Rabobank
Record Date	17.40 hours, CET, on 11 June 2007
Regulation S	Regulation S under the Securities Act

Relevant Member State	Each Member State which has implemented the Prospectus Directive
Rights	The transferable subscription rights granted to the existing Ordinary Shareholders of Samas N.V. under the Rights Offering, which entitle Eligible Persons to subscribe for 3 Offer Share(s) for every 8 Right(s) held
Rights Offering	The offering of Rights to existing Ordinary Shareholders of Samas N.V., the exercise of which entitles Eligible Persons to subscribe for the Offer Shares at the Issue Price
Rump Offering	The private placements with institutional investors in The Netherlands and elsewhere of the Rump Shares
Rump Shares	The Offer Shares that were issuable upon the exercise of Rights, but have not been subscribed for during the Exercise Period
Samas or **Group**	Samas N.V. and its subsidiaries (unless the context requires otherwise)
Securities	The Rights and the Offer Shares
Securities Act	The United States Securities Act of 1933, as amended
Shareholders	The Ordinary Shareholders and the Preference Shareholders (unless the context requires otherwise)
Share Option Plan	The relevant share option plan maintained by Samas as described in "Share Capital - Share Option Plan"
Stabilisation Manager	Rabo Securities
Stichting Samas	The Dutch foundation "Stichting Samas"
Subscription Agent	Rabo Securities acting as subscription agent for the Rights Offering
Supervisory Board	The supervisory board of Samas N.V. (*raad van commissarissen*)
Takeover Directive	Directive 2004/25/EC of the European Parliament and at the Council of 21 April 2004 on takeover bids
Trading Day	A day on which Euronext Amsterdam N.V. is open for business, but not including a day on which no official closing price for the Ordinary Shares is reported on Eurolist by Euronext Amsterdam
Underwriting Agreement	The underwriting agreement between Samas N.V., Fortis and Rabo Securities dated 11 June 2007
Unexercised Right Payment	The payment that each holder of a Right that was not

exercised at the end of the Exercise Period will be entitled to receive, following completion of the Rump Offering if there is any Excess Amount

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Consolidated financial statements for the financial year 2006/2007

1 Consolidated balance sheet as at March 31, 2007 (in € 000s)

Assets	*Notes*	*2006/2007*	*2005/2006*
Property, plant and equipment	10	100,923	121,262
Intangible assets	11	24,051	4,869
Investments in associates	12	409	323
Long-term receivables	13	6,495	6,173
Deferred tax assets	14	13,231	12,994
Non-current assets		**145,109**	**145,621**
Inventories	15	37,838	31,764
Trade and other receivables	16	80,224	69,354
Cash and cash equivalents	17	2,791	7,133
Current assets		**120,853**	**108,251**
Total assets		**265,962**	**253,872**
Equity and liabilities			
Share capital	18	24,899	24,839
Other reserves	18	79,444	79,555
Results for the year	42	-31,134	739
Capital and reserves attributable to the shareholders of the company		73,209	105,133
Minority interests		86	34
Total equity		**73,295**	**105,167**
Long-term borrowings	19	59,394	16,813
Deferred tax liabilities	20	9,199	13,748
Pension provision	21	15,995	16,560
Restructuring provision	21	2,145	4,318
Non-current liabilities		**86,733**	**51,439**
Trade payables	22	48, 505	29,732
Taxes and social security premiums		13,990	11,359
Borrowings	19	23,913	40,819
Other current liabilities	22	19,526	15,356
Current liabilities		**105,934**	**97,266**
Total equity and liabilities		**265,962**	**253,872**

2 Consolidated income statement for the year ended march 31, 2007 (in € 000s)

	Notes	*2006/2007*	*2005/2006*
Revenue		352,432	355,609
Cost of auxiliary and raw materials		162,7	164,954
Gross profit		**189,675**	**190,655**
Staff costs	23	109,489	103,732
Other operating expenses	24	94,935	72,488
Depreciation and amortisation	25	13,610	14.828
Impairment of non-current assets		-	-
Operating costs		218.034	191.048
Operating profit		**-28,359**	**-393**
Share in profit of associates		150	181
Interest income		364	862
Interest expense		-5,385	-1,845
Net finance costs	26	-5,021	-983
Profit before income tax		**-33,230**	**-1,194**
Income tax	27	2,180	1,994
Profit for the year		**-31,050**	**800**
Attributable to:			
Minority interests		84	61
Shareholders of the company		-31,134	739
Total		**-31,050**	**800**
Earnings per share - basic	**28**	**-1.25**	**0.03**
Earnings per share - diluted	**28**	**-1.22**	**0.03**

3 Consolidated statement of changes in equity for the year ended March 31, 2007 (in € 000s)

					Reserves				
Equity	***Issued capital***	***Share premium***	***Statutory reserves***	***Result for the year***	***Currency translation differences***	***Retained earnings***	***Total group equity***	***Minority interests***	***Total equity***
Balance as at April 1, 2005	**14,252**	**8,800**	**4,160**	**-44,824**	**231**	**94,812**	**77,431**	**-37**	**77,394**
Issue of ordinary shares	2,258	14,905					17,163		**17,163**
Conversion of preference shares	8,329	-3,702					4,627		**4,627**
Discontinuation of interest on preference shares						6,046	6,046		**6,046**
Transfers			709	44,824		-45,533	0	0	**0**
Profit / (loss) for the year				739			739	61	**800**
Foreign currency translation differences and other movements					-728	-145	-873	10	**-863**
Balance as at March 31, 2006	**24,839**	**20,003**	**4,869**	**739**	**-497**	**55,180**	**105,133**	**34**	**105,167**
Issue of ordinary shares	60	201					261		**261**
Transfers			1,248	-739		-509	0		**0**
Profit / (loss) for the year				-31,134			-31,134	84	**-31,050**
Foreign currency translation differences and other movements					-421	-630	-1,051	-32	**-1,083**
Balance as at March 31, 2007	**24,899**	**20,204**	**6,117**	**-31,134**	**-918**	**54,041**	**73,209**	**86**	**73,295**

4 Consolidated cash flow statement for the year ended March 31, 2007 (in € 000s)

	Notes	*2006/2007*	*2005/2006*
Operating result	2	-28,359	-393
Depreciation/amortisation	2	13,610	14,828
Provisions	20-21	-7,287	-9,334
Taxes paid / received		4,574	6,798
Movement in working capital		-2,983	6,394
Other movements in current assets and liabilities		8,982	-11,112
Net cash flow from operating activities		**-11,463**	**7,181**
Additions to non-current and intangible assets	10-11	-21,290	-17,246
Disposals of non-current and intangible assets and other movements	10-11	8,837	15,795
Share in operating profits / (losses) of associates and deconsolidation of associates	1	-86	1,417
Net cash flow from investing activities		**-12,539**	**-34**
Issue of ordinary shares	3	261	17,163
Other movements in equity	3	-1,051	5,174
Movements of non-current borrowings	1	41,328	-32,663
Movements of current borrowings	1	-15,975	5,737
Finance costs net of finance income	2	-4,871	-3,488
Paid to minority interests	3	-32	10
Net cash flow from financing activities		**19,660**	**-8,067**
Movements in cash and cash equivalents		**-4,342**	**-920**
Cash and cash equivalents as at April 1		**7,133**	**8,053**
Movements in cash and cash equivalents		-4,342	-920
Cash and cash equivalents as at March 31		**2,791**	**7,133**

Notes to the consolidated financial statements

5 General information

Samas N.V. (Samas) is a public limited company incorporated under the laws of the Netherlands, whose registered office is in Utrecht, the Netherlands, and which is listed on the Amsterdam Euronext Stock Exchange.

Its registered office address is:

Samas N.V.
Elzenkade 1
3992 AD Houten
The Netherlands

The activities of Samas N.V. and its group companies (hereinafter “the Group”) consist mainly of the trade in and the manufacture of office products in the broadest sense of the words, as well as providing services and consultancy in the field of office administration and management.

All amounts shown in these financial statements are in thousands of euros. The company’s financial year runs from April 1 to March 31.

These financial statements were signed and authorised for publication by the Executive Board and Supervisory Board on May 21, 2007. The adoption of the financial statements and the appropriation of the results are the prerogative of the Annual General Meeting of shareholders to be held on June 7, 2007.

6. Summary of significant accounting policies

Significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied, unless otherwise stated.

- Interpretations to existing standards that are not yet effective and have not been early adopted are the following:
- IFRS 7 (financial instruments: disclosures)
- IFRS 8 (operating segments)
- IFRIC 7 (applying the restatement approach under IAS 19)
- IFRIC 8 (scope of IFRS 2)
- IFRIC 9 (reassessment of embedded derivatives)
- IFRIC 10 (interim financial reporting and impairment)
- IFRIC 11 (group and treasury share transactions)
- IFRIC 12 (service concession arrangements)

It is not foreseen that these will have a material impact, except for IFRS 8 which will be implemented in the coming year.

6.1 Basis of preparation

The consolidated financial statements of Samas and its group companies (hereinafter “the Group”) have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

Unless otherwise stated, all amounts in these financial statements are in thousands of euros. The financial statements are prepared under the historical cost convention, modified for fair value adjustments.

6.2 Funding and continuity

Following the implementation issue in relation to Project Harmony and certain other non-recurring costs, Samas is required to seek additional funding to strengthen its financial position and to continue the execution of its strategy. Samas expects to realise this additional funding via:

- An extension of the existing revolving credit facility as agreed with its banks per agreement on 5 April 2007;
- The foreseen issuance of new ordinary shares for an aggregate proceeds of approximately € 35 million.

For more details on these financing arrangements we refer to note 43 Events after the balance sheet date.

Based on management’s expectation of realization of the additional funding the annual accounts 2006/2007 of Samas N.V. has been drawn up on the basis of going concern.

6.3 Consolidation policies

1 Group companies - The consolidated financial statements include the accounts of Samas N.V. and its group companies. Group companies are legal entities in which Samas N.V. can exercise control, either directly or indirectly. Group companies are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. Minority interests are presented separately within equity and in the income statement.

Investments in associates in which significant influence can be exercised on operating and financial policies are recognised in accordance with the equity method of accounting. The net asset value is calculated in accordance with the policies applied in these financial statements. Where insufficient information relating to investments in associates is available to be able to adjust their net asset value in accordance with these policies, the financial statements of the associate concerned are used as a basis. Where the net asset value of an associate is in deficit, its carrying value will be recognised as zero. If in this situation the investing entity is liable for the debts of the associate, a provision is formed.

Group balances and income and expenses arising from intra-group transactions are eliminated, as are any unrealised gains from these transactions.

All companies are wholly-owned unless stated otherwise.

Major subsidiaries (100%)

Netherlands

Samas Nederland B.V., Utrecht

Samas International B.V., Utrecht

Samas Office B.V., Houten

Samas B.V., Houten

Samas Innovation B.V., Houten

Wagemans Maastricht B.V., Maastricht

Erco Interieurbouw B.V., Valkenswaard

Erco Meubel B.V., Valkenswaard

France

Samas France SA, Paris

Belgium

Samas België N.V., Brussels

Luxemburg

Samas Luxembourg SA, Luxembourg

United Kingdom

Samas UK Ltd, London

Republic of Ireland

Samas Ireland I Ltd., Dublin

Germany

Samas Deutschland GmbH, Worms

Samas GmbH & Co. KG, Worms and subsidiaries

Switzerland

Sitag AG, Sennwald

Eastern Europe

Samas Office Polska sp. z o.o, Plochocin

Samas Ceská Republika spol. s.r.o., Krouna

Samas Slovakia spol. s.r.o., Poprad

Samas Hungaria Irodabútor kft., Sopron

Schaerf SR România srl, Arad

2 Associates are entities over which the Group has significant influence but not control, generally accompanying a shareholding comprising between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost. The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves.

Associates

Uzbekistan

TUSbuero, Tashkent (60%)

France

Solutions Tertiaires SA, Taverny and subsidiaries (24%)

6.4 Segmental reporting

A geographical segment is a distinguishable component of the Group that is engaged in providing services within a particular economic environment. The geographical segments are the Benelux/UK, Germany/Switzerland/ Eastern Europe and France.

The Group considers the whole group as business segment.

6.5 Foreign currency translation

Samas operates in countries with different currencies. The reporting currency is the euro. The financial statements of foreign group companies are translated into the reporting currency in accordance with the functional currency method. All companies have the local currency of the country in which they operate, this being their primary economic environment, as their functional currency. The functional currency of the parent company and that of most of its group companies is the euro.

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transactions (spot rate). Foreign exchange gains and losses resulting from the settlement of financial transactions and from the translation at year-end exchange rates of borrowings and cash denominated in foreign currencies are recognised in the income statement as finance cost. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to euros at foreign exchange rates effective at the date the values were determined. A summary of the main currency exchange rates applied in the year under review and the preceding year reads as follows:

Exchange rates	***2006/2007***	***2005/2006***
Closing rates at the balance sheet date		
Swiss franc	1.6215	1.58
Pound sterling	0.6792	0.70
Average exchange rates		
Swiss franc	1.5870	1.55
Pound sterling	0.6777	0.68

The results and financial position of all the group entities that have a functional currency result different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

- Income and expenses for each income statement are translated at average exchange rates. All resulting exchange differences are recognised as a separate component of equity.

6.6 Property, plant and equipment

1 Land and buildings consist mainly of factories, retail outlets and offices and are recognised at cost. Buildings currently in use are depreciated on a straight-line basis in accordance with their expected useful life. Land is not depreciated.

2 Machinery and equipment are stated at historical cost net of depreciation based on an asset's useful economic life. Historical cost includes expenses directly attributable to the acquisition of an asset. Significant renovations are included in an asset's carrying value only when it is likely that future economic benefits associated with the asset will exceed the initially recognised value. Maintenance, repairs and minor renovations are mostly expensed in the period in which they occur.

Depreciation, allowing for a residual value, is based on cost using the straight-line method and taking into account estimated useful life as follows:

	Expected useful life
Land	infinite
Buildings	25-35 years
Plant and machinery	5-10 years

Office furniture and equipment	5 years
Computer hardware	3-5 years
Product Tooling	3-5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to it recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 6.8).

3 Assets not used in the Group's operations are recognised at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather then a continuing use.

6.7 Intangible assets

1 Other software: purchased software (licenses) and software developed in-house are stated at cost less accumulated amortisation and impairment losses.

Expenditure incurred on the development of identifiable and unique software used by the Group that is likely to generate economic benefits for longer than one year, is recognised as an intangible asset and amortised over its estimated useful life.

Software is amortised on a straight-line basis chargeable to the income statement over its estimated useful life.

2 Development costs with finite useful lives are stated at cost less accumulated amortisation and impairment losses. Development costs include R&D Department costs and associated overheads.

Amortisation of other intangible assets is charged to the income statement on a straight line basis over their estimated useful lives.

Intangible assets	***Expected useful life***
Development costs	5 years
Licences	3-4 years
Software	3-5 year
Patents	3-5 year
Other	5 years

If the carrying amount of an asset is higher than its fair value it is immediately impaired. A gain or loss on the sale of an asset is recognised in the income statement.

6.8 Impairment of non-financial assets

Assets that have an indefinite useful life, for example land, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

6.9 Financial assets

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, and available-for-sale financial assets. The classification depends on the purpose for which the financial assets were acquired. Management classifies financial assets at initial recognition and reviews this decision annually.

Financial assets at fair value through profit or loss are financial assets for trading. A financial asset is classified as held for trading if it was acquired mainly with the intention of selling it in the short term. Derivatives are classified as held for trading unless they are designated as hedges.

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted on an active market. They arise when the Group provides money, goods or services directly to a debtor without any intention of trading the receivable. They are included in current assets, except for those maturing more than 12 months after the balance sheet date. The latter are classified as non-current assets.

Loans, long term receivables and liabilities are initially recognised at fair value net of transaction expenses, and thereafter at amortised cost using the effective interest method.

Available-for-sale financial assets are non-derivatives assigned to this category or not included in any of the other categories. They are recognised as non-current assets, unless management intends disposing of them within 12 months of the balance sheet date.

Impairment of financial assets takes place at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement. Impairment testing of trade receivables is described in Note 6.11.

6.10 Inventories

Goods for resale, auxiliary and raw materials are carried at the lower of standard cost, based on the FIFO method, and net realisable value. The market value is the estimated selling price in the course of ordinary business operations, less estimated completion and distribution costs. Semi-manufactured goods, work in progress and finished goods are carried at the lower of standard cost and market value.

Standard cost includes materials, direct and indirect production costs, depreciation and production overhead costs. Inventories are net of a consistently calculated provision for obsolescence. Any impairment to market value is recognised as an expense in the period in which it occurs. The costs of provisions formed are charged to the income statement as costs of auxiliary and raw materials.

6.11 Trade and other receivables

Trade and other receivables are presented initially at fair value and subsequently at amortised cost using the effective interest method. A provision for impairment of trade and other receivables is formed when it is more likely than not that the Group will be unable to collect the amounts receivable. The amount of the provision is equal to the difference between the asset's carrying amount and the present value of future cash flows discounted at the original effective interest rate. Impairment losses are charged to the income statement as 'Other operating expenses'.

6.12 Cash and cash equivalents

Cash and cash equivalents are made up of cash at bank and in hand, time deposits and other funds withdraw able on demand.

6.13 Deferred tax assets and liabilities

Deferred tax assets or liabilities are recognised to provide for temporary differences between the value of assets and liabilities for tax purposes and their carrying value in the consolidated financial statements.

However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at that time of the transaction affects neither accounting nor taxable profit nor loss.

Deferred tax assets and liabilities in respect of temporary differences are calculated using the tax rates in force at the year end or the tax rates for the coming years insofar as these have been enacted or substantially enacted. Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

6.14 Equity

Ordinary shares are classified as share capital. The distribution of dividend on ordinary shares is recognised as a liability in the period in which the dividend is declared by the company's shareholders. In the event of a new share issue, the proceeds less directly attributable costs are recognised as issued capital and, where applicable, share premium. When acquiring shares in the company's own share capital forming part of shareholders' equity, the consideration paid including directly attributable costs, is recognised as a movement in shareholders' equity. Purchased own shares are classified as treasury shares and deducted from shareholders' equity.

6.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs and thereafter at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption obligation is recognised in the income statement over the term of the borrowing using the effective interest method.

Preference shares which are compulsorily redeemable on a specific date are classified as non-current liabilities. Dividends on these preference shares are recognised in the income statement as finance costs. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer payment for at least 12 months after the balance sheet date.

6.16 Employee benefits

1 Pension plans - Group companies operate various pension plans, which are mostly funded through payments to insurance companies or pension funds, as determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans.

A defined benefit plan is a pension plan that defines an amount of pension benefit an employee will receive on retirement and which usually depends on one or more factors such as age, years of service and remuneration.

A defined contribution plan is a pension plan under which the Group pays fixed contributions to a separate legal entity. The Group has no legal or deemed obligations to pay any further contributions if the fund does not have sufficient resources to pay all employees the pension benefits relating to their current and past years of service.

The liability recognised in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan's investment portfolio, together with adjustments for actuarial gains or losses that have not yet been recognised. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is calculated using corporate bond rates whose currency and term to maturity approximate to those of the pension obligation.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension funds on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the Group has no further payment obligations. The contributions are recognised as staff costs as and when due. Prepaid contributions are recognised as an asset, provided they can be set off or are refundable.

2. Share-based compensation - The Group operates a share option plan. The fair value of the options is not accounted for as a loss of revenue. The total amount charged to income during the option period is determined by reference to the fair value of the options granted, excluding the impact of any non-market related conditions (such as, profitability and sales growth targets). Non-market related conditions are included in the number of options assumed to become exercisable. At each balance sheet date, the company revises its estimates of the number of options expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, plus a corresponding adjustment to equity over the remaining option period. When the options are exercised, the proceeds received net of any transaction costs directly attributable are added to share capital (at nominal value) and to share premium.

6.17 Provisions

Provisions are recognised in respect of legally enforceable or constructive obligations resulting from a past event which is likely to trigger an outflow of funds whose amount can be reliably estimated.

Provisions for restructuring are formed when a detailed formal restructuring plan has been approved and made public to those involved. Restructuring provisions mainly comprise staff costs. The provisions are based on the present value of the expected future outlay.

6.18 Recognition of revenue and expenses

Sales and other operating revenue are accounted for when the service has been provided or the goods delivered. Operating expenses are recognised in the year to which they relate.

Revenue consists of the fair value of the sale of goods and services, net of value added tax, discounts and the like, and after eliminating intra-group sales. The revenue from services is recognised in the accounting period in which the services are provided, pro-rata to the total services to be rendered. Finance income is recognised on an accrual basis using the effective interest method.

6.19 Leasing

Lease contracts, in which substantially all the risks and rewards inherent to ownership are not vested in the Group, are classified as operating leases. Operating lease costs are included in the income statement on a straight-line basis over the term of the lease.

7 Financial risk management

7.1 Financial risk factors

The Group’s activities expose it to a variety of financial risks: market risk (including currency, long-term market interest rate and price risks), credit, liquidity and short-term market interest rate risks. The Group’s overall risk management activities focuses on the unpredictability of financial markets and seeks to minimise potentially adverse effects on the Group’s financial performance. Risk is managed by a central treasury department (Group Treasury) under the direct responsibility of the Executive Board. Group Treasury identifies, evaluates and reviews financial risks, and if necessary hedges them in close co-operation with the Group's operating companies. The Group does not apply hedge accounting.

1 Foreign exchange risks arise from future commercial transactions, specific assets and liabilities and net investments in foreign associates. To manage their foreign exchange risk arising from future commercial transactions and specific assets and liabilities, Group operating companies can use forward contracts, transacted with Group Treasury. Foreign exchange risk arises when future commercial transactions and specific assets and liabilities are denominated in a currency other than the operating company's functional currency.

Group Treasury is responsible for managing and monitoring the net position in each foreign currency and may use external forward currency contracts as and when appropriate. External foreign exchange contracts are entered into by the Group as net hedges on the commercial transactions and specific assets and liabilities.

The Group has certain investments in operating companies abroad denominated mainly in CHF and GBP whose net assets are exposed to foreign currency translation risk due to exchange rate fluctuations between the local currency and the Group's functional currency. Exchange rate fluctuations arising from this translation risk are not hedged.

2 Price risk - The Group is not exposed to price risk resulting from investments in marketable securities. The Group is exposed to commodity price risk.

3 Liquidity risk - Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents and committed credit facilities. Due to the dynamic nature of the underlying transactions, Group Treasury aims to maintain flexibility in funding by keeping committed credit lines available.

***4 Cash flow and fair value interest rate risk* -** As the Group has no significant interest-bearing assets, its cash flows from revenue and operating activities are substantially immune to changes in market interest rates. The Group's interest-rate risk arises from structural mid to long-term borrowings. Borrowings issued at variable short-term rates expose the Group to cash flow interest-rate risk. The Group's policy is to maintain approximately 75% of its structural mid to long-term borrowings at long-term interest rates. At year-end 31% of the total net debt position (29% of total borrowings) was funded at fixed rates. The Group manages its cash flow interest-rate risk mainly by using floating-to-fixed interest-rate swaps. Such interest-rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. At year-end the Group only had positions in floating-to-fixed interest-rate swaps.

7.2 Hedging activities

Derivatives are initially recognised at market value on the date the contracts are entered into. Thereafter they are continuously revalued at fair value. Since hedge accounting is not applied by the Group, the resulting gains/losses on revaluation are recognised in the income statement in the period in which they occur.

As from the date of the underlying transaction and the date of the derivative contract entered into, the Group documents the relationship between the derivative and the underlying transaction. The effectiveness of the derivative contracts is continuously tested against the underlying transaction. The Group identifies the following two types of hedges:

1 Fair value hedge – Hedging of changes in market value arising from specific assets, liabilities and firm contractual commitments. Changes in the fair value of derivatives that are classified as such are recognised directly in the income statement together with the change in fair value of the underlying asset or liability.

2 Cash flow hedge – Hedge against unwanted changes in the result of forecast transactions. Changes in the fair value of derivatives contracted to hedge cash flow risks and that are classified as such are recognised in the income statement direct.

7.3 Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives) is based on quoted market prices at the balance sheet date. The fair value of financial instruments that are not traded in an active market (such as over-the-counter derivatives) is determined using different valuation techniques based on a combination of quoted market prices, dealer quotes and present value computation techniques.

7.4 Refinancing

From a financial risk management perspective the refinancing and the intended share issue as described in 6.2 should be considered as being of significant relevance to the company and the financial statements as a whole.

8 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions for the future. The resulting accounting outcomes will, by definition, seldom equal the actual results. Estimates and assumptions involving a significant risk of material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

1. Impairment of non-current assets

Following triggering events and at least annually, the Group tests whether assets have suffered any impairment. For non cash generating units the direct realisable or fair values have been determined, based upon surveyor reports and market quotations. This can lead to impairments if the surveyor reports and/or quotations show materially different fair values.

The recoverable amounts of cash generating units are determined using value-in-use and other calculations. These require the use of estimates. Based on these tests, impairment losses are deemed to have been reported. Should the actual performance of these cash-generating units be materially worse, however, impairment losses could arise or vary from the reported impairment losses. Such impairment losses or variances could have a material effect on the carrying amounts of the intangible assets.

2 Provisions

A provision is by its nature an estimate and/or a judgement. The actual outcome of these uncertain factors may be materially different from the estimates. Hence, the differences between actual outcomes and the recorded provisions can impact on the results for the period concerned. Similar uncertainties apply to the timing of the outflow of funds required to pay for these obligations.

***3 Income tax* -** The Group is subject to corporate income tax in various jurisdictions. Assumptions play a significant role in determining the total provision for income tax. There are many transactions and calculations whose ultimate tax effect on the ordinary course of business operations is uncertain. The Group recognises liabilities arising from potential tax audit issues based on estimates of whether additional taxes may be due. Where the final tax outcome of these matters is different from the initial estimates, such differences will affect the income tax charge in the income statement, and the tax liabilities in the period in which these variances occur.

***4 Hedge accounting* -** The Group does not apply hedge accounting toward financial instruments used. Results on fair value of financial instruments are mostly recognised in the P&L under the finance costs. In the balance sheet the financial instruments are classified under the other short term receivables or payables as the case may be.

9 Segmental information

The results by segment for the year ended March 31, 2007 are as follows:

Information by geographical area (primary segment)	*Benelux/ UK*	*Germany/Switzerland/Eastern Europe*	*France*	*Holding*	*Total*
Sales	95,633	158,688	98,111	0	352,432
Cost of goods sold	-58,323	-63,774	-40,660	0	-162,757
Gross profit	37,310	94,914	57,451	0	189,675
Employees (average FTEs)	441	1,229	715	22	2,407

The secondary segment is the Group as a whole. Samas considers the whole Group as business segment.

10 Property, plant and equipment

	Land and buildings	*Machinery, equipment and other*	*In course of construction*	*Down payments*	*Total*
Cost or valuation	184,294	207,189	4.892	482	396.857
Accumulated depreciation	-85,334	-175,845	-330	0	-261,509
Book value as at April 1, 2005	**98,960**	**31,344**	**4,562**	**482**	**135,348**
Additions	104	10,418	3,672	1,054	15,248
Disposals	-14,968	-828	0	0	-15,796
Depreciation	-3,318	-10,259	0	0	-13,577
Transfers	-2,732	1,986	1,679	-1,086	-153
Translation differences	296	-111	7	0	192
Book value as at March 31, 2006	**78,342**	**32,550**	**9,920**	**450**	**121,262**
Cost or valuation	166,994	218,654	10,250	450	396,348
Accumulated depreciation	-88,652	-186,104	-330	0	-275,086
Book value as at March 31, 2006	**78,342**	**32,550**	**9,920**	**450**	**121,262**
Additions	1,370	8,842	0	1,079	11,291
Disposals	-5,865	-1.984	0	0	-7,849
Depreciation	-2,700	-9,711	0	0	-12,411
Transfers	0	-1,178	-8,489	-1.313	-10,980
Translation differences	-358	-35	3	0	-390
Book value as at March 31, 2007	**70,789**	**28,484**	**1,434**	**216**	**100,923**
Cost or valuation	153,617	211,080	1,764	216	366,677
Accumulated depreciation	-82,828	-182,596	-330	0	-265,754
Book value as at March 31, 2007	**70,789**	**28,434**	**1,434**	**216**	**100,923**

11 Intangible assets

	Development costs	Other	Total
Cost or valuation	1,907	4,924	6,831
Accumulated amortisation	-1,044	-1,627	-2,671
Book value as at April 1 , 2005	**863**	**3,297**	**4,160**
Additions	959	1,039	1,998
Disposals	0	-172	-172
Amortisation	-260	-991	-1,251
Transfers	131	22	153
Translation differences	0	-19	-19
Book value as at March 31 , 2006	**1,693**	**3,176**	**4,869**
Cost or valuation	2,997	5,673	8,670
Accumulated amortisation	-1,304	-2,497	-3,801
Book value as at March 31 , 2006	**1,693**	**3,176**	**4,869**
Additions	2,117	7,512	9,629
Disposals	0	0	0
Amortisation	-248	-1,136	-1.384
Transfers		10,980	10,980
Translation differences		-43	-43
Book value as at March 31 , 2007	**3,562**	**20,489**	**24,051**
Cost or valuation	5,114	24,122	29,236
Accumulated amortisation	-1,552	-3,633	-5,185
Book value as at March 31 , 2007	**3,562**	**20,489**	**24,051**

Other intangible assets comprised mainly patents and the Harmony Project. Total capitalised expenses on the Harmony Project amounted to 17.9 (prior year: 10.8 included in tangible fixed assets), which will be amortised over a 5 year period after completion.

12 Associates

Investment in associates	*Total*
Book value as at April 1, 2005	**1,740**
Impairment losses	-304
Disposals	-1,113
Book value as at March 31, 2006	**323**
Result	24
Other movements	62
Book value as at March 31, 2007	**409**

13 Long-term receivables

	2006/2007	2005/2006
Real estate	3,499	3,502
Mortgages, etc.	2,996	2,671
Total	**6,495**	**6,173**

The mortgages relates to housing facilities to employees in France.

14 Deferred tax asset

Deferred tax asset	*2006/2007*	*2005/2006*
Carry-forward losses	10,100	10,100
Other	3,131	2,894
Total	**13,231**	**12,994**

The Group has significant carry-forward losses in Germany, France and the Netherlands totalling 169.4 million (prior year: 130.1 million). The deferred tax asset of 10.1 million, (prior year: 10.1 million), takes into account German tax legislation and expected utilisation of the available losses. The deferred tax asset relating to the tax carry-forward losses available in the Netherlands, France and Germany (in part) have not been recognised, since future utilisation depends, among other things, on profit earning capacity and the implementation of tax restructuring measures.

15 Inventories

	2006/2007	*2005/2006*
Auxiliary and raw materials	19,615	17,591
Work in progress	9,523	6,966
Finished goods and goods for resale	8,700	7,207
Total	**37,838**	**31,764**

16 Trade and other receivables

	2006/2007	*2005/2006*
Trade debtors	71,082	55,400
Prepaid expenses	4,335	1,689
Other receivables	4,807	12,265
Total	**80,224**	**69,354**

The book value of these receivables is equal their fair value. The provision for impairment amounts to 3,927 (prior year: 4,044).

17 Cash and cash equivalents

	2006/2007	*2005/2006*
Cash at bank and in hand	2,791	7,133
Total	**2,791**	**7,133**

18 Equity

Issued share capital

The authorised capital amounts to € 90 million, made up of 45 million ordinary shares and 45 million preference shares, each having a nominal value of € 1.

The paid-up capital comprises 24,899,159 ordinary shares (prior year: 24,839,034).

Share premium

Of the total share premium of 20,204 an amount of 16,960 (prior year: 16,759) qualifies as tax-exempt capital.

Statutory reserves

The statutory reserve relates to patents and product- and development cost. This reserve is non-distributable and amounts to 6,117 (prior year: 4,869).

19 Borrowings

	2006/2007	***2005/2006***
Non-current borrowings		
Drawings under Factoring Arrangement	17,651	0
Drawings on syndicated credit facility	41,743	16,000
Other non-current borrowings	0	813
Current borrowings		
Drawings under Factoring Arrangement		16,813
Drawings on syndicated credit facility	23,100	23,075
Other current borrowings	813	931
Total	**83,307**	**57,632**

Repayment obligations due within 12 months are included under current liabilities.

The borrowings consist of loans from credit institutions bearing an average rate of interest of 5.4% (prior year 4.3%). All loans are denominated in euros.

During the 2006/2007 financial year the committed Revolving Credit Facility has been increased to € 68 million with a term ending September 30, 2008. This facility is partly secured on the fixed assets (89,567 – prior year 96,299) and partly on the receivables and inventories (63,750 – prior year 25,597). € 7 million of this facility has initially been provided as a temporary increase. As per April 5, 2007, together with and linked to the announced issue of new shares for approximately € 35 million, the Revolving Credit Facility has been renewed and extended to March 31, 2010.

Most important new characteristics:

- Maturity extended to March 31, 2010
- Conditional to an issue of shares for € 35 million
- Absorbing the temporary increase of € 7 million as well as a bridge facility fronting the anticipated equity issue amounting to € 15 million
- Mandatory repayments amounting to € 18.5 million related to scheduled divestments of fixed assets in the course of 2007 as well as € 4.6 million following the equity issue
- EBITDA levels per quarter to be the single financial covenant until December 2007.

From January 2008 onwards the facility will again be subject to the following covenants:

- Net Debt : EBITDA
- Solvency ratio
- Interest coverage (EBITDA/interest)
- EBITDA on a 12 month rolling base

The levels of these covenants will be determined in the third quarter of the year 2007/2008.

20 Deferred tax liabilities

Deferred tax liabilities are made up of the following:

	2006/2007	*2005/2006*
Non-current and intangible assets	8,512	9,967
Inventories/trade receivables	687	687
Pension and early retirement provisions	0	1,509
Movement in capital gain on foreign associates	0	1,585
Total	**9,199**	**13,748**

21 Pension and restructuring provisions

	Pensions, etc.	*Restructuring*	*Total*
Balance as at March 31, 2006	**16,560**	**4,318**	**20,878**
Additions charged to the income statement	647	333	980
Released to income statement	-295	0	-295
Withdrawals	-917	-2,506	-3,423
Balance as at March 31, 2007	**15,995**	**2,145**	**18,140**

21.1 Pension provisions

Pension provisions relate to the following:

	2006/2007	*2005/2006*
Defined benefit pension plans	10,277	10,466
Other pension plans	5,718	6,094
Total	**15,995**	**16,560**

Defined benefit pension plan:

The breakdown of the defined benefit pension plans is as follows:

	Total		*Germany*		*France*	
	2006/2007	*2005/2006*	*2006/2007*	*2005/2006*	*2006/2007*	*2005/2006*
Present value of funded obligations	11,990	12,599	9,779	10,480	2,211	2,119
Fair value of plan assets	755	621	755	621	0	0
Present value of unfunded obligations	11,235	11,978	9,024	9,859	2,211	2,119
Unrecognised	-958	-1,512	-536	-1,003	-422	-509

actuarial losses						
Liability as at March 31	**10,277**	**10,466**	**8,488**	**8,856**	**1,789**	**1,610**

The amounts recognised in the income statement are:

	2006/2007	*2005/2006*	*2006/2007*	*2005/2006*	*2006/2007*	*2005/2006*
Current service costs	139	107	22	28	117	79
Interest costs	500	556	405	480	95	76
Curtailments	0	-200	0	0	0	-200
Expected return on plan assets	-26	-50	-26	-50	0	0
Amortization of net (gain) / loss	34	0	16	0	18	0
Total	**647**	**413**	**417**	**458**	**230**	**-45**

The changes in the present value of the defined pension plans are as follows:

	2006/2007	2005/2006	2006/2007	2005/2006	2006/2007	2005/2006
Balance as at April 1	12,599	12,720	10,480	11,033	2,119	1,687
Current service costs	139	107	22	28	117	79
Interest expense due to passage of time	500	556	405	480	95	76
Actual distributions during the year	-740	-1,406	-688	-1,377	-52	-29
Unrecognised actuarial gains / (losses)	-508	822	-440	316	-68	506
Recognised actuarial losses	0	0	0	0	0	0
Balance as at March 31	11,990	12,599	9,779	10,480	2,211	2,119

The changes in the fair value of the defined benefit pension plans' assets are:

	2006/2007	2005/2006	2006/2007	2005/2006
Balance as at April 1	621	1,182	621	1,182
Expected return on plan assets	27	50	27	50
Employee contributions	785	793	785	793
Benefits paid	-688	-1,377	-688	-1,377
Unrecognised actuarial gains / (losses)	10	-27	10	-27
Balance as at March 31	**755**	**621**	**755**	**621**

The principal actuarial assumptions in respect of defined benefit pension plans are:

	Germany		*France*	
	2006/2007	2005/2006	2006/2007	2005/2006
Discounting rate	4.50%	4.00%	4.60%	4.50%
Expected return on plan assets	4.50%	4.00%	0.00%	0.00%
Expected salary increase	0.00%	0.00%	2.00%	2.00%
Expected inflation rate	1.50%	1.50%	2.00%	2.00%
Early retirement			1,275	1,351

The other pension provision of 4,000 (prior year: 5,000) relates to the defined contribution plan in the Netherlands as a result of an agreement with Stichting Pensioenfonds Samas Groep as of January 1, 2005 and to an early retirement plan in Germany amounting to 1,718 (prior year: 1,094).

22 Trade payables, and other current liabilities

	2006/2007	*2005/2006*
Trade payables	48,505	29,732
Taxes and social security premiums	13,990	11,359
Other current liabilities	19,526	15,356
Total	**82,021**	**56,447**

Other current liabilities

Accrued holiday pay	3,378	5,529
Other	16,148	9,827

23 Staff costs

	2006/2007	*2005/2006*
Wages and salaries	85,217	82,253
Pension costs	3,847	2,509
Social security premiums	20,425	18,970
Staff Costs	**109,489**	**103,732**

24 Other operating costs

	2006/2007	*2005/2006*
Transport & warehouse expenses	25,394	24,333
Other expenses	69,001	48,155
Other operating costs	**94,935**	**72,488**

Other operating expenses were in 2005/2006 positively influenced by the “redressement judiciaire”. In the financial year 2004/2005 the other operating expenses were 88,903.

25 Depreciation and amortisation

	2006/2007	*2005/2006*
Depreciation and amortisation	13,610	14,828
Impairment of non-current assets	-	-
	13,610	**14,828**

26 Finance costs

	2006/2007	*2005/2006*
Share in profit of associates	150	181
Net interest	-5,021	-4,175
Preferences share dividend	-	3,193
Finance costs	**-4,871**	**-801**

In the year 2005/2006 a reversal of € 3,193 of dividend on cumulative Financing Preference Shares was included, under IFRS charged to interest cost in 2004/2005.

27 Income tax

	2006/2007	2005/2006
Tax income	2,180	1,994

The average legal tax rate is 30.4%. The tax income originated mainly in Germany due to previous years refunds.

28 Earnings per share

	2006/2007	2005/2006
Profit / (loss) for the year	-31,134	739
Number of ordinary shares	24,899,159	24,839,034
Basic earnings per ordinary share	-1.25	0.03
Share options outstanding	549,928	519,164
Number of shares before diluted earnings per share	25,449,087	25,358,198
Diluted earnings per share	-1.22	0.03

29 Long-term commitments

	Up to 1 year	1 to 5 years	More than 5 years	Total
Rental of buildings	4,664	7,632	3,174	15,470
Minimum lease commitments	4,726	7,637	0	12,363
Total	**9,390**	**15,269**	**3,174**	**27,833**

30 Related party transactions

Related parties are members of the executive board and group companies of Samas N.V. No material transactions took place with related parties other than those arising out of ordinary business operations.

31 Notes to the consolidated cash flow statement

The indirect method is used. The profit for the year is adjusted for (1) transactions not involving any cash inflow or outflow, (2) provisions (both long and short-term) for past or future cash payments or receipts, and (3) revenue and expenses relating to cash flows from investing and financing activities.

32 Remuneration of supervisory board members

Supervisory Board members' emoluments, which are fixed and not affected by the result of the Group, are set by the shareholders in general meeting. The current yearly emoluments of Supervisory Board members were set at € 18,000 per member and € 25,000 for the chairman by the Annual General Meeting of shareholders held on August 16, 2005. The Annual General Meeting of shareholders held on August 16, 2005 further resolved that Supervisory Board members who sit on the Audit Committee and Remuneration & Appointments Committee are entitled to additional emoluments of € 1,700 and € 1,500 respectively per committee meeting. Members of the Supervisory Board do not have any other business relationship with the company.

During the 2006/2007 financial year, the following emoluments (including expense allowances, excluding VAT) paid to the members and former members of the Supervisory Board were borne by the company:

	2006/2007	2005/2006
J.A.J. Vink, chairman	31,250	18,604
R.G.C. van den Brink	23,250	30,550
J.F. van Duyne	27,750	29,450

A.A. Olijslager	30,535	13,900
A.H.J. Risseeuw, former chairman	-	12,646
J.J. Slechte	-	9,521
	112,785	**114,671**

33 Remuneration of executive board members

The total remuneration of the three (prior year: two) members and one (prior year: five) former members of the Executive Board was 961 (prior year: 873).

The remuneration of Executive Board members is set by the Supervisory Board based upon the recommendations of this board's Remuneration and Appointments Committee.

Each year the Remuneration and Appointments Committee reviews the performance of Executive Board members, based in part on agreed individual and collective objectives, and considers annually the need for changes in their conditions of employment based on the advice of specialised consultants.

The remuneration of the Executive Board's current members comprises fixed and variable components. The variable component consists of a bonus (maximum 50% of the fixed remuneration) that is linked to quantitative and qualitative individual and collective objectives.

Considering the results of the company for the financial year under review, Executive Board members will not be paid any bonus.

Pensions are based upon the average pay system. While Executive Board members retire at age 65, they may opt to have their pension entitlements recalculated at age 62 and retire at that age if they wish.

The table set out below shows the fixed, periodically paid remuneration (including social security contributions) of Executive Board members, the remuneration payable over time (pension) and incentive bonuses, and any payments due on termination of their employment with the company that were borne by the company in the 2006/2007 financial year.

	Fixed remuneration (including social security costs)	***Bonuses***	***Pensions***	***Total 2006/2007***	***Total 2005/2006***
J.M.M. van der Ven	382	0	114	496	497
G. Schlösser (up to 30-11-2006)	200	0	59	259	376
M.C. van den Biggelaar *)	19		4	23	-
C.C. Held *)	177	0	6	183	-
Total	**778**	**0**	**183**	**961**	**873**

*) Nominal directors; appointment to the Executive Board in pursuance of the Articles of Association has been placed on the agenda of the Annual General Meeting of shareholders scheduled to be held on June 7, 2007.

The table shows the bonuses for the year under review. Bonuses of 134 to Mr Van der Ven and 121 to Mr Schlösser relating to the previous financial were paid in the year under review.

Executive Board members participate in the management share option plan, which is described in more detail on page 16. The number of options granted to Executive Board members is shown on page 74.

Samas N.V. shares held by Executive and Supervisory Board members at the end of the year under review was nil.

34 Share based payments

Share option plans for Executive Board members and senior management

During the financial year under review option rights to 174,500 ordinary shares of a nominal value of € 1 each were granted to senior managers. The members of the Executive Board were granted option rights to 70,000 shares. Options granted in the period 1999 to 2007 may be exercised during a (maximum) term varying between sixty-two months and ninety-six months, depending on the year in which they were granted and the conditions selected.

At the end of the year under review there were a total of 549,928 options outstanding. Further details are set out in the table below.

	2006/07	*2005/06*	*2004/05*	*2003/04*	*2002/03*	*2001/02*	*2000/01*	*1999/00*
Issued to members of the Executive Board	70,000	40,000	46,992	58,000	43,750	77,143	111,429	81,428
			-	-	-	-	-	-
Issued to other employees	104,500	85,000	93,000	31,650	47,375	65,394	85,984	97,008
Options granted	**174,500**	**125,000**	**139,992**	**89,650**	**91,125**	**142,537**	**197,413**	**178,436**
Exercised/lapsed options:								
- to March 31,2006			-		-	-		
	-		16,000	-20,950	32,150	83,696	-150,957	-141,236
- in 2006/2007		-	-					
	-32,500	19,000	24,797	-61,125	-1,000	-	-5,314	-
Outstanding as at March 31	**142,000**	**106,000**	**99,195**	**7,575**	**57,975**	**58,841**	**41,142**	**37,200**
Exercise price in euros	8.38	5.74	5.32	4.00	8.50	9.33	9.72	8.77
Exercise period up to and including	23-5-14	24-5-13	2-6-12	3-9-11	27-6-10	27-6-09	28-6-08	7-7-07

As of the end of 2006/2007, current and former members of the Executive Board held the following options:

	Options as at March 31, 2006	*Granted in 2006/07*	*Exercise price in euros*	*Expiry date of options 2006/2007*	*Exercised in 2006/2007*	*Lapsed in 2006/2007*	*Options outstanding as at March 31, 2007*	*Lowest/highest exercise price in euros*
J.M.M. van der Ven	72,195	40,000	8.38	23-05-14	20,000		92,195	5.32/8.38
G. Schlösser	69,797	30,000	8.38	23-05-14	35,000	64,797	0	
M.C. van den Biggelaar*)								
C.C. Held*)	16,500	7,000	8.38	23-05-14	1,250		22,250	5.32/8.50
J.C. de Mos**)	151,428						151,428	8.50/9.72

*) Nominal directors; appointment to the Executive Board in pursuance of the Articles of Association has been placed on the agenda of the Annual General Meeting of shareholders scheduled to be held on June 7, 2007.

**) Options for Mr. de Mos will expire on 27 June 2010.

The number of options and the exercise prices shown above are those following the redenomination on November 14, 2001. As a rule, new ordinary shares are issued in respect of exercised options. No shares were acquired to cover the options granted.

35 Company balance sheet as at March 31, 2007 (after profit appropriation)

Amounts in € 000s	*Notes*	*2006/2007*	*2005/2006*
Assets			
Intangible assets	38	17,934	0
Property, plant and equipment	38	2,555	12,669
Deferred tax asset		413	0
Non-current assets		**20,902**	**12,669**
Receivables from group companies		212,119	179,020
Other receivables		1,085	3,390
Cash and cash equivalents		0	335
Current assets		**213,204**	**182,745**
Total assets		**234,106**	**195,414**
Equity and liabilities			
Issued share capital		24,899	24,839
Share premium		20,204	20,003
Statutory reserve		6,117	5,167
Retained earnings		21,989	55,124
Total equity	**39**	**73,209**	**105,133**
Long term borrowings	40	17,780	16,000
Deferred tax liability		413	1,585
Provision for associates	37	113,384	61,737
Other provisions	21.1	4,697	5,118
Non-current liabilities		**136,274**	**84,440**
Trade and other payables	41	6,825	2,530
Borrowings	40	12,677	0
Other current liabilities	41	5,121	3,311
Current liabilities		**24,623**	**5,841**
Total equity and liabilities		**234,106**	**195,414**

36 Company income statement for the year ended March 31, 2007

Income statement	*2006/2007*	*2005/2006*
Subsidiaries' result for the year	- 49,966	1,263
Other revenue and expenses	18.832	- 524
Profit for the year	**- 31,134**	**739**

The other revenue and expenses in 2005/2006 comprised a waiver to Samas Nederland B.V. of 20 million.

Notes to the company financial statements

37 Accounting policies

The financial statements of Samas N.V. are prepared in accordance with accounting policies generally accepted in the Netherlands (Dutch GAAP) and in compliance with the legal requirements of Part 9, Book 2 of the Netherlands Civil Code. With effect from the 2005/2006 financial year Samas N.V. has been preparing consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

The company has exercised the option to prepare company financial statements using the same accounting policies as those applied in the preparation of the consolidated financial statements. These policies have been used from April 1, 2004 onwards. Adjustments arising from this change in accounting policies are recognised in equity. The company income statement has been prepared taking advantage of the exemption in pursuance of section 402, Book 2 of the Netherlands Civil Code.

Investments in group companies are carried in accordance with the company's share in their net asset value determined in accordance with the accounting policies used in these financial statements. To the extent that Samas has incurred legal or constructive obligations or made payments on behalf of the subsidiary, and the net asset value is reduced to zero, additional losses are provided for and a liability is recognised. Since the group companies' net asset value as at March 31, 2007 is in deficit, a provision has been formed to this effect, so that the carrying value as at March 31, 2007 of these companies has been set at nil.

Pursuant to the provisions of section 403, sub-section 1, Book 2 of the Netherlands Civil Code, the company has assumed joint and several liability for the debts of Samas International B.V. and Samas Innovation B.V. arising from their juristic acts (*rechtshandelingen* as defined under the civil-law applicable in the Netherlands). The written joint-and-several-liability undertaking is available for public inspection at the Utrecht Trade Registry.

Investment in associates

The movement in the net asset value of the investment in associates is as follows:

Financial assets	*2006/2007*	*2005/2006*
Balance as at April 1	-61,737	-61,867
Profit / (loss) for the year	-49,966	1,263
Direct movements in equity	-1,681	-1,133
Balance as at March 31	**-113,384**	**-61,737**

38 Non-current assets

Movements in non-current assets were as follows:

	2006/2007	*2005/2006*
As at April 1		
At cost	13,525	6,275
Depreciation	-856	-1,658
	12,669	**4,617**
Movements		
- additions	8,522	8,666
- disposals	-	-69
- depreciation	-702	-545
Total movements	**7,820**	**8,052**
As at March 31		
- cumulative cost	22,047	13,525
- accumulated depreciation	-1,558	-856
Carrying value	**20,489**	**12,669**

39 Equity

Reference is made to note 18 of the consolidated financial statements.

40 Long and short term borrowings

	2006/2007	*2005/2006*
Non-current borrowings		
Drawings under Factoring Arrangement		
Drawings on syndicated credit facility	17,780	16,000
Other non-current borrowings		
Current borrowings		
Drawings under Factoring Arrangement		
Drawings on syndicated credit facility	12,677	0
Other current borrowings		
Total	**30,457**	**16,000**

Reference is made to note 19 of the consolidated financial statements.

41 Trade and other payables and other current liabilities

	2006/2007	*2005/2006*
Trade payables	6,825	2,530
Taxes and social security premiums	590	0
Other current liabilities	4,531	3,311
Total	**11,946**	**5,841**

Other current liabilities		
Accrued holiday pay	228	109
Other	4,303	3,202

Other information

42 Treatment of the loss

In view of the loss incurred, no dividend distribution proposal will be tabled at the Annual General Meeting of shareholders, which will instead be asked to approve that the loss be charged to general reserves.

43 Events after the balance sheet date

With reference to the problems experienced with the implementation of the Harmony Project and certain other non-recurring costs, Samas announced on 5 April 2007 that it had reached agreement with its credit providers ABN AMRO, Fortis and Rabobank on an extension of the existing revolving credit facility (€ 68 million) to March 31, 2010. In addition, Samas announced its intention to issue new ordinary shares for an aggregate issue price of approximately € 35 million in order to enable it to reinforce its financial position, implement the agreed-upon restructuring measures, and further roll out its adopted strategy. Samas also announced that pending the share issue, its credit providers had made available a temporary additional credit facility of € 15 million. For other details see also note 19.

Samas N.V.

Supervisory board

J.A.J. Vink, chairman
R.G.C. van den Brink
J.F. van Duyne
A.A. Olijslager

Executive board

J.M.M. van der Ven, CEO

Houten, 21 May 2007

44. Independent auditors' report to the shareholders of Samas N.V.

To the General Meeting of shareholders of Samas N.V.

Auditor's report

Report on the financial statements

We have audited the accompanying financial statements for the period from 1 April 2006 to 31 March 2007 of Samas N.V. The financial statements consist of the consolidated financial statements and the company financial statements. The consolidated financial statements comprise the consolidated balance sheet as at 31 March 2007, the profit and loss account, statement of changes in equity and cash flow statement for the period from 1 April 2006 to 31 March 2007 , and a summary of significant accounting policies and other explanatory notes. The company financial statements comprise the company balance sheet as at 31 March 2007, the company profit and loss account for the period from 1 April 2006 to 31 March 2007 and the notes.

The management board's responsibility

The management board of the company is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Samas N.V. as at 31 March 2007, and of its result and its cash flows for the period from 1 April 2006 to 31 March 2007 in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Netherlands Civil Code.

Opinion with respect to the company financial statements

In our opinion, the company financial statements give a true and fair view of the financial position of Samas N.V. as at 31 March 2007, and of its result for the period from 1 April 2006 to 31 March 2007 in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Emphasis of matter

Without qualifying our opinion above, we draw attention to note 6.2 to the financial statements on Funding and continuity. This paragraph shows that the successful completion of the financing arrangements is yet uncertain but critical to the financing of the company. These conditions, along with other matters as set forth in note 6.2 indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. However, the explanation provided shows that it is possible that the company’s activities will be maintained in the longer term. As a consequence, the accounting principles applied are based on the assumption that the company will be able to continue as a going concern. Our opinion is not qualified in respect of this matter.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part e of the Netherlands Civil Code, we report, to the extent of our competence, that the management board report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Utrecht, 21 May 2007

PricewaterhouseCoopers Accountants N.V.

P. Tieleman RA

Consolidated financial statements for the financial year 2005/2006

1 Consolidated balance sheet

as at March 31, 2006 before appropriation of profit (in € 000s)

	notes	*2005/2006*	*2004/2005*
Assets			
Property, plant and equipment	10	121,262	135,348
Intangible assets	11	4,869	4,160
Investments in associates	12	323	1,740
Long term receivables		6,173	3,196
Deferred tax assets	14	12,994	13,211
Non current assets		**145,621**	**157,655**
Inventories	15	31,764	34,269
Trade and other receivables	13	69,354	76,063
Cash and cash equivalents	16	7,133	8,053
Current assets		**108,251**	**118,385**
Total assets		**253,872**	**276,040**
Equity and liabilities			
Share capital	17	24,839	14,252
Other reserves	17	79,555	63,179
Retained earnings	38	739	
Capital and reserves attributable to the Company's equity holders		105,133	77,431
Minority interests		34	-37
Total equity		**105,167**	**77,394**
Long term borrowings	18	16,813	52,600
Deferred tax liabilities	19	13,748	13,713
Retirement benefit obligations	20	16,560	18,341
Provisions for other liabilities	20	4,318	11,906
Non-current liabilities		**51,439**	**96,650**
Trade payables	21	29,732	33,005
Tax liabilities and social securities		11,359	6,772
Borrowings	18	40,819	36,801
Other short term liabilities	21	15,356	25,508
Current liabilities		**97,266**	**102,086**
Total equity and liabilities		**253,872**	**276,040**

2 Consolidated profit and loss account

for the year ended March 31, 2006 (in € 000s)

	notes	*2005/2006*	*2004/2005*
Sales		355,609	354,099
Cost of raw and auxiliary materials		164,954	163,460
Gross profit		**190,655**	**190,639**
Staff costs	22	103,732	125,613
Other operating expenses	23	72,488	88,903
Depreciation and amortisation	24	14,828	18.331
Impairment of tangible fixed assets		-	13,830
Operating costs		**191,048**	**246,677**
Operating profit		**-393**	**-56,038**
Net finance costs	25	-801	-6,952
Profit before income tax		**-1,194**	**-62,990**
Income tax expenses	26	1,994	15,934
Profit for the year		**800**	**-47,056**
Attributable to:			
Minority interests		-61	16
Equity holders of the company		739	-47,072
Total		**800**	**-47,056**
Earnings per share - basic	27	**0.04**	**-3.30**
Earnings per share - diluted	27	**0.03**	**-2.43**

3 Consolidated statement of changes in equity

for the year ended March 31, 2006 (in € 000s)

Reserves

Equity	*Issued capital*	*Share premium*	*Legal and statutory*	*Retained earnings*	*Translation*	*Other*	*Total group equity*	*Minority report*	*Total equity*
Balance at April 1, 2004 Dutch GAAP	**18,879**	**8,800**	**5,179**		**-4,296**	**115,404**	**143,966**	**48**	**144,014**
Adjustments due to IFRS:									
Employee benefit plans						-8,712	-8,712		-8,712
Exchange reserves					4,296	-4,296	0		0
Preference shares (CCPA's)	-4,627					-6,386	-11,013		-11,013
Adjustments due to IFRS	**-4,627**				**4,296**	**-19,394**	**-19,725**	**0**	**-19,725**
Balance at April 1, 2004 IFRS	**14,252**	**8,800**	**5,179**	**0**	**0**	**96,010**	**124,241**	**48**	**124,289**
Result for the year				-44,824		-2,248	-47,072	16	-47,056
Difference from foreign currency translation and other					231	31	262	-101	161
Transfers			-1,019			1,019	0		
Value at March 31, 2005	**14,252**	**8,800**	**4,160**	**-44,824**	**231**	**94,812**	**77,431**	**-37**	**77,394**
Issue of ordinary shares	2,258	14,905					17,163		17,163
Conversion preference shares	8,329	-3,702					4,627		4,627
Release of interest on preference shares						6,046	6,046		6,046
Transfers			709	44,824		-45,533	0		0
Result for the year				739			739	61	800
Difference arising from foreign currency translation and other transactions					-728	-145	-873	10	-863
Balance at March 31, 2006	**24,839**	**20,003**	**4,869**	**739**	**-497**	**55,180**	**105,133**	**34**	**105,167**

4 Consolidated cash flow statement

for the year ended March 31, 2006 (in € 000s)

	2005/2006	*2004/2005*
Net income before minority interest	800	-47,056
Taxes on income	-1,994	-15,934
Net finance costs	801	6,952
Operating profit	**-393**	**-56,038**
Depreciation/amortisation	14,828	32,161
Provisions	-9,334	15,407
Taxes received/paid	6,798	-6,456
Cash flow from operations before operating working capital	**11,899**	**-14,926**
Movement in working capital	6,394	-453
Other movements in short term assets and liabilities	-11,112	2,973
Net cash flow from operating activities	**7,181**	**-12,406**
Additions to tangible and intangible assets	-17,246	-12,427
Disposals of tangible and intangible fixed assets	15,795	9,727
Share of operating profits less losses of participating interests	1,417	135
Net cash flow from investing activities	**-34**	**-2,565**
Cash flow after capital expenditures	**7,147**	**-14,971**
Issue of ordinary shares	17,163	0
Other equity movements	5,174	262
Proceeds from non current borrowings	-32,663	-7,604
Proceeds from current borrowings	5,737	29,088
Financing	**-4,589**	**21,746**
Financial income received/paid	-3,488	-6,952
Dividends paid to minority interests	10	-101
Reimbursement to financiers	**-3,478**	**-7,053**
Net cash flow from financing activities	**-8,067**	**14,693**
Net increase in cash, cash equivalents and current borrowings	**-920**	**-278**
Cash and cash equivalents at April 1, 2005	**8,053**	**8,331**
Changes in cash and cash equivalents	-920	-278
Cash and cash equivalents at March 31, 2006	**7,133**	**8,053**

Notes to the consolidated financial statements

5 General information

Samas-Groep N.V. (Samas) is a public limited company incorporated and domiciled in the Netherlands and listed on the Euronext Stock Exchange, Amsterdam.

The registered office address is:

Samas-Groep N.V.
Elzenkade 1
3992 AD Houten
The Netherlands

The activities of Samas-Groep N.V. and its operating companies mainly comprise trading in and the manufacture of products for office work in the broadest sense, in addition to services and consultancy in this field.

All amounts are presented in thousands of euros. The company's financial year runs from April 1 to March 31.

The financial statements were signed and authorised for issue by the Executive Board and Supervisory Board on May 22, 2006. The adoption of the financial statements and the appropriation of the results are reserved for the shareholders in the Annual General Meeting of Shareholders on August 15, 2006.

6 Group accounting principles

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

6.1 Basis of preparation

The consolidated financial statements of Samas and its subsidiaries (together: the Group) have been prepared in accordance with the current International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by the European Union.

All amounts, unless otherwise stated, are presented in thousands of Euros. The financial statements are prepared under the historical cost convention, modified for fair value adjustments.

6.2 First time adoption of the international Financial Reporting Standards (IFRS)

These are the Group's first consolidated financial statements prepared in accordance with IFRS. The financial statements up to and including March 31, 2005 were prepared in accordance with Dutch Generally Accepted Accounting Principles (GAAP). Dutch GAAP differs from IFRS in certain areas, which resulted in adjustments in methods of valuation, accounting and presentation. The 2004/2005 comparative figures have been restated to reflect these adjustments.

IFRS 1 has been applied in preparing the financial statements. The Group has elected to use the following exemptions, offered by IFRS at transition, as at April 1, 2004:

1. Share based payments: IFRS 2 has been applied to stock options granted after November 7, 2002 but not yet vested as at April 1, 2004;

2. Employee benefits: all actuarial gains and losses are recognised in equity at the transition date. Subsequent actuarial gains and losses are subject to the corridor approach that leaves some actuarial results unrecognised;

3 Cumulative translation differences are deemed to be zero at the date of transition to IFRS.

The main changes in accounting policies compared with the previous accounting policies are:

1 Classification of cumulative preference shares as non current liabilities: Preference shares are accounted for as liabilities rather than as equity; dividend on these shares is included in net income under net finance costs instead of as a dividend payment from the available net income;

2 Separate recognition in the balance sheet of deferred tax assets and deferred tax liabilities;

3 The treatment of pension obligations on the balance sheet;

4 The presentation in the financial statements has been adjusted to IFRS.

Adjustments due to differences between both accounting policies were determined and accounted for at April 1, 2004. These are the Group's first consolidated financial statements conforming with IFRS. The reconciliation and explanation of the effects of the transition to IFRS on the consolidated equity and net income at April 1, 2004 are included in the notes.

6.3 Principles for consolidation

1 Subsidiaries - The consolidated financial statements comprise the financial data of Samas-Groep N.V. and its subsidiaries. Subsidiaries are companies where Samas-Groep N.V. has the power, directly or indirectly, to govern the financial and operational policies, based on a shareholding comprising more than 50% of the voting power. Subsidiaries are consolidated from the date that control commences until the date that control ceases. Minority interest is separately reported in Group equity and the Group result.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement

Intra-group balances and income and expenses arising from intra-group transactions are eliminated, in addition to any unrealised gains deriving from these transactions. All companies are 100% owned except where noted.

Overview of the major subsidiaries

Netherlands

Samas Subholding BV, Utrecht (from April 3, 2006 Samas Nederland BV)

Samas International BV, Utrecht

Aspa Kantoorinrichting BV, Houten (from April 3, 2006, Samas Office BV)

Samas Nederland BV, Tilburg (from April 3, 2006 Samas BV)

Wagemans Maastricht BV, Maastricht

Erco Interieurbouw BV, Valkenswaard

Erco Meubel BV, Valkenswaard

France

Samas France SA, Paris

Belgium

Samas België NV, Brussels

Luxemburg

Samas Luxembourg SA, Luxemburg

United Kingdom

Samas UK Ltd, London

Republic of Ireland

Samas Ireland I Ltd., Dublin

Samas Ireland II Ltd., Dublin

Germany

Samas Deutschland GmbH, Worms

Samas Deutschland GmbH & Co. KG, Worms and subsidiaries

Eastern Europe

Samas Office Polska sp. z o.o, Plochocin

Samas Ceska Republika spol. s.r.o., Krouna

Samas Slovakia spol. s.r.o., Poprad

Samas Hungaria Irodabutor kft., Sopron

2 Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding comprising between 20% and 50% of the voting rights. Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost. The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves.

Overview of the associates

Uzbekistan

TUSbuero Tashkent, Tashkent (60%)

France

Solutions Tertiaires, Taverny and subsidiaries (24%)

6.4 Segmental reporting

A geographical segment is a distinguishable component of the Samas Group that is engaged in providing services within a particular economic environment. The geographical segments are Benelux, Germany and France.

6.5 Foreign currency translation

Samas operates in countries with different currencies. The currency of presentation is the Euro. The annual accounts of the foreign subsidiary companies are translated into the report currency in accordance with the concept of functional currency. All companies have the local currency of the country in which they operate as their functional currency, this being their primary economic environment. The functional currency of the parent company, in addition to that of a majority of its subsidiaries, is the Euro.

Transactions in currencies other than the functional currency of the related company are converted at the foreign exchange rate prevailing at the dates of the transactions. The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of the balance sheet
- Income and expenses are translated at average exchange rates
- All resulting exchange differences are recognised as a separate component of equity. On consolidation, exchange differences arising from the translation of the net investment in foreign entities and borrowings and other currency instruments are taken to shareholder's equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

The relevant exchange rates were as follows:

Exchange rates	***2005/2006***	***2004/2005***
Closing rates at the balance sheet date		
Swiss Franc	1.58	1.55
UK Pound	0.70	0.69
Average exchange rates		
Swiss Franc	1.55	1.54
UK Pound	0.68	0.69

6.6 Property, plant and equipment

1 Land and buildings comprise mainly factories, retail outlets and offices. Land and buildings are shown at cost. Buildings currently in use are depreciated on a straight line basis according to their expected useful life, land is not depreciated. Assets no longer in use are valued at the expected sale value.

2 Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs of enhancement are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Depreciation on other assets is calculated using the straight line method to allocate their cost or revalued amounts against their residual values over their estimated useful lives, as follows:

Expected useful life	
Land	Infinite
Buildings	25-35 years
Factory plant	5-10 years
Office furniture	5 years
Computer hardware	3-5 years
Product Tooling	3-5 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

3 Available-for-sale assets are shown at fair value. These assets are tested for impairment annually. An asset is impaired if its book value is higher than the asset's fair value.

6.7 Intangible assets

1 Software Acquired software (licenses) and developed software are stated at cost less accumulated amortisation and impairment losses.

Expenditure in relation to the development of identifiable and unique software products used by the Group, and that will likely generate economic benefits exceeding costs for more than one year, is recognised as intangible assets and amortised over its estimated useful life.

Amortisation of software applications is charged to the income statement on a straight line basis over the estimated useful lives.

2 Other intangible assets (development costs and software) have finite useful lives and are stated at cost less accumulated amortisation and impairment losses. Development costs include the costs of the R&D Department, costs of services, fees to register patent rights and costs of specialised tooling.

Amortisation of other intangible assets is charged to the income statement on a straight line basis over their estimated useful lives.

Intangible assets	***Expected useful life***
Development costs	5 years
Licences	3-4 years
Software	4 year
Other	5 years

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

6.8 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. A loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

6.9 Investments

The Group classifies its investments under the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments on initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for those maturing more than 12 months after the balance sheet date. These latter are classified as non-current assets. Loans and receivables are included in trade and other receivables in the balance sheet. Loans and long term debts are initially valued at net realisable value after deduction of transaction expenses and thereafter at the amortised cost price.

6.10 Inventories

Trade merchandise, raw materials and production supplies are valued at purchase price, based on the FIFO (first in first out) principle, or at net realisable value, if this is lower. The net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling costs.

Semi-manufactured items, work in progress and finished goods are valued at the lower of cost price and net realisable value. Cost price includes materials and direct costs, indirect production costs and depreciation. A systematically calculated provision for obsolescence has been deducted from inventories. Any write down to net realisable value is recognised as an expense in the period in which the write down occurs. Any expenses in relation with the write off are recognised in the income statement as cost of raw and auxiliary materials.

6.11 Trade and other receivables

Trade and other receivables are shown at fair value. A provision for impairment of trade and other receivables is established when it is more likely than not that the Group will not be able to collect the amounts receivable. The amount of the provision is equal to the difference between the assets’ carrying amount and the present value of estimated future cash flows. Impairment losses are charged to the income statement in other operating expenses.

6.12 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and in bank as along with time deposits and other short-term highly liquid investments.

6.13 Deferred tax assets and liabilities

Deferred tax assets or liabilities are recognised to provide for temporary differences between the valuation of assets and liabilities according to fiscal regulations and accounting principles applied in the annual accounts. Deferred tax assets and liabilities in respect of timing differences are calculated using the tax rates in force at the year end or the known tax rates for the coming years insofar as these have been determined by the fiscal authorities. Deferred tax assets resulting from the future compensation of trading losses are only recognised when it is likely that future tax profits will be available to offset timing differences.

6.14 Equity

Ordinary shares are classified as share capital. The distribution of the dividend on ordinary shares is recognised as a liability in the period in which the dividend is adopted by the company’s shareholders. At the issue of new shares, the proceeds less directly attributable costs are recognised in shareholders’ equity within issued capital and, where applicable, share premium. On acquisition of own ordinary shares, that are included in shareholders’ equity in the balance sheet, the consideration paid, including directly attributable costs, is recorded as a change in shareholders' equity. Acquired ordinary shares are classified as treasury shares and presented as deduction from shareholders' equity.

6.15 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method. Preference shares, which are compulsorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in the income statement as an interest expense. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

6.16 Pension obligations and other employee benefits

1 Pension obligations - Group companies operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, as determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans. A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and remuneration. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate legal entity. The Group has no legal or deemed obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest rates of blue chip corporate bonds denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when the liability arises. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is likely.

***2 Share-based compensation* -** The Group operates an equity-settled, share-based compensation plan. The fair value of the options is not accounted for as revenue during the qualifying period. The value is determined by reference to the fair value of the options granted, excluding the impact of any non-market qualifying conditions (for example, profitability and sales growth targets). Non-market qualifying conditions are included in assumptions about the number of options expected to become exercisable. At each balance sheet date, the entity revises its estimates of the number of options expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, plus a corresponding adjustment to equity over the remaining qualifying period. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

6.17 Provisions

Provisions are recognised in respect of legally enforceable or deemed obligations resulting from a past event for which settlement is likely to require an outflow of resources and the extent of which can be reliably estimated.

Provisions for restructuring are recognised when the Samas Group has approved a detailed formal restructuring plan and this has been made public. Restructuring provisions mainly comprise payments to personnel. The provisions reflect the present value of the expected future expense.

6.18 Recognition of revenue and expenditure

Sales and other operating income is recorded when the service has been provided or the goods delivered. Operating expenses are recognised in the year to which they relate.

Revenue comprises the fair value for the sale of goods and services, net of value added taxes, rebates and discounts, and after the elimination of sales within the Group. Sales of services are recognised in the accounting period in which the services are rendered, by reference to completion of each specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Interest income is recognised on an accruals basis using the effective interest method.

Dividend income is recognised when the right to receive payment has been established.

6.19 Leasing

Lease contracts, in which the majority of risks and rewards inherent to ownership do not lie within the Group, are classified as operating leases. Expenses in respect of operating leases are included in the income statement on a straight line basis over the period of the lease. There are no finance lease contracts in which the majority of risks and rewards inherent to ownership lie within the group.

7 Financial risk management

7.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest risk and price risk), credit risk, liquidity risk and cash flow interest-rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board of Directors. Group Treasury identifies, evaluates and hedges financial risks, if necessary in close co-operation with the Group's operating units. For accounting purposes the Group does not apply hedge accounting.

1 Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. To manage their foreign exchange risk arising from future commercial transactions and recognised assets and liabilities, entities in the Group can use forward contracts, transacted with Group Treasury. Foreign exchange risk arises when future commercial transactions, recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

Group Treasury is responsible for managing the net position in each foreign currency and can use external forward currency contracts for necessary support.

External foreign exchange contracts are designated at Group level as hedges of foreign exchange risk on specific assets, liabilities or future transactions on a net basis. The Group's risk management policy is to hedge substantial risks of adverse exchange differences in foreign currency.

The Group has certain investments in foreign operations, in particular denominated in CHF and GBP, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is not hedged.

2 Price risk - The Group is not exposed to price risk in marketable securities resulting from investments held by the Group and classified on the consolidated balance sheet either as available-for-sale investments at fair value through profit or loss. The Group is exposed to commodity price risk.

3 Credit risk - The Group's credit risk is well spread with no significant single risk. It has policies in place to ensure that sales of products are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to financial institutions with substantial creditworthiness.

4 Liquidity risk - Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, Group Treasury aims to maintain flexibility in funding by keeping committed credit lines available.

5 Cash flow and fair value interest rate risk - As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest-rate risk arises from structural mid to long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. Group policy is to maintain approximately 75% of its structural mid to long term borrowings in fixed rate instruments. At the year end, 50% of the total net debt position (43% of total borrowings) was funded against fixed rates. The Group manages its cash flow interest-rate risk mainly by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. The fair value interest rate risk is mainly managed by using fixed-to-floating interest rate swaps. Under the interest rate swaps, the Group agrees with other parties to exchange, at specified intervals (mainly semi-annually), the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. At year end the Group had entered into floating to fixed interest rate swaps and had not entered into fixed-to-floating interest rate swaps.

7.2 Hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently revalued to their fair value. As hedge accounting is not applied within the Group, the resulting gains or losses are recognised in the income statement in the period in which they occur.

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also assesses both at hedge inception and on an ongoing basis, whether the derivatives that are used in hedging transactions are effective in offsetting the changes in fair values or cash flows of hedged items. The Group identifies the following 2 hedge types:

1 Fair value hedge – Hedge against changes in market value of recognised assets, liabilities or firm commitments. The fair value of derivatives that are designated and qualify as fair value hedges are recognised in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

2 Cash flow hedge – Hedge against income changes in forecasted transactions. The fair value of derivatives that are designated and qualify as cash flow hedges are recognised in the income statement.

7.3 Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the balance sheet date. The quoted market price used for financial assets held by the Group is the current bid price; the appropriate quoted market price for financial liabilities is the current ask price. The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined by using a variation of valuation techniques based on a combination of quoted market prices, dealer quotes and discounted cash flow techniques for similar instruments based on market conditions. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the balance sheet date. The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

8 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions for the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions having a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

1 Impairment of assets

Following triggering events, the Group tests whether assets have suffered any impairment. The recoverable amounts of cash generating units have been determined using, amongst others, value in use calculations. These calculations require the use of estimates. Impairment tests have been performed and adjustments made for all recognised losses. However, should the actual performance of these cash-generating units become materially worse compared with the performance based upon the estimates, possible impairment losses could arise or could deviate from the recognised impairment losses. Such impairment losses could have a material effect on the carrying amounts of the intangible assets.

2 Provisions

A provision is by its nature an estimate and/or a judgement. The actual outcome of these uncertain factors may be materially different from the estimates. Hence, the differences between actual outcomes and the recorded provisions can impact results over subsequent periods. Settlement of aforementioned provisions is subject to the same uncertain factors.

3 Corporate taxes

The Group is subject to corporate taxes in various jurisdictions. Significant judgment is required in determining the worldwide provision for corporate taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

9 Segmental information

The results by segment for the year ended March 31, 2006 are as follows:

Information by geographical areas	*Benelux*	*Germany*	*France*	*Unallocated*	*Total*
Sales	97,253	161,987	96,369	0	355,609
Cost of goods sold	53,770	67,675	43,509	0	164,954
Gross margin	43,483	94,312	52,860	0	190,655
Employees (average FTE’s)	445	1,190	713	19	2,367

10 Property, plant and equipment

	Land and buildings	*Machinery and equipment*	*Construction in progress*	*Down payments*	*Total*
Cost or valuation	193,475	141,656	1,982	33	337,146
Accumulated depreciation	-68,919	-104,107	-330	0	-173,356
Net book amount as at April 1, 2004	**124,556**	**37,549**	**1,652**	**33**	**163,790**
Additions	598	7,998	2,947	601	12,144
Disposals	-7,890	-1,883	-37	-31	-9,841
Depreciation	-4,834	-11,821	0	0	-16,655
Transfers	0	0	0	-121	-121
Revaluation	-13,830	0	0	0	-13,830
Translation differences	360	-499	0	0	-139
Net book amount as at March 31, 2005	**98,960**	**31,344**	**4,562**	**482**	**135,348**
Cost or valuation	184,294	207,189	4,892	482	396,857
Accumulated depreciation	-85,334	-175,845	-330	0	-261,509
Net book amount as at March 31, 2005	**98,960**	**31,344**	**4,562**	**482**	**135,348**
Additions	104	10,418	3,672	1,054	15,248
Disposals	-14,968	-828	0	0	-15,796
Depreciation	-3,318	-10,259	0	0	-13,577
Transfers	-2,732	1,986	1,679	-1,086	-153
Translation differences	296	-111	7	0	192
Net book amount as at March 31, 2006	**78,342**	**32,550**	**9,920**	**450**	**121,262**
Cost or valuation	166,994	218,654	10,250	450	396,348
Accumulated depreciation	-88,652	-186,104	-330	0	-275,086
Net book amount as at March 31, 2006	**78,342**	**32,550**	**9,920**	**450**	**121,262**

The balance sheet figure ‘Land and Buildings’ includes ‘non operational assets’ in the amount of 17,900 (prior year: 33,343).

11 Intangible assets

	Development costs	*Other*	*Total*
Cost or valuation	1,908	4,174	6,082
Accumulated amortisation	-603	-300	-903
Net book amount as at April 1, 2004	**1,305**	**3,874**	**5,179**
Additions	0	534	534
Disposals	0	-39	-39
Amortisation	-442	-1,234	-1,676
Transfers	0	121	121
Revaluation	0	0	0
Translation differences	0	41	41
Net book amount as at March 31, 2005	**863**	**3,297**	**4,160**
Cost or valuation	1,907	4,924	6,831
Accumulated amortisation	-1,044	-1,627	-2,671
Net book amount as at March 31, 2005	**863**	**3,297**	**4,160**
Additions	959	1,039	1,998
Disposals	0	-172	-172
Amortisation	-260	-991	-1,251
Transfers	131	22	153
Translation differences	0	-19	-19
Net book amount as at March 31, 2006	**1,693**	**3,176**	**4,869**
Cost or valuation	2,997	5,673	8,670
Accumulated amortisation	-1,304	-2,497	-3,801
Net book amount as at March 31, 2006	**1,693**	**3,176**	**4,869**

Other intangible assets comprises mainly capitalised software.

12 Investments in associates

Investment in associates	***Total***
Net book amount as at March 31, 2004	**1,875**
Consolidated/Deconsolidated	-37
Revaluation	-98
Net book amount as at March 31, 2005	**1,740**
Revaluation	-304
Disposals	-1,113
Net book amount as at March 31, 2006	**323**

13 Trade and other receivables

	2005/2006	*2004/2005*
Trade receivables, net of provision for impairment	55,400	62,562
Prepaid expenses	1,689	1,335

Other receivables	12,265	12,166
Total	**69,354**	**76,063**

The book value of these receivables equals the fair value.

The provision for impairment amounts to 4,044 (last year: 5,148).

14 Deferred tax assets

	2005/2006	***2004/2005***
Tax losses carried forward	10,100	10,100
Other deferred tax assets	2,894	3,111
Total	**12,994**	**13,211**

Samas-Groep N.V. has significant carry forward tax losses in Germany (59.5 million), France (56.0 million) and the Netherlands (14.6 million). The deferred tax asset has been valued at 10.1 million, taking into account German tax legislation and expected usage of the available tax losses. The deferred tax assets relating to the tax losses available in the Netherlands, France and partially in Germany have not been recognised, since future usage is depending on, among other things, profit earning capacity and the implementation of tax restructuring measures.

15 Inventories

	2005/2006	***2004/2005***
Raw materials	17,591	18,479
Work in progress	6,966	7,076
Finished and trade goods	7,207	8,714
Total	**31,764**	**34,269**

16 Cash and cash equivalents

	2005/2006	***2004/2005***
Cash on hand and in banks	7,133	8,053
Total	**7,133**	**8,053**

A short term bank deposit in the amount of 2,300 relating to the sale of German real estate is included herein.

17 Equity

Cumulative convertible financing preference shares

For 2004/2005 the cumulative convertible financing preference shares were reclassified from shareholders equity to non current borrowings. Guarantee capital (group capital plus subordinated loans plus cumulative preference shares) was not affected. The corresponding dividend was classified as a financing charge. On December 15, 2005 all cumulative convertible financing preference shares were converted at a ratio of 1:1 into ordinary shares. Simultaneously the accumulated cumulative preference dividend rights were also converted into ordinary shares; each cumulative convertible financing preference share thereby receiving a further 0.8 ordinary share as stock dividend. All such new ordinary shares have been classified as shareholder equity.

Placement of new shares

On December 15, 2005 2,258,000 new shares were placed. The total number of ordinary shares, each having a nominal value of € 1.00, at March 31, 2006, including the converted CCPA's, increased therefore to 24,839,034.

Paid-up share capital

Authorised capital totals € 90 million and comprises 42,127,466 ordinary shares, 2,872,534 financing preference shares and 45,000,000 preference shares each with a nominal value of € 1.00.

The paid-up capital comprises 24,838,034 ordinary shares (prior year: 14,251,600) and nil CCPAs (prior year: 4,627,466).

Share premium reserve

The share premium reserve can be designated as fiscally paid-in capital in the amount of 16,759 (last year 5,556).

Reserves

Non distributable legal reserves amount to 4,869 (prior year: 4,160).

18 Borrowings

	2005/2006	***2004/2005***
Non current borrowings		
Drawings on syndicated credit facility	16,000	38,394
Subordinated debt	0	14,206
Other non current borrowings	813	0
Current borrowings	40,819	36,801
Total	**57,632**	**89,401**

Repayment obligations within 12 months are included under current liabilities.

The borrowings include bank loans with an average interest rate of 4.3%. All loans are denominated in Euros.

During the financial year 2005/2006 the committed Revolving Credit Facility has been decreased to € 50 million with a term ending March 31, 2007. These facilities are secured partially on the fixed assets (96,299) and partially on the receivables portfolio (25,597).

The credit facility is subject to the following conditions:

- the Net Debt/EBITDA ratio (excluding exceptional income and expenses) as at June 30, 2006 should be a maximum of 3 and each calendar quarter ending thereafter a maximum of 2.5;
- the solvency ratio should be a minimum of 35%;
- the interest coverage (EBITDA/interest) on a 12 month revolving base should be a minimum of 3.5 as at September 30, 2006 and each calendar quarter ending thereafter.

On March 31, 2006, Samas-Groep N.V. was in compliance with all bank covenants.

19 Deferred tax liabilities

This provision comprises deferred taxation on the following:

	2005/2006	***2004/2005***

	2005/2006	2004/2005
Tangible and intangible fixed assets	9,967	9,762
Inventories/receivables	687	229
Pension and early retirement provisions	1,509	611
Restructuring provision	0	3,111
Movement in capital profit of foreign participating interests	1,585	0
Total	**13,748**	**13,713**

20 Provisions

	Pensions	Restructuring	Total
Amount as at April 1, 2005	**18,341**	**11,906**	**30,247**
Charged to income statement	413	4,078	4,491
Released to income statement	-1,194	-6,257	-7,451
Withdrawals	-1,000	-5,409	-6,409
Amount as at March 31, 2006	**16,560**	**4,318**	**20,878**

20.1 Provisions for pensions and employee benefits

The pension and employee benefits relate to the following items:

	2005/2006	2004/2005
Defined benefit pension plan	10,466	10,874
Other pension provisions	6,094	7,467
Total	**16,560**	**18,341**

Defined benefit pension plan

The breakdown of the provisions in respect of the defined pension plans and other employee benefits is:

	Total		Germany		France	
	2005/2006	2004/2005	2005/2006	2004/2005	2005/2006	2004/2005
Present value of funded obligations	12,599	12,720	10,480	11,033	2,119	1,687
Fair value of plan assets	621	1,182	621	1,182	0	
Present value of unfunded obligations	11,978	11,538	9,859	9,851	2,119	1,687
Unrecognised actuarial losses	-1,512	-664	-1,003	-662	-509	-2
Liability in the balance sheet	**10,466**	**10,874**	**8,856**	**9,189**	**1,610**	**1,685**

The amounts recognised in the income statement are:

	Total		Germany		France	
	2005/2006	2004/2005	2005/2006	2004/2005	2005/2006	2004/2005
Current service costs	107	110	28	26	79	84
Interest costs	556	623	480	532	76	91
Curtailments	-200	-211	0	0	-200	-211
Expected return on plan assets	-50	-43	-50	-43	0	0
Total	**413**	**479**	**458**	**515**	**-45**	**-36**

The changes in the present value of the defined benefit pension plans and other employee benefit obligations are:

	Total		*Germany*		*France*	
	2005/2006	*2004/2005*	*2005/2006*	*2004/2005*	*2005/2006*	*2004/2005*
Amount as at April 1	**12,720**	**12,239**	**11,033**	**10,487**	**1,687**	**1,752**
Current service costs	107	110	28	26	79	84
Interest expense due to passage of time	556	623	480	532	76	91
Curtailments	-200	-211	0	0	-200	-211
Actual distributions during the year	-1,406	-703	-1,377	-674	-29	-29
Unrecognised actuarial losses	822	662	316	662	506	0
Amount as at March 31	**12,599**	**12,720**	**10,480**	**11,033**	**2,119**	**1,687**

The changes in the fair value of the plan assets in respect of the defined benefit pension plans are:

	Total		*Germany*	
	2005/2006	*2004/2005*	*2005/2006*	*2004/2005*
Amount as at April 1	**1,182**	**853**	**1,182**	**853**
Expected return on plan assets	50	42	50	42
Contribution employees	793	960	793	960
Benefits paid	-1,377	-674	-1,377	-674
Unrecognised actuarial losses	-27	1	-27	1
Amount as at March 31	**621**	**1,182**	**621**	**1,182**

The principal actuarial assumptions in respect of defined pension plans are:

	Total		*Germany*	
	2005/2006	*2004/2005*	*2005/2006*	*2004/2005*
Discounted rate defined benefit plan	4.00%	4.50%	4.50%	5.25%
Expected return on plan assets	4.50%	5.25%	4.50%	4.50%
Expected salary increase	0.00%	0.00%	2.00%	2.00%
Expected inflation rate	1.50%	1.50%	2.00%	2.00%

Other pension provisions relate to the defined contribution plan in the Netherlands in the amount of 5,000 (prior year: 6,000) following an agreement with the Samas Pension Fund as of January 1, 2004 and to early retirement provisions in Germany in the amount of 1,094 (prior year: 1,467).

21 Trade and other liabilities

	2005/2006	*2004/2005*
Trade payables	29,732	33,005
Taxes/social security	11,359	6,772
Other short term liabilities	15,356	25,508
Total	**56,447**	**65,192**

Other short term liabilities		
Holiday pay accruals	5,529	3,656
Other	9,827	21,852

22 Staff costs

	2005/2006	*2004/2005*
Wages and salaries	82,253	97,547
Pension charges	2,509	6,546
Social security charges	18,970	21,520
Staff Costs	**103,732**	**125,613**

23 Other operating costs

	2005/2006	*2004/2005*
Transport & warehouse expenses	24,333	23,333
Others	48,155	65,570
Other operating costs	**72,488**	**88,903**

24 Depreciation and amortisation

	2005/2006	*2004/2005*
Depreciation and amortisation	14,828	18,331
Impairment of tangible fixed assets	-	13,830
	14,828	**32,161**

25 Finance costs

	2005/2006	*2004/2005*
Results from participations	181	298
Interest	-4,175	-4,057
Interest on preferences shares	3,193	-3,193
Finance costs	**-801**	**-6,952**

The year 2004/05 includes an interest charge of 3,193 payable to holders of preference shares. Following the conversion of the preference shares into ordinary shares in December 2005 this charge was reversed in the current year.

26 Corporate taxes

	2005/2006	*2004/2005*
Tax Benefit	1,994	15,934

The average legal tax rate is 34 %. The tax income resulted from an agreement reached with the German tax authorities with regards to the valuation of shares of Samas Deutschland GmbH & Co. KG. In total the income amounted to 2.0 m.

27 Earnings per share

	2005/2006	*2004/2005*
Net profit	739	-47,072

Number of ordinary shares	24,839,034	14,251,600
Basic earnings per ordinary share	0.04	-3.30
Number of cumulative convertible financing preference shares	0	4,627,466
Share options outstanding	519,164	450,908
Number of shares for diluted earnings per share	25,358,198	19,329,974
Diluted earnings per share	0.03	-2.43

28 Commitments

Commitments comprise the following lease and rent commitments.

	up to 1 year	*1 to 5 years*	*more than 5 years*	*Total*
Rent of buildings	1,858	7,343	1,605	10,806
Future minimum lease payments	854	3,526	0	4,380
Total	**2,712**	**10,869**	**1,605**	**15,186**

Bank guarantees amounting to 2,165 (prior year: 2,319) were extended to customers of the Group.

29 Related party transactions

Related parties are the Board of Directors and the subsidiaries of Samas-Groep N.V.. No material transactions have been executed other than inter-company transactions under normal business conditions.

30 Notes to the consolidated cash flow statement

The “indirect method” has been used, whereby net profit is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

31 Remuneration of the members of the Supervisory Board

Fees for members of the Supervisory Board are set independently of the Group result and are determined by the Annual General Meeting of Shareholders. The current annual fees for the Supervisory Board were determined by the Annual General Meeting of Shareholders on August 16, 2005 and total € 18,000 per member and € 25,000 for the chairman. Furthermore, the Annual General Meeting of Shareholders held on August 16, 2005 determined that the members of the Supervisory Board Audit Committee and Remuneration & Appointments Committee should receive a supplementary fee of € 1,700 / € 1,500 per meeting. Other than membership of the board, the members of the Supervisory Board have no other business relationship with the company.

During the financial year 2005/2006 the following fees (including expense accounts, excluding VAT) were paid to members of the Supervisory Board:

	2005/2006	*2004/2005*
J.A.J. Vink, Chairman	18,604	0
R.G.C. van den Brink	30,550	17,614
J.F. van Duyne	29,450	17,614
S.J. van der Kaaij	0	5,672
A.A. Olijslager	13,900	0
A.H.J. Risseeuw, former Chairman	12,646	19,790
J.J. Slechte	9,521	16,614

114,671	**77,304**

32 Remuneration of the members of the Executive Board

The total remuneration of the two (prior year: two) directors and five (prior year: five) former directors was 873 (last year: 901). The variable element of the remuneration reported herein is calculated with reference to the result of the previous financial period.

The remuneration of the members of the Executive Board is determined by the Supervisory Board based upon the recommendations of the Remuneration and Appointments Committee of the Supervisory Board.

Each year the Remuneration and Appointment Committee determines the performance of the members of the Executive Board based upon their pre-defined personal and corporate objectives and considers annually the need for changes to their conditions of employment with reference to external organisations specialising in director remuneration.

The remuneration of the current members of the Executive Board comprises fixed and variable elements. The variable element originally comprised a profit distribution (maximum 50% of remuneration) and a bonus (also maximum 50% of remuneration). The profit distribution was contractually dependent upon (a part of) the Group profit. As the profit distribution was based upon the financial performance in the Netherlands, which, on the one hand, for the purpose of a profit distribution, could not be determined in a completely transparent manner, and, on the other hand, was not directly linked to the personal and corporate objectives, the Supervisory Board has decided that with effect from the financial year 2005/06 the profit distribution component will be replaced by an increase in the fixed element of the salary and an additional contribution to the Pension Fund as follows;

- Mr Van der Ven: a salary increase from € 340,000 to € 382,000 (including holiday remuneration) and an annual additional pension contribution of € 56,000.

- Mr Schlösser: a salary increase from € 240,000 to € 270,000 (excluding holiday remuneration) and an annual additional pension contribution of 40,000.

The Supervisory Board made the above decision such that the total remuneration and conditions package would not be improved, will be more closely aligned with the "Code" and be less dependant on the profitability of the company.

The bonuses were, and remain, linked to quantitative and qualitative personal and corporate objectives.

As reported on August 16, 2005 at the Annual General Meeting of Shareholders, the members of the Executive Board waived their potential bonus for the financial year 2004/2005. This decision, taken at the beginning of the financial year 2004/2005, was based on the situation of the company at the time. As a result no bonus payments in respect of the financial year 2004/2005 were made in the financial year under review. To achieve further clarification in future, additional detail will be provided on the level of bonuses achieved applicable to the financial year under review.

The details of the achievement of the objectives of the members of the Executive Board for the financial year under review 2005/2006 are as follows:

	Results (1/3)	***Cashflow (1/3)***	***Personal objectives (1/3)***
J.M.M. van der Ven	achieved	achieved	partially achieved
G. Schlösser	achieved	achieved	partially achieved

The outcome of the above will result in the payment of € 133,702 to Mr. Van der Ven and € 120,500 to Mr. Schlösser. These bonus payments to the members of the Executive Board will take place in the financial year 2006/2007.

Pensions are based upon the average salary rule. As a consequence of a revision to the fiscal law the agreement that the directors may retire at 62 is deemed cost prohibitive, so the Supervisory Board has rescinded this agreement such that the directors shall retire at 65, though, following the new regulation of the Samas Pension Fund it remains feasible for a director to retire at 62 with a recalculated pension entitlement.

The following table shows the amounts of salary (fixed remuneration) including social security costs, remuneration payable in instalments (pensions), profit distribution and bonuses, and termination settlements which have arisen in the period.

The remuneration including bonuses summarised below is related to the financial year under review.

	Salary (including social security)	***Profit dist'n***	***Bonus***	***Pension***	***Total 2005/2006***	***Total 2004/2005***
J.M.M. van der Ven	390	0	0	107	497	570
G. Schlösser	299	0	0	77	376	331
Total	**689**	**0**	**0**	**184**	**873**	**901**

The directors also participate in the general management stock options scheme which is described in more detail below. The number of options given to the directors is shown in note 33.

Samas-Groep N.V. shares held by the Executive and Supervisory directors at the end of the year under review were:

	Executive Board		***Supervisory Board***
	J.M.M. van der Ven	***G. Schlösser***	
Ordinary shares	14,368	4,000	-
Convertible bonds	not issued	not issued	not issued
Options traded on the stock exchange	not issued	not issued	not issued
Management options on ordinary shares, granted by the company	72,195	69,797	no participation

33 Share based payments

During the financial year under review options for 125,000 ordinary shares of nominal value € 1.00 were granted to senior managers. The members of the Executive Board received options for 40,000 shares. Options granted in the period 1999 to 2006 inclusive may be exercised according to the rules in place at the time of the award, with the (maximum) exercisable term varying between sixty two months and ninety six months.

At the end of the year under review there were a total of 519,164 options outstanding. Further details are contained in the summary below.

	2005/06	***2004/05***	***2003/04***	***2002/03***	***2001/02***	***2000/01***	***1999/00***
	numbers	*numbers*	*numbers*	*numbers*	*numbers*	*numbers*	*numbers*
Issued to members of the Executive Board	40,000	46,992	58,000	43,750	77,143	111,429	81,428
Issued to members of the Supervisory Board		-	-	-	-	-	-
Issued to other employees	85,000	93,000	31,650	47,375	65,394	85,984	97,008

Options granted	125,000	139,992	89,650	91,125	142,537	197,413	178,436
Exercised/lapsed options:							
- to March 31,2005		-13,000	-18,550	-30,650	-83,696	-101,113	-141,236
- in 2005/2006		-3,000	-2,400	-1,500	-	-49,844	-
Outstanding as at March 31	125,000	123,992	68,700	58,975	58,841	46,456	37,200
Exercise price in euros	5.74	5.32	4.00/5.00	8.50	9.33	9.72	8.77
Exercise period up to and including	24.05.13	02.06.12	03.09.11	27.06.10	27.06.09	28.06.08	07.07.07

As of the end of 2005/2006 the current and former members of the Executive Board held the following options:

	Options as at March 31, 2005	*Granted in 2005/06*	*Exercise price in euros*	*Expiry date of options 2005/06*	*Exercised/ lapsed in 2005/06*	*Outstanding Options as at March 31, 2006*	*Exercise price lowest/ highest in euros*
J.M.M. van der Ven	48,195	24,000	5.74	24.05.13	-	72,195	4.00/5.74
G. Schlösser	53,797	16,000	5.74	24.05.13	-	69,797	4.00/5.74
J.C. de Mos	151,428	-	-	-	-	151,428	8.50/9.72

The numbers of options and the exercise prices shown above are those following the redenomination dated November 14, 2001. As a rule new ordinary shares are issued in respect of exercised options. No shares were purchased for the granted options.

34 Transition to International Financial Reporting Standards

These are the Group's first consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union (hereafter: IFRS).

In preparing its opening IFRS balance sheet, the Group has adjusted amounts reported previously in financial statements prepared in accordance with its previous basis of accounting (Dutch GAAP). Samas-Groep converted its financial reporting to IFRS (International Financial Reporting Standards) with effect from the publication of the half yearly report 2005/06. In accordance with the regulations of the European Parliament, listed companies within the European Union are obliged to prepare their consolidated financial statements in accordance with IFRS from April 1, 2004. IFRS has replaced Dutch GAAP in Samas-Groep external reporting.

Overall, there was no significant impact on the results of operations, financial position or cash flows of the prior periods. The main effects of the conversion to the new accounting methods are:

***1 Deferred taxes* -** Separate recognition of deferred tax assets and tax liabilities.

***2 Preference shares* –** The preference shares are classified as subordinated debt. Dividends payable on these shares are classified as financial expenses.

***3 Defined benefit pension plans* -** The Group has a number of pensions plans in accordance with local conditions and practices. In Germany and France these plans are defined benefit plans. The defined benefit obligations are measured at present value, taking into account actuarial assumptions, The plan assets are measured at fair value. The calculations made in accordance with IAS 19 "Employee Benefits" result in a net pension liability at April 1, 2004 of 6,686.

4 Share-based payments: The Group has share-based payments plans for the executive board and senior management, Based on IFRS 2 'Share-based payment', the fair value of the options after November 2002 not granted as per January 1, 2005, will be recognised as deductions from revenue during the qualifying period.

34.1 Consolidated balance sheet as at April 1, 2004

Amounts in € 000s	*Dutch GAAP*	*IFRS Adjustments*	*IFRS*
Assets			
Property, plant and equipment	163,790		163,790
Intangible assets	5,179		5,179
Investments in associates	1,875		1,875
Receivables due after more than one year	2,931		2,931
Deferred tax assets	0	25,468	25,468
Non current assets	**173,775**	**25,468**	**199,243**
Inventories	35,670		35,670
Trade and other receivables	63,914		63,914
Cash and cash equivalents	8,331		8,331
Current assets	**107,915**	**0**	**107,915**
Total assets	**281,690**	**25,468**	**307,158**
Equity and liabilities			
Share capital	18,879	-4,627	14,252
Other reserves	125,087	-15,098	109,989
Capital and reserves attributable to the company's equity holders	143,966	-19,725	124,241
Minority interests	48		48
Total equity	**144,014**	**-19,725**	**124,289**
Subordinated debt	0	11,013	11,013
Long term borrowings	47,283		47,283
Deferred tax liabilities	17,271	25,468	42,739
Retirement benefit obligations	11,887	8,712	20,599
Provisions for other liabilities	9,100		9,100
Non current liabilities	**85,541**	**45,193**	**130,734**
Borrowings	8,503		8,503
Trade payables	26,532		26,532
Other short term liabilities	17,100		17,100
Current liabilities	**52,135**	**0**	**52,135**
Total equity and liabilities	**281,690**	**25,468**	**307,158**

34.2 Consolidated balance sheet as at March 31, 2005

Amounts in € 000s	*Dutch GAAP*	*IFRS Adjustments*	*IFRS*
Assets			
Property, plant and equipment	135,348		135,348
Intangible assets	4,160		4,160
Investments in associates	1,740		1,740
Receivables due after more than one year	4,049	-853	3,196
Deferred tax assets	0	13,211	13,211
Non-current assets	**145,297**	**12,358**	**157,655**
Inventories	34,269		34,269
Trade and other receivables	76,063		76,063
Cash and cash equivalents	8,053		8,053
Current assets	**118,385**	**0**	**118,385**
Total assets	**263,682**	**12,358**	**276,040**
Equity and liabilities			
Share capital	18,879	-4,627	14,252
Other reserves	80,525	-17,346	63,179
Capital and reserves attributable to the company's equity holders	99,404	-21,973	77,431
Minority interests	-37		-37
Total equity	**99,367**	**-21,973**	**77,394**
Long term borrowings	38,394	14,206	52,600
Deferred tax liabilities	502	13,211	13,713
Retirement benefit obligations	11,719	6,622	18,341
Provisions for other liabilities	11,907	-1	11,906
Non current liabilities	**62,522**	**34,038**	**96,560**
Borrowings	36,801		36,801
Trade payables	33,005		33,005
Other short term liabilities	31,987	293	32,280
Current liabilities	**101,793**	**293**	**102,086**
Total equity and liabilities	**263,682**	**12,358**	**276,040**

34.3 Consolidated profit & loss account 2004/2005

Amounts in € 000s	*Dutch GAAP*	*IFRS Adjustments*	*IFRS*
Sales	354,099		354,099
Cost of goods sold	163,460		163,460
Gross profit	**190,639**	**0**	**190,639**
Staff costs	126,558	-945	125,613
Other operating expenses	88,240	663	88,903
Depreciation and amortisation	18,994	-663	18,331
Impairment of tangible fixed assets	13,830		13,830
Operating costs	**247,622**	**-945**	**246,677**
Operating profit	**-56,983**	**945**	**-56,038**
Finance costs	-3,759	-3,193	-6,952
Profit before income tax	**-60,742**	**-2,248**	**-62,990**
Income tax expenses	-15,934		-15,934
Profit for the year	**-44,808**	**-2,248**	**-47,056**
Attributable to:			
Minority interest	16	0	16
Equity holders of the company	-44,824	-2,248	-47,072
Total	**-44,808**	**-2,248**	**-47,056**

35 Company balance sheet

as at March 31, 2006 (amounts in € 000s)

	notes	2005/2006	2004/2005
Activa			
Property, plant and equipment	37	12,669	4,617
Deferred tax assets		0	13,295
Non current assets		**12,669**	**17,912**
Receivables from group companies		179,020	224,292
Trade and other receivables		3,390	305
Cash and cash equivalents		335	0
Current assets		**182,745**	**224,597**
Total assets		**195,414**	**242,509**
Equity and liabilities			
Share capital		24,839	14,252
Share premium reserve		20,003	8,800
Legal reserve		5,167	4,160
Other reserves		55,124	50,219
Total equity		**105,133**	**77,431**
Long term borrowings	18	16,000	50,856
Deferred tax liabilities	19	1,585	13,211
Provisions on participating interests	37	61,737	61,867
Provisions for other liabilities	20.1	5,118	6,129
Non current liabilities		**84,440**	**132,063**
Trade and other payables		2,530	2,595
Borrowings falling due within one year		0	21,697
Other short term liabilities		3,311	8,723
Current liabilities		**5,841**	**33,015**
Total equity and liabilities		**195,414**	**242,509**

36 Company profit and loss account

as at March 31, 2006 (amounts in € 000s)

	2005/2006	*2004/2005*
Net result of participating interests	1,263	-74,751-
Other income and charges after taxation	-524	27,679
Net income	**739**	**- 47,072**

Notes to the company financial statements

37 Accounting policies for the company financial statements

The company financial statements of Samas-Groep N.V. have been prepared in accordance with Dutch Generally Accepted Accounting Principles (GAAP) and the legal requirements of Part 9, Book 2 of the Netherlands Civil Code. For the financial year 2005/2006 Samas-Groep N.V. has prepared consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The company has exercised the option to prepare company financial statements on the same basis as the accounting policies used in the consolidated financial statements. The 2004/2005 comparative figures have been restated to reflect these adjustments. Adjustments arising from the change in accounting policies have been included in equity. The company profit and loss account has been prepared on the basis of the exception permitted in article 2: 402 of the Dutch Civil Code.

The subsidiaries are valued according to the company's share of the net assets, (intrinsic value), in compliance with the accounting policies used in these financial statements. Due to the negative net asset value of the subsidiaries, a provision in this sum has been made.

The company, acting in accordance article 2: 403 item 1 of the Dutch Civil Code, accepts joint and several liability for any debts arising from legal transactions by Samas International BV. Copies of the relevant statement have been deposited for reference at the Chamber of Commerce in Utrecht.

Investment in subsidiary companies

The movement in the net asset value of the investment in subsidiary companies is as follows:

Financial fixed assets	*2005/2006*	*2004/2005*
Position as at 1 April	**-61,867**	**6,654**
Net result	1,263	-74,751
Direct capital movements	-1,133	6,230
Position as at 31 March	**-61,737**	**-61,867**

Tangible fixed assets

Movements in tangible fixed assets are specified as follows:

	2005/2006	*2004/2005*
As at 1 April		
Purchase price	6,275	2,322
Depreciation	-1,658	-1,635
	4,617	**687**

Movements		
- capital expenditure	8,666	4,415
- divestments	-69	-151
- depreciation	-545	-334
Total movements	**8,052**	**3,930**
As at 31 March		
- accumulated purchase price	13,525	6,275
- accumulated depreciation	-856	-1,658
Balance sheet value	**12,669**	**4,617**

Other information

38 Proposed appropriation of profits

Given the size of the cash related part of the result no proposal for payment of dividend will be made to the Annual General Meeting of Shareholders. The profit made in the financial year will be added to other reserves.

39 Post Balance Sheet events

On April 5 and 6, 2006 Samas-Groep announced further rationalisation, in the Netherlands (Valkenswaard) and Germany (Waldshut-Tiengen), which will lead to a reduction in personnel of approximately 79 FTE's.

Samas-Groep N.V.

Supervisory board

dr. J.A.J. Vink, chairman
prof. Dr. R.G.C. van den Brink
drs J.F. van Duyne
A.A. Olijslager

Executive board

drs. J.M.M. van der Ven, CEO (1953), Chief Executive Officer
drs. G. Schlösser (1963), Chief Financial Officer

Houten, 22 May 2006

40 Auditors´ report

To the General Meeting of Shareholders of Samas-Groep N.V., Utrecht

Introduction

In accordance with your assignment we have audited the financial statements of Samas-Groep N.V., for the year 2005/2006 as set out on pages 51 to 93. These financial statements consist of the consolidated financial statements and the company financial statements. These financial statements are the responsibility of the company's executive board, Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with auditing standards generally accepted in the Netherlands. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the executive board, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the company as at March 31, 2006 and of the result and the cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and also comply with the financial reporting requirements included in Part 9 of Book 2 of the Netherlands Civil Code as far as applicable. Furthermore, we have to the extent of our competence, established that the report from the executive board is consistent with the consolidated financial statements.

Opinion with respect to the company financial statements

In our opinion, the company financial statements give a true and fair view of the financial position of the company as at March 31, 2006 and of the result for the year then ended in accordance with accounting principles generally accepted in the Netherlands and also comply with the financial reporting requirements included in Part 9 of Book 2 of the Netherlands Civil Code. Furthermore, we have to the extent of our competence, established that the report from the executive board is consistent with the company financial statements.

Utrecht, May 22, 2006

PricewaterhouseCoopers Accountants N.V.

P. Tieleman RA

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