

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

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of TAGARADES COMMUNITY QUARRIES S.A.

Report on the Financial Statements

We have audited the accompanying financial statements of TAGARADES COMMUNITY QUARRIES 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 has the responsibility 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 accompanying financial statements present fairly, in all material respects, the financial position of TAGARADES COMMUNITY QUARRIES 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) S.A.
CERTIFIED AUDITORS ACCOUNTANTS
11th KM NATIONAL ROAD ATHENS - LAMIA
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(COMPANY S.O.E.L. R.N. 107)**

QUARRIES OF COMMUNITY OF TAGARADES S.A.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2011

(Amount in €)

	2011	2010 Restated
Revenue	33,630	48,515
Cost of sales	-5,758	-8,088
Gross profit before depreciation	27,872	40,427
Other operating income	43,631	48,521
Administrative expenses	-26,140	-31,570
Selling expenses	-37,990	-35,342
Other operating expenses	-1,857	-1,038
Profit before interest, taxes and depreciation	5,516	20,998
Depreciation	-	-1,210
Profit before interest and taxes	5,516	19,788
Finance income	10,148	10,495
Finance expenses	-2,636	-2,911
Profit before taxes	13,028	27,372
Less: Corporate income tax expense	-4,496	-7,513
Profit after taxes	8,532	19,859
Other comprehensive gains /(losses)		
Actuarial profit/(losses)	9,371	-7,030
Corresponding corporate income tax	-1,874	1,406
Total comprehensive income after taxes	7,497	-5,624
Total comprehensive income	16,029	14,235

QUARRIES OF COMMUNITY OF TAGARADES S.A.
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2011
(Amount in €)

	2011	2010 (1) Restated	01/01/2010 (1) Restated
<u>ASSETS</u>			
Tangible assets	-	-	1,210
Deffered tax assets	13,640	15,058	16,232
Total non-current assets	13,640	15,058	17,442
Receivables and prepayments	44,809	85,730	14,565
Cash and cash equivalents	320,951	301,422	397,667
Total current assets	365,760	387,152	412,232
TOTAL ASSETS	379,400	402,210	429,674
<u>EQUITY AND LIABILITIES</u>			
Share capital (85,250 shares of 2.93€)	249,783	249,783	249,783
Reserves	32,209	31,131	31,131
Retained earnings	11,964	16,620	47,567
Total equity (a)	293,956	297,534	328,481
Provisions	42,663	45,955	60,130
Other long-term liabilities	121	121	-
Retirement benefit obligations	7,685	20,143	11,430
Total long-term liabilities	50,469	66,219	71,560
Trade payables and other short-term liabilities	29,897	38,457	14,006
Corporate income tax liability	5,078	-	15,627
Total current liabilities	34,975	38,457	29,633
Total liabilities (b)	85,444	104,676	101,193
TOTAL EQUITY AND LIABILITIES (a) + (b)	379,400	402,210	429,674

QUARRIES OF COMMUNITY OF TAGARADES S.A
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2010

Amounts in Euro

	Share Capital	Reserves	Retained earnings	Total
Balance as of 1 January 2010	249,783	31,131	45,956	326,870
Restated amounts due to change in accounting policy	-	-	1,611	1,611
Balance as of 1 January 2010 (restated)	<u>249,783</u>	<u>31,131</u>	<u>47,567</u>	<u>328,481</u>
Profit of the year	-	-	19,859	19,859
Other comprehensive income after taxes	-	-	-5,624	-5,624
Total comprehensive income after taxes	<u>249,783</u>	<u>31,131</u>	<u>61,802</u>	<u>342,716</u>
Distributed dividends	-	-	-45,182	-45,182
Balance as of 31 December 2010	<u>249,783</u>	<u>31,131</u>	<u>16,620</u>	<u>297,534</u>
Balance as of 1 January 2011	249,783	31,131	16,620	297,534
Profit of the year	-	-	8,532	8,532
Other comprehensive income after taxes	-	-	7,497	7,497
Total comprehensive income after taxes	<u>249,783</u>	<u>31,131</u>	<u>32,649</u>	<u>313,563</u>
Distributed dividends	-	-	-19,607	-19,607
Transfer to reserves	-	1,078	-1,078	-
Balance as of 31 December 2011	<u>249,783</u>	<u>32,209</u>	<u>11,964</u>	<u>293,956</u>

QUARRIES OF COMMUNITY OF TAGARADES S.A
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2011

Amounts in Euro

	2011	2010 Restated
Cash flows from operating activities		
Cash inflows/(outflows) generated from operations	28,988	-35,663
Taxes paid	-	-25,894
Net cash inflows/(outflows) from operating activities	<u>28,988</u>	<u>-61,557</u>
Cash flows from investing activities		
Interest received	10,148	10,495
Net cash inflows from investing activities	<u>10,148</u>	<u>10,495</u>
Cash flows from financing activities		
Dividends paid	-19,607	-45,182
Net cash outflows from financing activities	<u>-19,607</u>	<u>-45,182</u>
Net increase/(decrease) in cash and cash equivalents	<u>19,529</u>	<u>-96,245</u>
Cash and cash equivalents at the beginning of the year	301,422	397,667
Cash and cash equivalents at the year end	<u>320,951</u>	<u>301,422</u>