

**Balance Sheet****As at 31 December**

<b><u>ASSETS</u></b>	Notes	2005	2004
Property, plant and equipment	3	369.772,00	281.731,00
Investments in subsidiaries	6	50.150,00	50.150,00
<b>Non-current assets</b>		<b>419.922,00</b>	<b>331.881,00</b>
Receivables and prepayments	4	18.293,27	1.398,00
Cash and cash equivalents	5	32.811,75	128.074,00
<b>Current assets</b>		<b>51.105,02</b>	<b>129.472,00</b>
<b>TOTAL ASSETS</b>		<b>471.027,02</b>	<b>461.353,00</b>
<b><u>LIABILITIES</u></b>			
Trade and other payables	7	30.398,06	32.225,00
<b>Current liabilities</b>		<b>30.398,06</b>	<b>32.225,00</b>
<b>Total liabilities (a)</b>		<b>30.398,06</b>	<b>32.225,00</b>
Share capital	11	585.000,00	585.000,00
Other reserves	12	9.417,00	9.417,00
Retained earnings		-153.788,04	-165.289,00
<b>Total equity (b)</b>		<b>440.628,96</b>	<b>429.128,00</b>
<b>TOTAL EQUITY AND LIABILITIES (a+b)</b>		<b>471.027,02</b>	<b>461.353,00</b>

LEECEM S.A.

## Income Statement

	<b>As at 31 December</b>	
<b>Notes</b>	<b>2005</b>	<b>2004</b>
Other operating expenses	15.970,16	344,99
Administrative expenses	-4.469,20	-8.591,76
<b>Earnings before interest, taxes and depreciation</b>	<b>11.500,96</b>	<b>-8.246,77</b>
<b>Earnings before interest and taxes</b>	<b>11.500,96</b>	<b>-8.246,77</b>
<b>Profit before taxes</b>	<b>11.500,96</b>	<b>-8.246,77</b>
<b>Profit after taxes</b>	<b>11.500,96</b>	<b>-8.246,77</b>

LEECEM S.A.

## Statement of Changes in Shareholders' Equity

	Notes	Ordinary shares	Fair value and other reserves	Retained earnings	Total
<b>Year ended 31 December 2004</b>					
Opening balance		585.000,00	9.417,00	-157.042,00	437.375,00
Net profit per income statement				-8.247,00	-8.247,00
<b>Closing Balance at 31 December 2004</b>		585.000,00	9.417,00	-165.289,00	429.128,00
<b>Year ended 31 December 2005</b>					
Opening balance		585.000,00	9.417,00	-165.289,00	429.128,00
Net profit per income statement				11.500,96	11.500,96
<b>Closing Balance at 31 December 2005</b>		585.000,00	9.417,00	-153.788,04	440.628,96

LEECEM S.A.

## Cash Flow Statement

		<b>Year ended 31 December</b>	
notes	<b>2005</b>	<b>2004</b>	
<b>Cash flows from operating activities</b>			
	Cash generated from operations	9	-7.221,26
	Interest received		-65.759,42
			378,42
	<i>Net cash generated from operating activities</i>		<b>-7.221,26</b>
			<b>-65.381,00</b>
<b>Cash flows from financing activities</b>			
	Purchase of tangible and intangible assets		-88.041,00
	Purchase of financial assets		-50.150,00
	<i>Net cash flows from financing activities</i>		<b>-88.041,00</b>
			<b>-50.150,00</b>
<b>Cash flows from financing activities</b>			
	Interest paid		-58,00
	<i>Net cash flows from financing activities</i>		<b>-58,00</b>
			<b>-58,00</b>
	<b>Net increase/(decrease) in cash and cash equivalents and bank overdrafts</b>		-95.262,26
	Cash and cash equivalents at beginning of the period		128.074,00
	<b>Cash and cash equivalents at end of the period</b>	3	<b>32.811,74</b>
			<b>128.074,00</b>

## Notes to the annual financial statements for the year ended 31 December 2005

### Accounting Policies, Financial Risk Management and Critical Accounting Estimates and Judgements

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## Notes to the annual financial statements for the year ended 31 December 2005

### 1. Accounting Policies

#### General information

LEESEM S.A. (the Company) is engaged in the production, trade and distribution of a wide range of quarries and construction materials. The Company is affiliated of INTEBETON CONSTRUCTIONS MATERIALS S.A. which is not listed on the Athens Stock Exchange.

#### Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

#### A Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). IFRS 1, First-time Adoption of International Financial Reporting Standards, has been applied in preparing these financial statements. These financial statements are the first financial statements to be prepared in accordance with IFRS.

The policies set out below have been consistently applied to all the years presented.

Reconciliations and descriptions of the effect of the transition from Greek GAAP to IFRS on the Group's equity and its net income are given in note 29.

These financial statements have been prepared under the historical cost convention.

#### B Tangible assets.

The tangible assets are showed at historical cost.

#### C Intangible assets

The Company has not intangible assets.

#### D Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

#### E Deferred income taxes

There are not deferred income taxes.

#### Z Employee benefits

The company does not employ personnel.

**2. Financial Risk Management**

**A Financial risk factors**

The Company does not expose to financial risks.

## Notes to the financial statements

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## 2. Finance (costs) / income

	2005	2004
Interest income	-	378,42
Interest expense	-	-320,42
<b>Net financing (costs)/income</b>	<b>0,00</b>	<b>58,00</b>

### 3. Property, plant and equipment

	Land	Total
<b>Year ended 31 December 2004</b>		
Opening balance	281.731	281.731
Closing balance	<u>281.731</u>	<u>281.731</u>
<b>At 31 December 2004</b>		
Cost	281.731	<b>281.731</b>
Net book amount	<u>281.731</u>	<u>281.731</u>
<b>Year ended 31 December 2005</b>		
Opening balance	281.731	281.731
Additions	<u>88.041</u>	<u>88.041</u>
Closing balance	<u>369.772</u>	<u>369.772</u>
<b>At 31 December 2005</b>		
Cost	369.772	<b>369.772</b>
Net book amount	<u>369.772</u>	<u>369.772</u>

The Company has no pledges on its owned assets.

#### 4. Receivables and prepayments

	<b>2005</b>	<b>2004</b>
Other receivables	18.293,27	1.398,00
	<u>18.293,27</u>	<u>1.398,00</u>
	<u><u>18.293,27</u></u>	<u><u>1.398,00</u></u>

#### 5. Cash and cash equivalents

	<b>2005</b>	<b>2004</b>
Cash at bank and in hand	689,76	963,91
Short-term bank deposits	32.121,99	127.110,09
	<u>32.811,75</u>	<u>128.074,00</u>
	<u><u>32.811,75</u></u>	<u><u>128.074,00</u></u>

## 6. Investment in other companies

	2005	2004
Opening carrying amount	50.150	0
Plus:Purchases	0	50.150
Closing carrying amount	<u>50.150</u>	<u>50.150</u>

### 6a. Analysis of investment in other companies

		<b>2004</b>	
		Shares in subsidiaries	% held
D. Beleggratis		<u>50.150</u>	1,00%
	<b>Total</b>	<u><b>50.150</b></u>	

		<b>2005</b>	
		Shares in subsidiaries	% held
D. Beleggratis		<u>50.150</u>	1,00%
	<b>Total</b>	<u><b>50.150</b></u>	

D. Beleggratis		<u>50.150</u>	1,00%
	<b>Total</b>	<u><b>50.150</b></u>	

## 7. Trade and other payables

	<b>2005</b>	<b>2004</b>
Trade payables	30.324,28	32.225,00
Other trade payables to related parties (Note 14 )	73,78	0,00
	<u><b>30.398</b></u>	<u><b>32.225</b></u>

## **8. Deferred tax**

No deferred tax is calculated because there is no temporary differences

## **9. Retirement and termination benefit obligations**

The company has no employees

## **10. Contingencies and Commitments**

### **Contingencies**

The company has possible commitments during the ordinary progress of works.

There are no litigation matters which have a material impact on the financial positions of the company.

The fiscal years unaudited by the tax authorities are 2003-2005.



## 11. Share capital

	Number of ordinary shares	Ordinary Shares	Total
At 1 January 2004	195.000	585.000	585.000
At 31 December 2004	195.000	585.000	585.000
At 31 December 2005	195.000	<u>585.000</u>	<u>585.000</u>

All issued shares are fully paid.

## 12. Fair value and other reserves

	<b>Legal reserve</b>	<b>Reserves under special laws</b>	<b>Total</b>
<b>Year ended 31 December 2004</b>			
Opening balance	1.070,00	8.347,00	9.417,00
<b>Closing Balance at 31 December 2004</b>	1.070,00	8.347,00	9.417,00
<b>Year ended 31 December 2005</b>			
Opening balance	1.070,00	8.347,00	9.417,00
<b>Closing Balance at 31 December 2005</b>	1.070,00	8.347,00	9.417,00

### 13. Cash generated from operations

	<b>2005</b>	<b>2004</b>
Net Profit for the year as per income statements	11500,96	-8.246,77
Adjustments for:		
Interest income and net foreign exchange transaction gains		
Interest expense and net foreign exchange transaction losses		-320,42
<b>Changes in working capital:</b>		
Decrease / (increase) in trade and other receivables	-16895,27	32.084,77
(Decrease) / increase in trade and other payables	-1826,95	-89.277,00
<b>Cash generated from operations</b>	<b><u><u>-7.221,26</u></u></b>	<b><u><u>-65.759,42</u></u></b>

## 14. Intercompany transactions

The following is a summary of transactions that were carried out with related parties during the year:

	<b>2005</b>	<b>2004</b>
<b>iii) Year-end balances arising from purchases of goods and services</b>		
Payables to Titan S.A (Note 7)	73,78	0

## 15 Reconciliation to International Financial Reporting Standards ("IFRS")

	<i>Greek GAAP</i>	<i>Effect of transition to IFRS</i>	<i>IFRS</i>
<b><u>ASSETS</u></b>			
Property, plant and equipment	281.731,00	0,00	281.731,00
Investments	50.150,00	0,00	50.150,00
	<b>331.881,00</b>	<b>0,00</b>	<b>331.881,00</b>
Receivables and prepayments	1.398,00	0,00	1.398,00
Cash and cash equivalents	128.074,00	0,00	128.074,00
<b>Current assets</b>	<b>129.472,00</b>	<b>0,00</b>	<b>129.472,00</b>
<b>TOTAL ASSETS</b>	<b>461.353,00</b>	<b>0,00</b>	<b>461.353,00</b>
<b><u>LIABILITIES</u></b>			
Trade and other payables	32.225,00	0,00	32.225,00
<b>Current liabilities</b>	<b>32.225,00</b>	<b>0,00</b>	<b>32.225,00</b>
<b>Total liabilities (a)</b>	<b>32.225,00</b>	<b>0,00</b>	<b>32.225,00</b>
Share capital	585.000,00	0,00	585.000,00
Other reserves	9.417,00	0,00	9.417,00
Retained earnings	-165.289,00	0,00	-165.289,00
<b>Total equity (b)</b>	<b>429.128,00</b>	<b>0,00</b>	<b>429.128,00</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>461.353,00</b>	<b>0,00</b>	<b>461.353,00</b>

**15 Reconciliation to International Financial Reporting Standards ("IFRS")  
(continued)**

**Reconciliation of Income Statement for the year ended 31 December 2004**

	<i>Greek GAAP</i>	<i>Effect of transition to IFRS</i>	<i>IFRS</i>
Other operating income/ (expense)	-8.591,76	0,00	-8.591,76
Administrative expenses	-35,00	0,00	-35,00
<b>Earnings before interest, taxes and depreciation</b>	<b>-8.626,76</b>	<b>0,00</b>	<b>-8.626,76</b>
<b>Earnings before interest and taxes</b>	<b>-8.626,76</b>	<b>0,00</b>	<b>-8.626,76</b>
Finance costs - net	379,99	0,00	379,99
<b>Profit before taxes</b>	<b>-8.246,77</b>	<b>0,00</b>	<b>-8.246,77</b>
<b>Profit after taxes</b>	<b>-8.246,77</b>	<b>0,00</b>	<b>-8.246,77</b>

**15. Reconciliation to International Financial Reporting Standards ("IFRS")  
(continued)**

**Reconciliation of Equity between Greek statutory financial statements and IFRS**

As previously reported in Greek statutory financial statements at 31 December 2004	429.128,00
As restated to conform with the requirements of IFRS at 31 December 2004	<u>429.128,00</u>

## **15. Reconciliation to International Financial Reporting Standards "IFRS"(continued)**

### **Reconciliation of Profit after tax between Greek statutory financial statements and IFRS**

**As previously reported in Greek statutory financial statements at 31 December 2004** **-8.246,77**

**As restated to conform with the requirements of IFRS at 31 December 2004** **-8.246,77**



## **16. Post balance sheet events**

There are no events after 31 December 2005 considered to be material to the financial position of the Company.

## **AUDITOR'S REPORT**

To the  
**REGULAR GENERAL ASSEMBLY**  
of the Shareholders of the Company  
**LEESEM S.A.- READY-MIX EXPLOSIVE QUARRIES AND TRANSPORT**

We have audited the attached balance sheet of LEECEM S.A. of December 31, 2005 and the relevant results statements, cash flow and variations in the shareholders' equity of the company for the fiscal year ending December 31, 2005. The responsibility for the constitution of financial statements that is cited on pages 5 to 18, lies with the board of directors of the Company. Our responsibility is limited to the formation and the expression of an opinion regarding the financial statements based on the audit conducted.

Our audit was conducted according to Greek Auditing Standards which are in accordance to International Auditing Standards. These standards demand that the design and execution of the audit be done in a manner that ensures reasonable certainty that the financial statements are free of essential inaccuracies and omissions. The audit includes the examination, on a random sample basis, of proof that supports the amounts and the information included in the financial statements. The audit also includes the evaluation of accounting principles that were followed, the estimations of the company's board of directors and in general the presentation of data in the financial statements as well as the agreement of the contents of the Director's Report that is cited on pages 2 to 4 with the financial statements. We believe that the audit conducted provides a sufficient basis for the formation of your opinion.

In our opinion, the aforementioned company and consolidated financial statements from every essential aspect reasonably present the financial position of the company on December 31, 2005 as well as the results of the projects and cash flow for the fiscal year ending on this date, according to International Financial Reporting Systems as has been adopted by the European Union and the Directors' Report agrees with the aforementioned financial statements..

Athens, 22 February 2006

### **THE AUDITORS**

**GEORGE TRIANTAFYLLIS**  
ID No. OEE 0028678

**ANTONIS KITSOS**  
ID No. OEE 0015145