

**QUARRIES GOURNON S.A.**

**BALANCE SHEET AS AT 31 DECEMBER 2004 - 24th FISCAL YEAR (1 JANUARY - 31 DECEMBER 2004)**

**NO 11451/70/B/86/164 IN THE REGISTER OF SOCIETES ANONYMES "ΔΥΟ ΓΚΡΕΜΟΙ " ΑΝΩΠΟΛΗΣ**

| ASSETS   | Amounts of current fiscal year 2004 |                     |                     | Amounts of previous fiscal year 2003 |                     |                     | LIABILITIES   | Amounts of current fiscal year 2004 |                     | Amounts of previous fiscal year 2003 |                     |
|--|-------------------------------------|---------------------|---------------------|--------------------------------------|---------------------|---------------------|---|-------------------------------------|---------------------|--------------------------------------|---------------------|
|  | At cost                             | Depreciation        | Balance             | At cost                              | Depreciation        | Balance             |   |                                     |                     |                                      |                     |
| <b>B.FORMATION EXPENSES</b>                          |                                     |                     |                     |                                      |                     |                     | <b>A.SHAREHOLDER'S EQUITY</b>                           |                                     |                     |                                      |                     |
| 4.Other formation expenses                           | <u>14,809.00</u>                    | <u>14,809.00</u>    | <u>0.00</u>         | <u>14,809.00</u>                     | <u>14,809.00</u>    | <u>0.00</u>         | <b>I.Share Capital</b>                                  |                                     |                     |                                      |                     |
| <b>Total formation expenses</b>                      | <u>14,809.00</u>                    | <u>14,809.00</u>    | <u>0.00</u>         | <u>14,809.00</u>                     | <u>14,809.00</u>    | <u>0.00</u>         | 1.Paid up - common shares (43.000*3)                    | 129,000.00                          | <u>129,000.00</u>   | 129,000.00                           | <u>129,000.00</u>   |
| <b>C.FIXED ASSETS</b>                                |                                     |                     |                     |                                      |                     |                     | <b>IV.Reserves</b>                                      |                                     |                     |                                      |                     |
| <b>II.Tangible assets</b>                            |                                     |                     |                     |                                      |                     |                     | 1.Legal reserves  | 90,483.57                           |                     | 90,483.57                            |                     |
| 3.Buildings and installations                        | 135,106.82                          | 100,334.80          | 34,772.02           | 113,657.48                           | 98,804.59           | 14,852.89           | 5.Tax exempt reserves under special laws                | <u>383,283.73</u>                   | <u>473,767.30</u>   | <u>383,283.73</u>                    | <u>473,767.30</u>   |
| 4.Plant and machinery                                | 1,551,107.88                        | 1,081,208.61        | 469,899.27          | 1,543,279.79                         | 953,809.42          | 589,470.37          | <b>V.Retained earnings</b>                              |                                     |                     |                                      |                     |
| 5.Transportation equipment                           | 200,109.58                          | 167,647.62          | 32,461.96           | 169,559.58                           | 160,673.16          | 8,886.42            | Retained earnings (Deficit)                             | <u>382.84</u>                       | <u>382.84</u>       | <u>52.68</u>                         | <u>52.68</u>        |
| 6.Furniture and fixtures                             | 60,752.59                           | 57,337.39           | 3,415.20            | 54,959.28                            | 51,137.28           | 3,822.00            | <b>Total shareholder's equity (AI+AIV+AV)</b>           | <u>603,150.14</u>                   |                     | <u>602,819.98</u>                    |                     |
| <b>Total (CII)</b>                                   | <u>1,947,076.87</u>                 | <u>1,406,528.42</u> | <u>540,548.45</u>   | <u>1,881,456.13</u>                  | <u>1,264,424.45</u> | <u>617,031.68</u>   | <b>B.PROVISIONS FOR ACCRUED LIABILITIES AND CHARGES</b> |                                     |                     |                                      |                     |
| <b>III.Investments and long term receivables</b>     |                                     |                     |                     |                                      |                     |                     | 1.Provision for staff leaving indemnities               | 154,932.46                          | <u>154,932.46</u>   | 133,165.52                           | <u>133,165.52</u>   |
| 8.Other long term receivables                        |                                     |                     | <u>8,895.38</u>     |                                      |                     | <u>8,895.38</u>     |   |                                     |                     |                                      |                     |
| <b>TOTAL FIXED ASSETS AND INVESTMENTS (CII+CIII)</b> |                                     |                     | <u>549,443.83</u>   |                                      |                     | <u>625,927.06</u>   | <b>C.LIABILITIES</b>                                    |                                     |                     |                                      |                     |
| <b>D.CURRENT ASSETS</b>                              |                                     |                     |                     |                                      |                     |                     | <b>II. Short term liabilities</b>                       |                                     |                     |                                      |                     |
| <b>I.Inventories</b>                                 |                                     |                     |                     |                                      |                     |                     | 1.Suppliers   | 192,871.05                          |                     | 181,143.12                           |                     |
| 2.Finished and semi-finished products                |                                     | 1,442,896.19        |                     |                                      | 639,071.10          |                     | 2a.Cheques payable                                      | 22,254.37                           |                     | 74,448.86                            |                     |
| 3.Production in progress                             |                                     | 159,736.40          |                     |                                      | 0.00                |                     | 3.Short term bank liabilities                           | 218,887.76                          |                     |                                      |                     |
| 4.Raw materials, consumables, spare parts, other     |                                     | 37,210.89           |                     |                                      | 123,425.06          |                     | 4.Trade creditors                                       | 12,316.76                           |                     | 74,686.63                            |                     |
| 5.Advance for the purchase of inventories            |                                     | <u>3,431.65</u>     | <u>1,643,275.13</u> |                                      | <u>1,056.16</u>     | <u>763,552.32</u>   | 5.Taxes payable   | 571,514.88                          |                     | 497,931.94                           |                     |
| <b>II.Accounts Receivable</b>                        |                                     |                     |                     |                                      |                     |                     | 6.Social insurance contributions                        | 49,653.29                           |                     | 48,602.48                            |                     |
| 1.Trade receivables                                  |                                     | 243,113.85          |                     |                                      | 129,730.17          |                     | 10.Dividends payable                                    |                                     |                     |                                      |                     |
| Deduct: Provisions                                   |                                     | <u>0.00</u>         |                     |                                      | <u>54,968.06</u>    |                     | — Previous fiscal years                                 | 953,900.00                          |                     | 237,200.00                           |                     |
|  |                                     | 243,113.85          |                     |                                      | 74,762.11           |                     | — Current fiscal year                                   | 897,840.00                          |                     | 1,013,900.00                         |                     |
| 3a.Cheques in hand                                   |                                     | 918,148.95          |                     |                                      | 871,139.17          |                     | 11.Sundry creditors                                     | <u>10,586.16</u>                    | <u>2,929,824.27</u> | <u>26,503.90</u>                     | <u>2,154,416.93</u> |
| 10.Doubtful accounts receivable                      |                                     | 11,013.89           |                     |                                      | 4,127.96            |                     | <b>Total liabilities (CII)</b>                          | <u>2,929,824.27</u>                 |                     | <u>2,154,416.93</u>                  |                     |
| Deduct: Provisions                                   |                                     | <u>0.00</u>         |                     |                                      | <u>1,857.66</u>     |                     |   |                                     |                     |                                      |                     |
|  |                                     | 11,013.89           |                     |                                      | 2,270.30            |                     |   |                                     |                     |                                      |                     |
| 11.Sundry receivables                                |                                     | 285,327.57          |                     |                                      | 326,262.94          |                     |   |                                     |                     |                                      |                     |
| 12.Sundry advances                                   |                                     | <u>3,943.51</u>     | <u>1,461,547.77</u> |                                      | <u>2,512.51</u>     | <u>1,276,947.03</u> |   |                                     |                     |                                      |                     |
| <b>IV.Cash</b>                                       |                                     |                     |                     |                                      |                     |                     |   |                                     |                     |                                      |                     |
| 1.In hand  |                                     | 885.49              |                     |                                      | 660.89              |                     |   |                                     |                     |                                      |                     |
| 3.Demand and time deposit accounts                   |                                     | <u>32,754.65</u>    | <u>33,640.14</u>    |                                      | <u>222,967.10</u>   | <u>223,627.99</u>   |   |                                     |                     |                                      |                     |
| <b>Total current assets (DI+DII+DIV)</b>             |                                     |                     | <u>3,138,463.04</u> |                                      |                     | <u>2,264,127.34</u> |   |                                     |                     |                                      |                     |
| <b>E.TRANSITORY ACCOUNTS</b>                         |                                     |                     |                     |                                      |                     |                     |   |                                     |                     |                                      |                     |
| 1.Deferred charges                                   |                                     |                     | 0.00                |                                      |                     | <u>348.03</u>       |   |                                     |                     |                                      |                     |
| <b>TOTAL ASSETS (B+C+D+E)</b>                        |                                     |                     | <u>3,687,906.87</u> |                                      |                     | <u>2,890,402.43</u> | <b>TOTAL LIABILITIES (A+B+C)</b>                        | <u>3,687,906.87</u>                 |                     | <u>2,890,402.43</u>                  |                     |
| <b>MEMO ACCOUNTS</b>                                 |                                     |                     |                     |                                      |                     |                     | <b>MEMO ACCOUNTS</b>                                    |                                     |                     |                                      |                     |
| 2.Guarantees and collateral securities               |                                     |                     | <u>115,041.06</u>   |                                      |                     | <u>112,986.06</u>   | 2.Beneficiary of guarantees and collateral security     | <u>115,041.06</u>                   |                     | <u>112,986.06</u>                    |                     |
| 3.Claims in bilateral agreements                     |                                     |                     | <u>400,000.00</u>   |                                      |                     | <u>0.00</u>         | 3.Obligations in bilateral agreements                   | <u>400,000.00</u>                   |                     | <u>0.00</u>                          |                     |
|  |                                     |                     | <u>515,041.06</u>   |                                      |                     | <u>112,986.06</u>   |   | <u>515,041.06</u>                   |                     | <u>112,986.06</u>                    |                     |

| STATEMENT OF INCOME                             | Amounts of current fiscal year 2004 | Amounts of previous fiscal year 2003 | STATEMENT OF APPROPRIATION OF EARNINGS        |                     |                     |
|---|-------------------------------------|--------------------------------------|---|---------------------|---------------------|
|   |                                     |                                      |   | FISCAL YEAR 2004    | FISCAL YEAR 2003    |
| <b>I. OPERATING INCOME</b>                      |                                     |                                      |   |                     |                     |
| Turnover (net sales)                            | 3,759,711.95                        | 3,941,596.80                         | Net earnings before taxes                     | 1,396,725.24        | 1,566,843.57        |
| Cost of sales                                   | <u>2,110,355.07</u>                 | <u>1,913,197.00</u>                  | Retained earnings of prior year               | 52.68               | 23.86               |
| <b>GROSS OPERATING INCOME</b>                   | <b>1,649,356.88</b>                 | <b>2,028,399.80</b>                  | Taxes paid relating to prior years, L.3259/04 | -18,066.15          | 0.00                |
| Other operating income                          | <u>5,956.26</u>                     | <u>3,313.35</u>                      | <b>TOTAL</b>                                  | <b>1,378,711.77</b> | <b>1,566,867.43</b> |
| <b>TOTAL</b>                                    | <b>1,655,313.14</b>                 | <b>2,031,713.15</b>                  | <b>Deduct: 1. Income tax</b>                  | <b>480,488.93</b>   | <b>552,914.75</b>   |
| General and Administrative costs                | 203,081.66                          | 210,162.89                           | <b>Proposed distribution:</b>                 | <b>898,222.84</b>   | <b>1,013,952.68</b> |
| Sales and Distribution costs                    | <u>83,516.58</u>                    | <u>253,419.60</u>                    | Legal reserve                                 | 0.00                | 0.00                |
|   | <b>1,368,714.90</b>                 | <b>1,568,130.66</b>                  | First dividend                                | 317,754.99          | 356,456.91          |
| Interest and related income                     | 1,996.33                            | 13,539.30                            | Additional dividend                           | 580,085.01          | 657,443.09          |
| Interest expenses and bank charges              | <u>5,876.92</u>                     | <u>1,433.99</u>                      | Retained earnings                             | 382.84              | 52.68               |
| <b>TOTAL OPERATING INCOME</b>                   | <b>1,364,834.31</b>                 | <b>1,580,235.97</b>                  |   | <b>898,222.84</b>   | <b>1,013,952.68</b> |
| <b>II. EXTRAORDINARY INCOME/EXPENSES</b>        |                                     |                                      |   |                     |                     |
| Extraordinary and non-operating income          | 1,647.25                            | 1,260.01                             |   |                     |                     |
| Extraordinary gains                             | 2,700.00                            | 19,000.00                            |   |                     |                     |
| Revenues from provisions of previous years      | <u>40,465.08</u>                    |                                      |   |                     |                     |
| Extraordinary and non-operating costs           | 3,725.24                            | 714.85                               |   |                     |                     |
| Extraordinary losses                            | 0.00                                | 22,231.56                            |   |                     |                     |
| Expenses of previous years                      | 941.76                              | 911.21                               |   |                     |                     |
|   | <b>40,145.33</b>                    | <b>-3,597.61</b>                     |   |                     |                     |
| <b>TOTAL OPERATING AND EXTRAORDINARY INCOME</b> | <b>1,404,979.64</b>                 | <b>1,576,638.36</b>                  |   |                     |                     |
| Depreciation of fixed assets                    | 167,845.17                          | 129,410.00                           |   |                     |                     |
| Minus: Depreciation included in operating cost  | <u>159,590.77</u>                   | <u>119,615.21</u>                    |   |                     |                     |
| <b>NET EARNINGS BEFORE TAXES</b>                | <b>1,396,725.24</b>                 | <b>1,566,843.57</b>                  |   |                     |                     |

Iraklio 10 February 2005

MANAGING DIRECTOR  
K. SALTAS  
I.D. NO. N266926

A MEMBER OF THE BOARD OF DIRECTORS  
K. TAMIOLAKIS  
I.D. NO. P321825

CHIEF ACCOUNTANT  
EM. EPTAMINITAKIS  
LICENCE NO. 13894

REPORT OF THE AUDITORS  
To The Shareholders of QUARRIES GOURNON S.A.

We have audited the Financial Statements and the related Notes thereon of QUARRIES GOURNON S.A. for the year ended 31 December 2004. Our audit has been conducted in accordance with the provisions of article 37 of the Companies Act 2190/1920 and those auditing procedures, which we considered necessary based on the auditing standards and principles adopted by the Institute of Certified Auditors Accountants in Greece. The books and records maintained by the Company have been made available to us and we have obtained the relevant information and explanations, which were deemed necessary for the purposes of our audit. The Company has properly applied the General Chart of Accounts "Re: Greek Accounting Standards". There have been no changes in the valuation methods used by the Company compared to those used in the preceding year and the cost of production, which has been derived from the accounting records, has been determined in accordance with generally accepted costing principles. We have confirmed that the content of the Directors' Report to the Annual General Meeting of the Shareholders is consistent with the related Financial Statements. The Notes to the Financial Statements disclose the information stipulated in paragraph 1 of article 43a of the Companies Act 2190/1920.

From our audit we have identified that the books and records maintained by the Company have not been audited by the tax authorities for the fiscal years 2003 and 2004. As a result, the Company's tax liabilities for these years have not been finalised.

In our opinion, except for the matter referred to above, the aforementioned Financial Statements, which have been derived from the books and records of the Company, present, together with the Notes thereto, the assets, liabilities and financial position of the Company as at 31 December 2004 as well as the results of its operations for the year then ended, in accordance with prevailing legislation and generally accepted accounting principles, which do not differ from those applied by the Company in the preceding year.

Athens, 11 February 2005

The Certified Auditor Accountant

Constantinos Cotsilinis  
SOEL Reg. NO. 12711