

Spector Photo Group, NV

Statutory auditors' report

Annual accounts as per December 31, 2011

Annual report 2011

TRANSLATION – The original of these accounts and reports is in Dutch



Business advisers



Grant Thornton

SPECTOR PHOTO GROUP NV

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Statutory auditors' report to the general meeting of shareholders of SPECTOR PHOTO GROUP NV on the financial statements for the year ended December 31, 2011

In accordance with the legal and statutory requirements, we report to you on the performance of the mandate of statutory auditor, which has been entrusted to us. This report contains our opinion on the true and fair view of the financial statements as well as the required additional statements and information.

Unqualified audit opinion on the financial statements, with explanatory paragraph

We have audited the financial statements for the year ended 31 December 2011, prepared in accordance with the financial reporting framework applicable in Belgium, which show a balance sheet total € 130.714.124,38 and a loss for the year of € 2.305.212,86.

Management is responsible for the preparation and the fair presentation of these financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of 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.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the legal requirements and the Auditing Standards applicable in Belgium, as issued by the Institute of Registered Auditors (*Institut des Réviseurs d'Entreprises / Instituut der Bedrijfsrevisoren*). Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement, as to whether due to fraud or error.

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In accordance with the above-mentioned auditing standards, we considered the company's accounting system, as well as its internal control procedures. We have obtained from management and the company's officials, the explanations and information necessary for executing our audit procedures. We have examined, on a test basis, the evidence supporting the amounts included in the financial statements. We have assessed the appropriateness of accounting policies and the reasonableness of the significant accounting estimates made by the company as well as the overall financial statement presentation. We believe that these procedures provide a reasonable basis for our opinion.

In our opinion, the financial statements for the year ended 31 December 2011 give a true and fair view of the company's assets and liabilities, its financial position and the results of its operations in accordance with the financial reporting framework applicable in Belgium.

Notwithstanding our unqualified opinion, we draw the attention to the annual report of the Board of Directors in which the current valuation of the participation in Photomedia NV is motivated, taken into consideration the changing market conditions. The motivation of the valuation of this participation depends on the future positive market conditions on which the business plan is based.

In this annual report, the Board of Directors have also justified the current valuation of its participation in Photo Hall Multimedia NV. The motivation of the valuation of this participation depends on the continued financial support of the financial lenders of Photo Hall Multimedia NV and on the achievement of the restructuring measures announced by the Board of Directors of Photo Hall Multimedia NV.

Additional statements and information

The preparation of the Director's report and its content, as well as the Company's compliance with the Company Code and its bylaws are the responsibility of management.

Our responsibility is to supplement our report with the following additional statements and information, which do not modify our audit opinion on the financial statements:

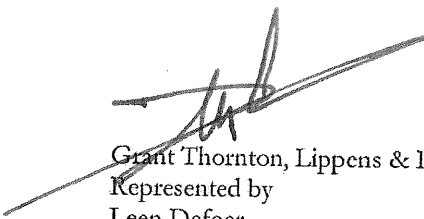
- The Director's report includes the information required by law and is consistent with the financial statements. We are, however, unable to comment on the description of the principal risks and uncertainties which the company is facing, and on its financial situation, its foreseeable evolution or the significant influence of certain facts on its future development. We can nevertheless confirm that the matters disclosed do not present any obvious inconsistencies with the information that we became aware of during the performance of our mandate.
- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- There are no transactions undertaken or decisions taken in violation of the company's statutes or the Company Code that we have to report to you. The appropriation of results proposed to the general meeting complies with the legal and statutory provisions.

SPECTOR PHOTO GROUP, NV (Cont'd)

- In accordance with article 523 Belgian Corporate Law, we are also required to report to you on the following transactions which have taken place since the last annual general meeting: on May 11th, 2011, the Board of Directors have decided upon the appointment and the remuneration of the members of the audit committee. It has been decided to reappoint BVBA MCM, represented by Mr. Geert Vanderstappen, BVBA Patrick De Greve, represented by Mr. Patrick De Greve and BVBA Norbert Verkimpe, represented by Mr. Norbert Verkimpe for a period of three years. The mandate of a member of the audit committee is remunerated in accordance with the decision of the remuneration committee (2.500 €).

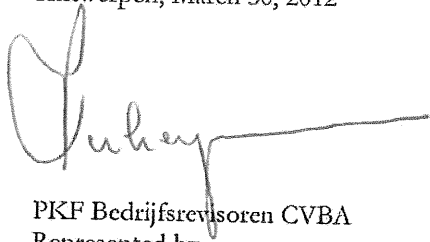
The Statutory Auditors,

Gent, March 30, 2012



Grant Thornton, Lippens & Rabacy BV CVBA
Represented by
Leen Defoer
Commissaris

Antwerpen, March 30, 2012



PKF Bedrijfsrevisoren CVBA
Represented by
Ria Verheyen
Commissaris