

S&B INDUSTRIAL MINERALS S.A.

BALANCE SHEET AS AT DECEMBER 31, 2004 (JANUARY 1 - DECEMBER 31, 2004)

ASSETS	31 Dec 2004			31 Dec 2003			EQUITY & LIABILITIES	31 Dec 2004		31 Dec 2003	
	Acquisition Value	Depreciation	Net Book value	Acquisition Value	Depreciation	Net Book value					
B. FORMATION EXPENSES							EQUITY CAPITAL				
Set-up expenses	149,150.96	149,150.96	0.00	149,150.96	147,150.47	2,000.49	Capital				
Other establishment expenses	8,736,299.63	6,602,180.86	2,134,138.77	8,055,952.26	5,554,496.69	2,501,455.67	Paid up capital	30,154,130.00		30,151,190.00	
	8,885,450.59	6,751,311.82	2,134,138.77	8,205,103.22	5,701,647.86	2,503,456.16	Difference from issue of shares above par	30,426,352.36		30,412,377.18	
							Revaluation Reserves - Investment subsidies				
C. FIXED ASSETS							Reserves from value adjustments of participating interests and securities	2,824,705.15		2,824,705.15	
Intangible Assets							Differences from revaluation of other fixed assets	10,726,104.08		0.00	
Research and development costs	4,555,100.57	3,424,175.15	1,130,925.42	4,110,111.03	3,021,475.47	1,088,635.56	Subsidies for investments in fixed assets	1,648,842.51		1,975,932.46	
Concessions, patents, licenses, trade marks and similar rights and assets	586,263.29	359,397.21	225,866.08	537,354.64	296,416.57	240,938.07	Reserves	15,199,671.74		4,800,637.61	
Goodwill	30,946,456.86	7,334,120.96	23,612,335.90	30,946,456.86	5,786,796.12	25,159,660.74	Regular reserves		7,165,601.78		
Other intangible assets	14,614,846.27	12,811,997.22	1,802,849.05	13,637,045.46	11,640,334.85	1,996,710.61	-Loss from devaluation of participations & securities	0.00			
Stripping expenses	56,866,341.10	41,165,903.76	15,700,437.34	47,289,528.08	33,319,618.30	13,969,909.78	Special reserves	7,398,567.91	1,117,624.86	6,047,976.92	
	107,568,008.09	65,095,594.30	42,472,413.79	96,520,496.07	54,064,643.31	42,455,852.76	Extraordinary reserves			5,754,074.64	
II. Tangible Assets							Tax-free reserves under special laws			1,416,628.97	
Land	21,897,603.70	0.00	21,897,603.70	12,170,449.90	0.00	12,170,449.90	Reserves for treasury stock acquisition			4,766,558.40	
Quarries - Mines	13,537,049.84	7,293,002.32	6,244,047.52	12,817,540.25	6,677,191.94	6,135,348.31	TOTAL SHAREHOLDERS' EQUITY	150,088,280.57		136,078,492.31	
Buildings	49,848,430.07	21,394,785.11	28,453,644.96	45,627,969.86	19,942,933.52	25,785,036.34	PROVISIONS				
Plant and Equipment	51,717,083.20	32,851,397.78	18,865,685.42	49,202,869.20	29,677,988.23	19,524,880.97	Provisions for staff retirement	5,471,747.00		6,434,054.27	
Transportation Equipment	10,784,441.62	8,478,408.14	2,306,033.48	10,497,199.37	7,936,029.66	2,561,169.71	Other provisions	2,412,736.61		2,412,819.02	
Furniture and other office equipment	9,544,383.31	7,833,471.49	1,710,911.82	8,403,563.18	7,210,697.82	1,192,865.36	LIABILITIES				
Payments on account and tangible assets in course of construction	1,874,434.82	0.00	1,874,434.82	2,449,520.27	0.00	2,449,520.27	Long-term Liabilities				
	159,203,426.56	77,851,064.84	81,352,361.72	141,164,112.03	71,344,841.17	69,819,270.86	Bank loans	53,079,467.86		51,461,450.73	
Total tangible and intangible assets	266,771,434.65	142,946,659.14	123,824,775.51	237,684,606.10	125,409,484.48	112,275,123.62	Other long term debt	612,007.63		118,930.14	
								53,691,565.49		51,580,380.87	
III. Participations and other long term claims							II. Short term liabilities				
Investments in affiliated companies			104,568,924.72			106,824,597.60	Suppliers	8,210,670.14		6,546,410.98	
Other titles on long-term investments			391,234.77			383,343.12	Short-term bank loans	60,514,269.03		33,145,702.76	
Other long-term claims			402,788.21			196,038.15	Advance payments from clients	748,924.21		307,202.23	
			105,362,927.70			107,363,978.87	Taxes and duties payable	1,946,069.73		5,581,860.99	
TOTAL FIXED ASSETS			229,187,703.21			219,639,102.49	Social security contributions payable	913,107.72		1,113,450.52	
							Long-term liabilities payable next year	3,317,466.74		33,877,144.16	
D. CURRENT ASSETS							Dividends payable	1,854,800.47		6,828,976.88	
Inventories							Other creditors	3,112,760.61		6,905,298.93	
Merchandise			198,669.45			0.00		80,618,088.65		94,306,637.35	
Finished and semi-finished products			22,856,063.50			24,424,533.27	TOTAL LIABILITIES	134,309,654.14		145,886,418.22	
Raw and auxiliary materials-consumables	4,334,787.33			4,444,920.59			TRANSITORY ACCOUNTS				
-Provision for write-off of spare parts	413,243.64		3,921,543.69	413,243.64		4,031,676.95	Accrued expenses for the year	507,623.68		509,672.58	
Advance payments for stock purchases			605,479.36			804,034.25		507,623.68		509,672.58	
			27,582,776.00			29,260,244.47					
Receivables											
Trade receivables	16,291,322.33			14,403,795.64		13,969,675.56					
-Provisions	69,218.74		16,222,103.59	434,120.08		34,398.00					
Bills of exchange						30,608.82					
Portfolio			19,450.00			1,088,630.08					
Over-due bills of exchange			30,608.82			215,867.42					
Cheques receivable			1,874,146.33			1,605,539.72					
Over-due cheques			215,867.42			353,376.46					
Doubtful debtors and clients			1,196,215.86			353,376.46					
-Provisions	529,852.04		0.00	529,852.04		0.00					
Other debtors			0.00			15,136,615.99					
Other advance payments and credits			8,275,334.42			116,176.41					
			91,982.06			32,197,512.00					
Marketable securities			27,925,708.50								
Shares		0.00				2,944,592.05					
Other securities		370,609.31				609.31					
Treasury stock		4,768,558.40				4,768,558.40					
		5,139,167.71				7,713,759.76					
-Provisions for securities devaluation	830,884.40		4,308,283.31	1,744,982.14		1,744,982.14					
Cash and banks											
Cash			31,333.15			18,418.04					
Sight and time deposits			376,917.52			1,181,326.78					
			408,250.67			1,199,744.82					
TOTAL CURRENT ASSETS			60,225,018.48			66,626,278.91					
TRANSITORY ACCOUNTS											
Deferred expenses			256,299.53			227,830.23					
Period income receivables			984,857.88			268,960.34					
Other transitory accounts			2,024.13			55,828.27					
			1,243,181.54			552,616.84					
			292,790,042.00			291,321,456.40					
TOTAL ASSETS							TOTAL EQUITY AND LIABILITIES	292,790,042.00		291,321,456.40	
							MEMO ACCOUNTS				
MEMO ACCOUNTS							Third party assets	347,298.09		347,298.09	
Third party assets			347,298.09			8,038,640.98	Guarantees, credit accounts	94,994,163.42		8,038,640.98	
Guarantees, debit accounts			94,994,163.42			29,347.03	Bilateral agreements	29,347.03		29,347.03	
Bilateral agreements			95,370,808.54			8,415,286.10		95,370,808.54		8,415,286.10	

PROFIT & LOSS ACCOUNT (amounts in EUR '000s)				Income Appropriation Account	
	Jan - Dec 2004	Jan - Dec 2003		31 Dec 2004	31 Dec 2003
Sales	135,207,677.08	114,488,442.68	Net profit before tax	9,461,482.43	16,209,985.36
- Cost of goods sold	102,158,196.67	74,724,153.37	- Difference from previous years' tax audit	810,775.32	151,049.20
Gross profit	33,049,481.41	39,764,289.31	+ Reserve for distribution	0.00	722,766.79
+ Other operating income	4,180,444.67	5,306,301.33		8,650,707.11	16,781,702.95
Operating profit	37,229,926.08	45,070,590.64	- Income tax	2,534,679.82	5,688,713.88
- General & Administration expenses	23,325,643.55	22,268,377.31	- Other taxes not charged to operating profit	679,865.42	167,264.46
- Selling expenses	3,350,224.40	3,698,929.48		3,214,545.24	5,856,978.32
Operating results before financial transactions	10,554,058.13	19,103,283.85	PROFIT FOR DISTRIBUTION	5,436,161.87	10,924,724.63
+ Profit from participations	2,394,338.88	2,394,081.23	The distribution of profit is conducted as follows:		
+ Profit from securities	518,070.99	0.00	Regular reserve	232,966.13	510,909.19
+ Profit from sale of participations & securities	21,136.26	0.00	Dividend	1,809,247.80	6,053,104.38
+ Interest & other similar income	15,706.88	17,324.11	Prior period dividend	0.00	722,766.79
	2,939,253.01	2,411,405.34	Special and extraordinary reserve		
- Loss from participations & securities	0.00	18,046.44	Reserves for treasury stock acquisition	0.00	1,191,264.00
- Interest & other similar expenses	4,640,186.81	4,140,990.58	Tax free reserves		
Total profit from ordinary operations	8,853,124.33	17,355,652.17	Tax free deduction (Law 2801/98)	2,232,284.59	1,389,680.27
+ Extraordinary & non-operating income	2,350,907.34	2,493,603.77	Reserves from tax exempted income	10,963.35	0.00
+ Extraordinary gains	351,141.22	14,364.74	Board of Directors compensation	400,000.00	380,000.00
+ Prior years' income	181,538.41	56,429.81	Employee participation in profits	683,000.00	667,000.00
+ Income from prior years' provisions	1,032,696.18	0.00	Shares distribution to employees	70,700.00	0.00
	3,916,283.15	2,564,398.32		5,436,161.87	10,924,724.63
- Extraordinary & non-operating expenses	1,654,478.84	2,020,518.32			
- Extraordinary losses	24,876.16	0.08			
- Prior years' expenses	81,246.21	142,228.89			
Profit before Taxes	11,008,805.27	17,757,308.20			
- Total depreciation charges	18,617,868.52	17,416,706.99			
- Depreciation incorporated in operating cost	17,070,545.68	15,869,384.15			
Net Group Profit before taxes	9,461,482.43	16,209,985.36			

Notes to the financial statements:

- The intangible assets account "Goodwill" was amortised (similarly to the previous year) by 5% annually according to the IAS. If goodwill amortisation were calculated by 20% according to Law 2190 (art.43 par.4), it would be increased by EUR 17.3mil for the previous period and by EUR 4.6mil for the current period, hence net equity is increased by EUR 22.0mil.
- In the current fiscal year 2004 there was a revaluation on the acquisition value of fixed assets according to the IFRS and the provisions of Law 3229/04 as amended by Law 3296/04. The revaluation resulted to goodwill of EUR 12.2mil out of which EUR 1.5mil counter balances losses from valuation of participations & securities and EUR 10.7mil is included in the Shareholders equity account under Differences from revaluation of other fixed assets.
- Upon decision of the Ordinary General Meeting on 2/6/2004 the share capital increased though the issue of 2.940 nominal shares.