

**THIS 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, 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 TAGARADES COMMUNITY QUARRIES 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, 28 April 2014

THE CERTIFIED AUDITOR ACCOUNTANT

**CHRIS PELENDRIDIS
S.O.E.L. R.N. 17831
ERNST & YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS S.A.
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QUARRIES OF COMMUNITY OF TAGARADES S.A.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts in €)

	2013	2012
Total revenue	-	5,079
Cost of sales	-	-789
Gross profit before depreciation and amortization	<u>-</u>	<u>4,290</u>
Other operating income	31,080	37,341
Administrative expenses	-13,955	-14,625
Selling expenses	-36,287	-36,301
Other operating expenses	-14,544	-988
Loss before interest, taxes, depreciation and amortization	<u>-33,706</u>	<u>-10,283</u>
Depreciation, amortization	-	-
Loss before interest and taxes	<u>-33,706</u>	<u>-10,283</u>
Finance income	10,552	12,680
Finance costs	-2,020	-1,996
Loss before taxes	<u>-25,174</u>	<u>401</u>
Plus / (less): Income tax	11,229	-582
Loss after taxes	<u><u>-13,945</u></u>	<u><u>-181</u></u>
Other comprehensive income		
Actuarial losses on defined pension plans	-616	-8,287
Income tax effect	160	1,657
Other comprehensive loss for the year, net of tax	<u><u>-456</u></u>	<u><u>-6,630</u></u>
Total comprehensive loss for the year, net of tax	<u><u>-14,401</u></u>	<u><u>-6,811</u></u>

QUARRIES OF COMMUNITY OF TAGARADES S.A.
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013
(Amounts in €)

	2013	2012
<u>ASSETS</u>		
Deffered tax assets	26,104	14,715
Total non-current assets	26,104	14,715
Receivables and prepayments	12,428	28,329
Cash and cash equivalents	307,789	302,024
Total current assets	320,217	330,353
TOTAL ASSETS	346,321	345,068
<u>EQUITY AND LIABILITIES</u>		
Share capital (85.250 Shares of € 2.93)	249,783	249,783
Reserves	33,089	33,089
Retained losses	-21,212	-6,811
Total equity (a)	261,660	276,061
Rehabilitation of quarries-provision	58,607	43,841
Other non-current liabilities	121	121
Retirement benefit obligations	12,688	11,630
Total non-current liabilities	71,416	55,592
Trade and other payables	13,245	13,415
Total current liabilities	13,245	13,415
Total liabilities (b)	84,661	69,007
TOTAL EQUITY AND LIABILITIES (a) + (b)	346,321	345,068

QUARRIES OF COMMUNITY OF TAGARADES S.A
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts in €)

	Share Capital	Reserves	Retained earnings	Total equity
Balance as at 1 January 2012	249,783	32,209	11,964	293,956
Loss for the year	-	-	-181	-181
Other comprehensive loss for the year	-	-	-6,630	-6,630
Total comprehensive loss for the year	-	-	5,153	287,145
Dividends distributed	-	-	-11,084	-11,084
Transfer to reserves	-	880	-880	-
Balance as at 31 December 2012	249,783	33,089	-6,811	276,061
Balance as at 1 January 2013	249,783	33,089	-6,811	276,061
Loss for the year	-	-	-13,945	-13,945
Other comprehensive loss for the year	-	-	-456	-456
Total comprehensive loss for the year	-	-	-21,212	261,660
Balance as of 31 December 2013	249,783	33,089	-21,212	261,660

QUARRIES OF COMMUNITY OF TAGARADES S.A
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

(Amounts in €)

	2013	2012
Cash flows from operating activities		
Cash generated from operations	-4,787	-20,517
Income tax paid	-	-
Net cash flows(used in)/from operating activities	<u><u>-4,787</u></u>	<u><u>-20,517</u></u>
Cash flows from investing activities		
Interest received	10,552	12,680
Net cash flows from investing activities	<u><u>10,552</u></u>	<u><u>12,680</u></u>
Cash flows from financing activities		
Interest paid	-	-6
Dividends paid	-	-11,084
Net cash flows (used in) financing activities	<u><u>-</u></u>	<u><u>-11,090</u></u>
Net (decrease)/increase in cash and cash equivalents	5,765	-18,927
Cash and cash equivalents at the beginning of the year	302,024	320,951
Cash and cash equivalents at the year end	<u><u>307,789</u></u>	<u><u>302,024</u></u>