

Auditor's Report

Kindly refer to the relevant document in the Greek version.

LEROS QUARRIES S.A.
INCOME STATEMENT
FOR THE PERIOD OF 5 JUNE 2006 TO 31 DECEMBER 2007

	Note	2007
Revenue		5.084.792
Cost of sales		-4.088.581
Gross profits before depreciation		996.211
Other operating income		27.627
Administrative expenses		-158.786
Selling expenses		-61.612
Other operating expenses		-60.659
Profits before taxes, finance and investment results and depreciation		742.781
Depreciation in proportion to cost of sales		-123.591
Depreciation in proportion to administration and selling expenses		-1.944
Profits before taxes, finance and investment results		617.246
Finance revenue	4	230
Finance costs	4	-51.726
Profits before taxes		565.750
Less: Income tax	6	-53.072
Net profits after taxes		512.678

The notes on pages 6-23 are an inseparable part of these financial statements.

LEROS QUARRIES S.A.

BALANCE SHEET

FOR THE 19 MONTH PERIOD OF 5 JUNE 2006 TO 31 DECEMBER 2007

	Note	2007	2006
<u>ASSETS</u>			
Tangible assets	7	2.228.620	576.085
Long term receivables	8	12.768	7.770
Total non - current assets		2.241.388	583.855
Inventories	9	204.326	53.181
Receivables and prepayments	10	1.135.502	761.470
Cash and cash equivalents	11	218	101.567
Total current assets		1.340.046	916.218
TOTAL ASSETS		3.581.434	1.500.073
<u>SHAREHOLDERS' CAPITAL AND LIABILITIES</u>			
Share capital (106.822 shares at €3,37)	16	359.990	359.990
Legal reserves	17	25.634	-
Untaxable other reserves		487.044	-
Total equity (a)		872.668	359.990
Deferred tax obligations	14	53.072	-
Retirement benefit obligations	15	11.278	-
Non-current liabilities		64.350	-
Trade and other payables	12,21	1.666.308	707.467
Income tax payable		-	-
Sort term borrowing	13	978.108	432.616
Current liabilities		2.644.416	1.140.083
Total liabilities (b)		2.708.766	1.140.083
TOTAL EQUITY AND LIABILITIES (a+b)		3.581.434	1.500.073

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LEROS QUARRIES S.A.
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD OF 5 JUNE 2006 TO 31 DECEMBER 2007

	Note	Common shares	Share premiums	Adjustment and other reserves	Retained earnings	Total
Amounts of closing period						
Equity balance at beginning of the year on 5 June 2006		359,990	-	-	-	359,990
Net profits of the year		-	-	-	512,678	512,678
Transfer to reserves	17	-	-	-	-512,678	-
Net equity at end of the year on 31 December 2007		359,990	-	-	-	872,668

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LEROS QUARRIES S.A.
CASH FLOW STATEMENT
FOR THE PERIOD OF 5 JUNE 2006 TO 31 DECEMBER 2007

	Note	2007
Cash flow from operation activities		
Cash generated from operations	18	1.172.213
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<i>Total cash flow from operation activities</i>		<u><u>1.172.213</u></u>
Cash flow from investment activities		
Purchase of tangible and intangible assets	7	-1.852.433
Proceeds from sales of tangible and intangible assets		84.876
Interest received	4	230
		<hr/>
<i>Total cash flow from investment activities</i>		<u><u>-1.767.327</u></u>
Cash flow from finance activities		
Interest paid	4	-51.726
Proceeds of borrowing		545.491
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<i>Total cash flow from finance activities</i>		<u><u>493.765</u></u>
Net Increase/(Decrease) in cash		-101.349
Cash at beginning of the year		<hr/> 101.567
<i>Cash and cash equivalents at end of the year</i>	11	<u><u>218</u></u>

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