

INDUSTRIAL EXPLOITATION OF QUARRIES AND MINES S.A. - GOURNES QUARRIES S.A.

Register Societes Anonymes Number: 11451/70/B/86/164

COMPANY'S RESIDENCE ADDRESS: DIO GREMI ANO POLI, GOUVES MUNICIPALITY OF N. IRAKLIO

FINANCIAL STATEMENTS for the period 1 January 2011 - 31 December 2011

(published according to article 135 of Law 2190, for companies publishing annual financial statements in accordance with IAS/IFRS)

The figures presented below provide summary information about the financial position of INDUSTRIAL EXPLOITATION OF QUARRIES AND MINES S.A. - GOURNES QUARRIES S.A. We advise the reader who seeks a complete picture of the financial position to visit the Company's web site, where the full year financial statements prepared according to International Financial Reporting Standards along with the auditors' report, are presented.

Supervising Authority: DEPARTMENT OF COMMERCE, PREFECTURE OF IRAKLIO
Company's web address: www.titan-cement.com
Board of Directors: Konstantinos Saltas - President and Managing Director,
 Grigorios Dikaos - Vice President
 Konstantinos Chatzidakis , Konstantinos Tamiolakis - Members
Date of approval of the Financial Statements: 22 March 2012
Name of the auditor: CHRISTOS PELENDRIDIS (SOEL Reg. No. 17831)
Auditing firm: ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS
 ACCOUNTANTS S.A.
Auditors' opinion: Without qualification

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31/12/2011
(Amounts in €)

	31/12/2011	31/12/2010
Equity balance at the beginning of the year (1/1/2011 and 1/1/2010 respectively)	585,133.04	808,708.88
Total comprehensive income/(losses) for the year	377,430.97	-223,575.84
Equity balance at the year end (31/12/2011 and 31/12/2010 respectively)	962,564.01	585,133.04

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2011
(Amounts in €)

	1/1-31/12/2011	1/1-31/12/2010
Cash flows from operating activities		
Profit/(Losses) before taxes	470,528.50	-197,146.76
<i>Adjustments in relation to the following transactions:</i>		
Depreciation	129,938.11	90,123.88
Provisions	23,459.17	32,229.94
Profit from sales of tangible assets	-837.50	-
Interest and other related expenses	34,638.07	10,573.47
Operating losses before changes in working capital	657,726.35	-64,219.47
Increase in inventories	-945,204.64	-162,988.65
Decrease/(Increase) in trade and other receivables	126,217.93	-340,981.46
Increase in trade payables (excluding borrowings)	142,970.10	616,859.74
Cash (outflows)/inflows generated from operations	-18,290.26	48,670.16
Taxes paid	-500.16	-64,628.38
Net cash outflows from operating activities (a)	-18,790.42	-15,958.22
Cash flows from investing activities		
Purchase of tangible and intangible assets	-8,104.12	-6,752.74
Sales of tangible and intangible assets	20,000.00	-
Interest received	2,520.00	3,685.55
Increase in other long-term receivables	-1,290.94	-
Net cash inflows/(outflows) from investing activities (b)	13,124.94	-3,067.19
Net cash outflows after investing activities (a)+(b)	-5,665.48	-19,025.41
Cash flows from financing activities		
Interest paid and other related expenses paid	-27,794.91	-2,557.48
Dividends paid	-625,000.00	-
Proceeds from borrowings	1,569,532.17	336,394.41
Loan repayments	-930,746.74	-336,627.88
Net cash outflows from financing activities (c)	-14,009.48	-2,790.95
Net decrease in cash and cash equivalents (a)+(b)+(c)	-19,674.96	-21,816.36
Cash and cash equivalents at the beginning of the year	130,721.69	152,538.05
Cash and cash equivalents at the end of the year	111,046.73	130,721.69

STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2011
(Amounts in €)

	31/12/2011	31/12/2010
ASSETS		
Tangible assets	433,683.10	574,679.59
Other non-current assets	196,201.59	331,245.52
Inventories	2,422,905.63	1,477,700.99
Trade receivables	801,442.35	934,235.99
Other current assets	350,725.31	356,923.32
Cash and cash equivalents	111,046.73	130,721.69
TOTAL ASSETS	4,316,004.71	3,805,507.10
EQUITY AND LIABILITIES		
Share Capital (403,400 Shares of € 3.00)	1,210,200.00	1,210,200.00
Accumulated losses and other reserves	-247,635.99	-625,066.96
Total equity (a)	962,564.01	585,133.04
Provisions and other long-term liabilities	133,611.16	210,427.66
Short-term borrowings	639,145.09	359.66
Other short-term liabilities	2,580,684.45	3,009,586.74
Total liabilities (b)	3,353,440.70	3,220,374.06
TOTAL EQUITY AND LIABILITIES (a)+(b)	4,316,004.71	3,805,507.10

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31/12/2011
(Amounts in €)

	1/1-31/12/2010	1/1-31/12/2009
Revenue	2,997,142.58	1,765,057.74
Cost of sales	-1,817,519.99	-1,507,079.72
Gross profit before depreciation and amortization	1,179,622.59	257,978.02
Other operating net expenses	-93,972.41	-2,899.19
Administrative expenses	-258,258.69	-282,683.08
Selling expenses	-192,286.81	-68,845.16
Profit/(Losses) before interest, taxes, depreciation and amortization	635,104.68	-96,449.41
Depreciation	-129,938.11	-90,123.88
Profit/(Losses) before interest and taxes	505,166.57	-186,573.29
Net finance expenses	-34,638.07	-10,573.47
Profit/(Losses) before taxes	470,528.50	-197,146.76
Less: Corporate income tax expense	-127,927.40	-17,614.07
Profit/(Losses) after taxes	342,601.10	-214,760.83
Other comprehensive income/(losses)		
Actuarial gains/(losses)	43,537.34	-11,186.56
Corresponding corporate income tax	-8,707.47	2,371.55
Other comprehensive income/(losses) for the year	34,829.87	-8,815.01
Total comprehensive income /(losses) for the year	377,430.97	-223,575.84

NOTES

- The financial statements of the Company are included in the consolidated financial statements of TITAN CEMENT CO. S.A. based in Athens, which holds 100% of the Company shares.
- The cumulative sales and purchases from the beginning of the period and the balance of receivables and liabilities at the end of the reporting period, arisen from intercompany transactions are the following:
 Purchases: 103,910.98 € Sales: 401,943.56 € Payables: 1,889,327.40 € Receivables : 47,158.24 €
- Number of employees at the end of the reporting period: 14 persons.
- There are no pledges on the tangible assets.
- There are no litigation matters which are likely to have significant impact on the financial position of the Company.
- Financial years unaudited by the Tax Authorities: 2010.
 For the financial year 2011, the Company has been subject to tax audit by Certified Public Accountants according to the provisions of the article no. 82 paragraph 5, Law 2238/1994. The aforementioned tax audit is still in progress and the tax audit certificate will be provided after the publication of the financial statements of 2011. If additional tax obligations shall result until the completion of the tax audit, we expect that they will not have any significant impact on the financial statements.
- Due to change in accounting policy, certain amounts of the financial year related to provisions for pension benefit plans were reclassified. The effect of these changes on the financial statements of the company are presented in note 24.

Iraklio, 22 March 2012

Chairman of the Board of Directors & Managing Director

A member of the Board

Chief Accountant

KONSTANTINOS SALTAS
I.D. AB 246116

KONSTANTINOS TAMIOLAKIS
I.D. AZ 965056

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