

**THE AUDITOR'S REPORT HAS BEEN TRANSLATED FROM THE GREEK  
ORIGINAL VERSION**

**Independent Auditor's Report  
To the Shareholders of INTERBETON CONSTRUCTION MATERIALS S.A.**

**Report on the Financial Statements**

We have audited the accompanying financial statements of INTERBETON CONSTRUCTION MATERIALS S.A., which comprise the statement of financial position as at December 31, 2011, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the aforementioned financial statements present fairly, in all material respects, the financial position of INTERBETON CONSTRUCTION MATERIALS S.A. as at December 31, 2011, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

## **Report on Other Legal and Regulatory Requirements**

We confirm that the information given in the Directors' Report is consistent with the accompanying financial statements and complete in the context of the requirements of articles 43a and 37 of Codified Law 2190/1920.

**Athens, 6 April 2012**  
**THE CERTIFIED AUDITOR ACCOUNTANT**

**CHRISTOS PELENDRIDIS**  
**S.O.E.L. R.N. 17831**  
**ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS ACCOUNTANTS S.A.**  
**11th KM NATIONAL ROAD ATHENS-LAMIA**  
**144 51 METAMORFOSI, ATTIKA**  
**SOEL REG. No. 107**

**INTERBETON CONSTRUCTION MATERIALS S.A.**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

*Amounts in Euro*

	<b>2011</b>	<b>2010 (1) Restated</b>
Revenue	82,917,891	135,849,919
Cost of sales	-77,953,138	-119,598,403
<b>Gross profit before depreciation and amortization</b>	<b>4,964,753</b>	<b>16,251,516</b>
Other operating income	3,541,205	2,327,668
Administrative expenses	-7,836,605	-9,292,662
Selling expenses	-3,604,914	-3,920,438
Other operating expenses	-10,465,615	-5,583,814
<b>Losses before interest, taxes, depreciation and amortization</b>	<b>-13,401,176</b>	<b>-217,730</b>
Depreciation and amortization corresponding to cost of sales	-5,095,245	-5,167,973
Depreciation corresponding to administrative expenses	-281,392	-311,758
<b>Losses before taxes, financing and investment results</b>	<b>-18,777,813</b>	<b>-5,697,461</b>
Income from participations	15,672	36,114
Finance income	31,645	21,913
Finance expenses	-3,401,878	-2,441,177
<b>Losses before taxes</b>	<b>-22,132,374</b>	<b>-8,080,611</b>
Less: Corporate income tax expense	51,467	892,997
<b>Losses after taxes</b>	<b>-22,080,907</b>	<b>-7,187,614</b>
<b>Other comprehensive income/(losses)</b>		
Actuarial gains/ (losses)	1,624,654	-575,995
Corresponding corporate income tax	-324,931	118,137
<b>Other comprehensive income/ (losses) after taxes for the year</b>	<b>1,299,723</b>	<b>-457,858</b>
<b>Total comprehensive losses for the year</b>	<b>-20,781,184</b>	<b>-7,645,472</b>

**INTERBETON CONSTRUCTION MATERIALS S.A.**

**STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2011**

*Amounts in Euro*

	<b>2011</b>	<b>2010 (1) Restated</b>	<b>2009 (1) Restated</b>
<b><u>Assets</u></b>			
Tangible assets	70,761,731	74,873,579	74,893,313
Intangible assets	15,833,430	19,155,458	19,358,209
Investments in subsidiaries	22,551,865	23,465,038	25,296,104
Other long-term receivables	1,207,595	1,335,802	1,740,783
<b>Total non-current assets</b>	<b>110,354,621</b>	<b>118,829,877</b>	<b>121,288,409</b>
Inventories	6,694,970	7,635,425	6,105,560
Receivables and prepayments	18,973,190	37,644,216	39,410,769
Corporate income tax receivables	9,114	609,263	589,503
Available for sale financial assets	1,787	1,787	587
Cash and cash equivalents	8,593,244	37,775	68,512
<b>Total current assets</b>	<b>34,272,305</b>	<b>45,928,466</b>	<b>46,174,931</b>
<b>TOTAL ASSETS</b>	<b>144,626,926</b>	<b>164,758,343</b>	<b>167,463,340</b>
<b><u>EQUITY AND LIABILITIES</u></b>			
Share capital (7,316,532 shares of € 3.37 )	24,656,713	24,656,713	24,517,778
Share premium	2,308,961	2,308,961	2,308,961
Reserves	33,988,066	33,988,066	33,988,066
Retained accum. losses/earnings	-7,238,632	13,542,552	21,319,024
<b>Total equity (a)</b>	<b>53,715,108</b>	<b>74,496,292</b>	<b>82,133,829</b>
Deferred tax liabilities	4,602,873	4,329,409	5,500,252
Retirement benefit obligations	2,893,808	5,708,973	5,609,216
Provisions	1,916,274	2,139,173	2,203,527
Long-term borrowings	-	-	24,146,414
Other long-term liabilities	576,970	679,135	142,816
<b>Total non-current liabilities</b>	<b>9,989,925</b>	<b>12,856,654</b>	<b>37,602,225</b>
Trade and other payables	28,595,028	34,711,922	41,718,930
Short term borrowings	52,326,865	42,693,475	5,708,356
Provisions	-	-	300,000
<b>Total current liabilities</b>	<b>80,921,893</b>	<b>77,405,397</b>	<b>47,727,286</b>
<b>Total liabilities (b)</b>	<b>90,911,818</b>	<b>90,262,051</b>	<b>85,329,511</b>
<b>TOTAL EQUITY AND LIABILITES (a)+(b)</b>	<b>144,626,926</b>	<b>164,758,343</b>	<b>167,463,340</b>

**INTERBETON CONSTRUCTION MATERIALS S.A.  
STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2011**

*Amounts in Euro*

	Share Capital	Share Premium	Reserves	Accum. losses / Retained earnings (1) Restated	Total
<b>Balance as of 1 January 2010</b>		<b>2,308,961</b>	<b>33,988,066</b>	<b>20,484,946</b>	<b>56,781,973</b>
Restated amounts due to change in accounting policy (Note 28)	-	-	-	834,078	834,078
<b>Balance as of 1 January 2010 (restated amounts)</b>	<b>0</b>	<b>2,308,961</b>	<b>33,988,066</b>	<b>21,319,024</b>	<b>57,616,051</b>
Loss of the year	-	-	-	-7,187,614	-7,187,614
Other comprehensive losses	-	-	-	-457,858	-457,858
<b>Total comprehensive losses for the year</b>	-	-	-	<b>-7,645,472</b>	<b>-7,645,472</b>
Share capital increase	138,935	-	-	-	138,935
Other (balances of merged companies)	-	-	-	-131,000	-131,000
<b>Balance as of 31 December 2010</b>	<b>138,935</b>	<b>2,308,961</b>	<b>33,988,066</b>	<b>13,542,552</b>	<b>49,978,514</b>
<b>Year ended 31 December 2011</b>					
<b>Balance as of 1 January 2011</b>	<b>24,656,713</b>	<b>2,308,961</b>	<b>33,988,066</b>	<b>13,542,552</b>	<b>74,496,292</b>
Loss of the year	-	-	-	-22,080,907	-22,080,907
Other comprehensive income	-	-	-	1,299,723	1,299,723
<b>Total comprehensive losses for the year</b>	-	-	-	<b>-20,781,184</b>	<b>-20,781,184</b>
<b>Balance as of 31 December 2011</b>	<b>24,656,713</b>	<b>2,308,961</b>	<b>33,988,066</b>	<b>-7,238,632</b>	<b>53,715,108</b>

**INTERBETON CONSTRUCTION MATERIALS S.A.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

*Amounts in Euro*

	<b>2011</b>	<b>2010 (1) Restated</b>
<b>Cash flows from operating activities</b>		
Cash inflows/(outflows) generated from operations	1,487,455	-7,175,328
Taxes paid	-247,092	-542,527
<b>Net cash inflows/(outflows) from operating activities (a)</b>	<b><u>1,240,363</u></b>	<b><u>-7,717,855</u></b>
<b>Cash flows from investing activities</b>		
Purchase of tangible and intangible assets	-1,654,389	-4,623,106
Proceeds from the sale of tangible assets	2,376,483	1,132,532
Proceeds from dividends	15,672	36,114
Proceeds from interest	31,645	21,913
Aquisition of subsidiaries	-281,505	-353,419
Liquidation of investment in subsidiary	137,931	-
Proceeds from rent land	101,685	194,817
Decrease of other long-term receivables	128,207	408,781
<b>Net cash inflows/(outflows) from investing activities (b)</b>	<b><u>855,729</u></b>	<b><u>-3,182,368</u></b>
<b>Cash flows from financing activities</b>		
Interest paid	-3,174,013	-1,874,667
Proceeds from borrowings	9,633,390	12,744,153
<b>Net cash inflows from financing activities ( c )</b>	<b><u>6,459,377</u></b>	<b><u>10,869,486</u></b>
<b>Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c )</b>	<b>8,555,469</b>	<b>-30,737</b>
Cash and cash equivalents at the beginning of the year	37,775	68,512
<b>Cash and cash equivalents at the year end</b>	<b><u>8,593,244</u></b>	<b><u>37,775</u></b>