

MINUTES

of the annual meeting of shareholders of **Engel East Europe N.V.**, a public company (*naamloze vennootschap*), having its registered seat (*statutaire zetel*) in Amsterdam, Rapenburgerstraat 204, 1011 MN Amsterdam, NV-number 1.132.679 and registered with the Commercial Register under number 34.138.775,

hereafter to be referred as "**Company**",

held this 5th day of June, 2007

Mr. Nir Netzer is appointed Chairman by the general meeting of shareholders.

The Chairman appoints Ms. Adi Ron as secretary of this meeting.

The Chairman states:

- The shareholders present at this meeting represent 66,019,118 shares - which is 75.21% of the entire issued capital of the Company – each share carrying one vote;
- The Chairman confirms that the meetings had been duly notified and therefore binding decisions can be taken in this meeting

Agenda:

Item 1: Opening

Item 2: Proposal

The Chairman noted that the purpose of the Meeting was:

1. Approval of the Company's 2006 Annual Report and Accounts.
2. Approval of the 2006 Statutory Accounts.
3. Approval of the 2005 Statutory Accounts.
4. Approval of the appropriation of the 2006 profits and approval of the payment of a gross annual dividend of € 0.053 per share for the year ended 31 December 2006.
5. Approval of the appointment and the remuneration of two new board members.


Item 3: Adoption of Resolutions

The following RESOLUTIONS were adopted, namely that:


1. Approval of the 2006 Annual Report and Accounts – by unanimous vote.
2. Approval of the 2006 statutory accounts – by unanimous vote.
3. Approval of the 2005 statutory accounts – by unanimous vote.
4. Approval of the appropriation of the 2006 profits and payment of a gross annual dividend of € 0.053 per share for the year ended 31 December 2006 – by unanimous vote.
5. Approval of the appointment and remuneration of Yeshayahu Boymelgreen by a vote of 95.55% of the votes present.
6. Approval of the appointment and remuneration of Sam Salman by a vote of 95.55% of the votes present.

Item 4: Closing

As there are no further discussing points, the Chairman closes the meeting.



Chairman
Nir Netzer



Secretary
Avi Ben