

**THIS 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, 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows 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 accompanying financial statements present fairly, in all material respects, the financial position of INTERBETON CONSTRUCTION MATERIALS S.A., as at December 31, 2013 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 included 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, 14 May 2014

THE CERTIFIED AUDITOR ACCOUNTANT

**CHRIS PELENDRIDIS
S.O.E.L. R.N. 17831
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CERTIFIED AUDITORS ACCOUNTANTS S.A.
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INTERBETON CONSTRUCTION MATERIALS S.A.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

Amounts in Euro

	2013	2012
Total revenue	55,853,416	56,108,735
Cost of goods sold before depreciation/amortization	-49,968,944	-53,771,677
Gross profit before depreciation/amortization	5,884,472	2,337,058
Other operating income	2,051,623	2,899,273
Administrative expenses	-6,204,037	-6,577,345
Selling expenses	-2,618,983	-2,923,195
Other operating expenses	-1,108,609	-1,941,625
Operating loss- EBITDA	-1,995,534	-6,205,834
Depreciation/amortization related to cost of sales	-4,520,429	-4,876,421
Depreciation/amortization related to administrative&selling expenses	-166,074	-182,576
Goodwill impairment	-	-2,786,270
Impairment losses on intangible assets	-	-3,142,623
Operating loss-EBIT	-6,682,037	-17,193,724
Income from participations	-	8,881
Finance income	118,414	155,525
Finance costs	-1,568,390	-3,252,111
Provisions for investments' impairment	-	-1,448,880
Loss before income tax (EBT)	-8,132,013	-21,730,309
Income tax net	203,048	4,269,274
Loss for the year	-7,928,965	-17,461,035
Other comprehensive income		
Actuarial gains on defined benefit pension plans	21,816	380,881
Tax (loss) relating to actuarial gains on defined benefit pension plans	-154,624	-76,176
Other comprehensive (loss)/income for the year,net of tax	-132,808	304,705
Total comprehensive loss for the year,net of tax	-8,061,773	-17,156,330

INTERBETON CONSTRUCTION MATERIALS S.A.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

Amounts in Euro

	2013	2012
<u>Assets</u>		
Property, plant and & equipment	65,891,253	70,365,374
Intangible assets	11,406,255	9,701,786
Investments (participations)	17,803,855	21,206,985
Other non-current assets	3,451,996	3,505,461
Deferred tax assets	167,281	-
Total non-current assets	98,720,640	104,779,606
Inventories	5,172,333	6,008,820
Receivables and Prepayments	18,649,573	18,615,002
Income taxes receivable	54,082	16,085
Available for sale financial assets	1,787	1,787
Cash and cash equivalents	3,984,018	3,311,402
Total current assets	27,861,793	27,953,096
TOTAL ASSETS	126,582,433	132,732,702
<u>EQUITY AND LIABILITIES</u>		
Share capital (15.708.140 shares of €3.37)	52,936,431	38,796,572
Share premium	34,029,239	18,169,100
Reserves	34,003,401	33,988,066
Retained (losses)	-33,627,640	-24,394,962
Total equity (a)	87,341,431	66,558,776
Deferred tax liabilities	-	409,775
Retirement benefit obligations	2,245,986	2,673,443
Provisions	2,262,117	1,935,895
Long-term borrowings	-	20,000,000
Other non-current liabilities	368,032	472,554
Total non-current liabilities	4,876,135	25,491,667
Trade and other payables	17,345,332	29,508,508
Income tax payable	306,038	31,392
Short term borrowings	16,713,497	11,142,359
Total current liabilities	34,364,867	40,682,259
Total liabilities (b)	39,241,002	66,173,926
TOTAL EQUITY AND LIABILITIES (a)+(b)	126,582,433	132,732,702

INTERBETON CONSTRUCTION MATERIALS S.A.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013

Amounts in Euro

	Share Capital	Share Premium	Reserves	Retained (losses)	Total equity
Year ended 31 December 2012					
Balance as at 1 January 2012	24,656,713	2,308,961	33,988,066	-7,238,632	53,715,108
Issue of share capital	14,139,859	15,860,139	-	-	29,999,998
Loss for the year	-	-	-	-17,461,035	-17,461,035
Other comprehensive income	-	-	-	304,705	304,705
Total comprehensive loss for the year	-	-	-	-17,156,330	-17,156,330
Balance as at 31 December 2012	38,796,572	18,169,100	33,988,066	-24,394,962	66,558,776
Year ended 31 December 2013					
Balance as at 1 January 2013	38,796,572	18,169,100	33,988,066	-24,394,962	66,558,776
Issue of share capital	14,139,859	15,860,139	-	-	29,999,998
Loss for the year	-	-	-	-7,928,965	-7,928,965
Other comprehensive loss	-	-	-	-132,808	-132,808
Total comprehensive loss for the year	-	-	-	-8,061,773	-8,061,773
Other (balances of acquired companies)	-	-	15,335	-1,170,905	-1,155,570
Balance as at 31 December 2013	52,936,431	34,029,239	34,003,401	-33,627,640	87,341,431

INTERBETON CONSTRUCTION MATERIALS S.A.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

Amounts in Euro

	2013	2012
Cash flows from operating activities		
Cash generated from operations	-13,621,545	-4,460,975
Income tax paid	-207,703	-
Net cash flows (used in) operating activities (a)	<u>-13,829,248</u>	<u>-4,460,975</u>
Cash flows from investing activities		
Cash from acquired companies	464,445	-
Purchase of tangible and intangible assets	-443,830	-6,633,466
Proceeds from sale of tangible and intangible assets	453,954	1,953,032
Dividends received	-	8,881
Interest received	118,414	155,525
Aquisition of subsidiaries	-	-104,000
Subsidiaries- issuance of share capital	-120,000	-
Rents received	69,286	97,714
Decrease /(Increase) of other long-term receivables	53,465	-2,297,866
Net cash flows from/(used in) investing activities (b)	<u>595,734</u>	<u>-6,820,180</u>
Cash flows from financing activities		
Proceeds from issuance of share capital	29,999,998	29,999,998
Interest paid	-1,658,924	-2,801,263
Repayment of borrowings	-20,000,000	-41,199,422
Proceeds from borrowings	5,565,056	20,000,000
Net cash flows from financing activities (c)	<u>13,906,130</u>	<u>5,999,313</u>
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	672,616	-5,281,842
Cash and cash equivalents at the beginning of the year	3,311,402	8,593,244
Cash and cash equivalents at the year end	<u>3,984,018</u>	<u>3,311,402</u>