

Auditors Report

Kindly refer to the relevant document in the Greek version.

ALBACEM S.A.
Balance Sheet
Amounts in €

	As at 31 December	
<u>ASSETS</u>	2006	2005
Property, plant and equipment	1,134,937	134,994
Non-current assets	1,134,937	134,994
Inventories	81,108	0
Receivables and prepayments	405,703	1,533
Cash and cash equivalents	300,571	38,354
Current assets	787,382	39,887
TOTAL ASSETS	1,922,319	174,881
<u>LIABILITIES</u>		
Trade and other payables	460,576	0
Current liabilities	460,576	0
Total liabilities (a)	460,576	0
Share Capital (136,000 shares of €13.00)	1,768,000	273,000
Reserves	4,515	4,515
Retained earnings	-310,772	-102,634
Total equity (b)	1,461,743	174,881
TOTAL EQUITY AND LIABILITIES (a+b)	1,922,319	174,881

The financial statements have been approved for issue by the board of directors on 17 February, 2007.

ALBACEM S.A.
Income Statement
Amounts in €

	For the year ended 31 December	
	2006	2005
Revenue	511,211	0
Cost of sales	-468,642	0
Gross profit before depreciation	42,569	0
Other operating expenses	15,058	0
Administrative expenses	-171,232	-72,522
Loss before interest, taxes and depreciation	-113,605	-72,522
Depreciation & amortization	-98,597	
Loss before interest and taxes	-212,202	-72,522
Finance revenue	9,399	945
Finance costs	-5,335	-80
Loss before taxes	-208,138	-71,657
Less: Income tax expense	0	0
Loss after taxes	-208,138	-71,657

ALBACEM S.A.**Statement of Changes in Shareholders' Equity****Amounts in €**

	Ordinary shares	Reserves	Retained earnings	Total
Year ended 31 December 2005				
Balance at 1 January 2005	273,000	4,515	-30,977	246,538
Loss for the year	0	0	-71,657	-71,657
Balance at 31 December 2005	273,000	4,515	-102,634	174,881
Year ended 31 December 2006				
Balance at 1 January 2006	273,000	4,515	-102,634	174,881
Loss for the year	0	0	-208,138	-208,138
Increase in Share Capital	1,495,000	0	0	1,495,000
Balance at 31 December 2006	1,768,000	4,515	-310,772	1,461,743

ALBACEM S.A.
Cash Flow Statement
Amounts in €

	For the year ended 31 December	
	2006	2005
Cash flows from operating activities		
Cash generated from operations	-138,307	-53,862
Interest received	9,399	925
<i>Net cash flows from operating activities (a)</i>	<u>-128,908</u>	<u>-52,937</u>
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	-1,098,540	0
<i>Net cash flows from investing activities (b)</i>	<u>-1,098,540</u>	<u>0</u>
Net cash flows after investing activities (a)+(b)	<u>-1,227,448</u>	<u>-52,937</u>
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	1,495,000	0
Interest paid	-5,335	-60
<i>Net cash flows from financing activities (c)</i>	<u>1,489,665</u>	<u>-60</u>
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	262,217	-52,997
Cash and cash equivalents at beginning of the year	38,354	91,351
Cash and cash equivalents at end of the year	<u><u>300,571</u></u>	<u><u>38,354</u></u>