

S&B INDUSTRIAL MINERALS S.A.
BALANCE SHEET (Amounts in EUR)

ASSETS	Dec 31, 2003			Dec 31, 2002			EQUITY AND LIABILITIES	Dec 31, 2003		Dec 31, 2002	
	Acquisition Value	Depreciation	Net Book Value	Acquisition Value	Depreciation	Net Book Value					
FORMATION EXPENSES							EQUITY CAPITAL				
Set-up expenses	149.151	147.150	2.000	149.151	143.658	5.493	Capital				
Other establishment expenses	8.055.952	5.554.497	2.501.456	6.954.664	4.702.963	2.251.701	Paid up capital	30.151.190		30.142.180	
	<u>8.205.103</u>	<u>5.701.647</u>	<u>2.503.456</u>	<u>7.103.815</u>	<u>4.846.621</u>	<u>2.257.194</u>	Difference from issue of shares above par	30.412.377		30.365.872	
FIXED ASSETS							Revaluation Reserves - Investment subsidies				
Intangible Assets							Reserves from value adjustments of	2.824.705		2.824.705	
Research and development costs	4.110.111	3.021.475	1.088.636	3.597.475	2.687.088	910.386	participating interests and securities				
Concessions, patents, licenses, trade marks and similar rights and assets	537.355	296.417	240.938	413.414	237.828	175.585	Subsidies for investments in fixed assets	1.975.932		2.309.121	
Goodwill	30.946.457	5.786.798	25.159.659	30.946.457	4.239.475	26.706.982		<u>4.800.638</u>		<u>5.133.826</u>	
Other intangible assets	13.637.045	11.640.335	1.996.711	12.622.705	10.372.010	2.250.695					
Stripping expenses	47.289.528	33.319.618	13.969.910	34.592.321	26.579.687	8.012.635	Reserves				
	<u>96.520.496</u>	<u>54.064.643</u>	<u>42.455.853</u>	<u>82.172.371</u>	<u>44.116.089</u>	<u>38.056.283</u>	Regular reserves	7.165.602		6.654.693	
Tangible Assets							- Loss from devaluation of participations & securities	1.117.625	6.047.977	0	6.654.693
Land	12.170.450	0	12.170.450	12.129.364	0	12.129.364	Special reserves		5.754.075		5.754.075
Quarries - Mines	12.812.540	6.677.192	6.135.348	12.569.859	6.071.596	6.498.262	Extraordinary reserves		1.416.629		2.139.396
Buildings	45.627.970	19.842.934	25.785.036	42.649.395	17.805.655	24.843.740	Tax-free reserves under special laws		52.727.049		51.952.694
Plant and Equipment	49.202.869	29.677.988	19.524.881	43.240.261	26.930.311	16.309.951	Reserves for treasury stock acquisition		4.768.558		3.577.294
Transportation equipment	10.497.199	7.936.030	2.561.170	9.755.081	7.445.284	2.309.797		<u>70.714.288</u>		<u>70.078.151</u>	
Furniture and other office equipment	8.403.563	7.210.698	1.192.865	7.942.672	6.452.711	1.489.961	TOTAL SHAREHOLDERS' EQUITY	<u>136.078.492</u>		<u>135.720.029</u>	
Payments on account and tangible assets in course of construction	2.449.520	0	2.449.520	4.110.717	0	4.110.717					
	<u>141.164.112</u>	<u>71.344.841</u>	<u>69.819.271</u>	<u>132.397.349</u>	<u>64.705.557</u>	<u>67.691.792</u>	PROVISIONS				
Total Tangible and Intangible Assets	<u>237.684.608</u>	<u>125.409.484</u>	<u>112.275.124</u>	<u>214.569.720</u>	<u>108.821.646</u>	<u>105.748.074</u>	Provision for staff retirement	6.434.054		5.582.855	
							Other provisions	2.412.819		2.415.691	
								<u>8.846.873</u>		<u>7.998.546</u>	
Participations and other long term financial claims											
Investments in affiliated companies			106.824.598			108.256.427					
Long term claims against affiliated companies			383.343			500.849					
Other long term claims			156.038			136.189					
			<u>107.363.979</u>			<u>108.893.465</u>					
TOTAL FIXED ASSETS			<u>219.639.102</u>			<u>214.641.539</u>					
CURRENT ASSETS							LIABILITIES				
Inventories							Long-term Liabilities				
Merchandise			0			0	Bank loans	51.461.451		80.000.000	
Finished and semi-finished products			24.424.533			0	Other long-term debt	118.930		232.649	
Raw and auxiliary materials-consumables	4.444.921			3.828.874		0	Total Long-term Liabilities	<u>51.580.381</u>		<u>80.232.649</u>	
- Provision for write-off of spare-parts	413.244		4.031.677	413.244		3.415.631					
Advance payments to suppliers			804.034			734.734	Short-term Liabilities				
			<u>29.260.244</u>			<u>24.269.974</u>	Suppliers	6.546.411		7.610.019	
Receivables							Short-term bank loans	33.145.703		29.593.360	
Trade receivables	14.403.796			21.087.988			Advance payments from clients	307.202		40.616	
- Provisions	434.120		13.969.676	537.348		20.550.640	Taxes and duties payable	5.581.861		8.062.778	
Bills of exchange							Social security contributions payable	1.113.451		844.287	
Portfolio			34.398			50.950	Long term liabilities payable next year	33.877.144			
Over-due bills of exchange			30.609			30.609	Amounts owed to associated companies			42.910	
Cheques receivable			1.088.630			1.321.159	Dividends payable	6.828.977		6.821.098	
Over-due cheques			215.867			215.867	Other creditors	6.905.289		6.040.922	
Short-term claims on affiliated companies			1.605.540			3.604.084	Total Short-term Liabilities	<u>94.306.037</u>		<u>59.055.991</u>	
Doubtful debtors and clients			353.376			171.682					
- Provisions			353.376			0	TOTAL LIABILITIES	<u>145.886.418</u>		<u>139.288.640</u>	
Other debtors			15.136.616			10.846.046					
Other advance payments and credits			116.176			1.595					
			<u>32.197.512</u>			<u>36.620.950</u>					
Marketable Securities											
Shares	2.944.592										
Other securities	609					609					
Treasury stock	4.768.558					3.577.294					
	<u>7.713.760</u>					<u>3.577.904</u>					
- Provisions for securities devaluation	1.744.982	1.744.982		21.155	21.155						
			<u>5.968.778</u>			<u>3.556.749</u>					

Cash and Banks		
Cash	18.418	110.436
Sight and time deposits	1.181.327	952.250
	<u>1.199.745</u>	<u>1.062.686</u>

TOTAL CURRENT ASSETS 68.626.279 65.510.358

TRANSITORY ACCOUNTS		
Deferred expenses	227.830	232.522
Period income receivables	268.960	634.202
Other transitory accounts	55.828	72.796
	<u>552.619</u>	<u>939.521</u>

TOTAL ASSETS 291.321.456 283.348.612

MEMO ACCOUNTS		
Third party assets	347.298	748.942
Guarantees, debit accounts	8.038.641	6.564.334
Bilateral agreements	29.347	29.347
	<u>8.415.286</u>	<u>7.342.623</u>

TRANSITORY ACCOUNTS		
Accrued expenses for the year	509.673	337.548
Other Transitory Accounts		3.848
	<u>509.673</u>	<u>341.396</u>

TOTAL EQUITY & LIABILITIES 291.321.456 283.348.612

MEMO ACCOUNTS		
Third party asset item	347.298	748.942
Guarantees, credit accounts	8.038.641	6.564.334
Bilateral agreements	29.347	29.347
	<u>8.415.286</u>	<u>7.342.623</u>

PROFIT & LOSS ACCOUNT (Amounts in EUR)

	Jan - Dec 2003		Jan - Dec 2002	
Sales		114.488.443		121.291.553
- Cost of Sales		(74.724.153)		(76.599.623)
Gross Profit		<u>39.764.289</u>		<u>44.691.929</u>
+ Other operating income		5.306.301		5.116.827
- General & Administration expenses	(22.268.377)		(20.774.932)	
- Selling expenses	(3.698.929)	(25.967.307)	(3.562.368)	(24.337.300)
Operating Profit		<u>19.103.284</u>		<u>25.471.457</u>
+ Profit from associated companies	2.394.081		1.947.196	
+ Income from disposal of participations or securities	0		3.237.995	
+ Interest and other similar income	17.324	2.411.405	75.098	5.260.289
- Loss from participations & securities	(18.046)			
- Interest and other similar expense	4.140.991	(1.747.632)	4.983.689	276.600
Total Profit from Ordinary Operations		<u>17.355.652</u>		<u>25.748.056</u>
+ Extraordinary and non-operating income	2.493.604		1.587.495	
+ Extraordinary gains	14.365		263.467	
+ Prior years' income	56.430		161.756	
	<u>2.564.398</u>		<u>2.012.719</u>	
- Extraordinary and non-operating expenses	2.020.518		2.383.448	
- Extraordinary losses	0		194.847	
- Prior years' expenses	142.224	2.162.742	401.656	317.024
- Total depreciation charges	(17.416.707)		(17.151.157)	
- Depreciation incorporated in operating	15.869.384	(1.547.323)	15.603.834	(1.547.323)
Profit before Taxes		<u>16.209.985</u>		<u>23.318.133</u>

PROFIT DISTRIBUTION

	Dec 31, 2003	Dec 31, 2002
Net Profit before Tax	16.209.985	23.318.133
- Difference from previous years tax audit	(151.049)	0
+ Reserve for distribution	722.767	0
	<u>16.781.703</u>	<u>23.318.133</u>
- Income Tax	(5.689.714)	(6.854.055)
- Other taxes not charged to operating profit	(167.264)	(160.251)
	<u>(5.856.978)</u>	<u>(7.014.306)</u>
PROFIT FOR DISTRIBUTION	<u>10.924.725</u>	<u>16.303.827</u>
The distribution of profit is conducted as follows:		
Regular reserve	510.909	749.827
Dividend	6.053.104	6.780.901
Special and extraordinary reserve	722.767	
Reserves for treasury stock acquisition	1.191.264	2.540.157
Tax free reserves		
Tax free deduction (Law 2601/98)	1.389.680	3.625.839
Reserves from tax exempted income	0	0
Reserves from income taxed under special regulation	0	1.567.103
Board of Directors compensation	390.000	390.000
Employee participation in profits	<u>667.000</u>	<u>650.000</u>
Net profit	<u>10.924.725</u>	<u>16.303.827</u>

Notes to the Financial Statements

1. The last revaluation of the company's fixed assets was completed in 31/12/2000 according to Law 2065/92.
2. 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 12,718,426 for the previous periods and by
3. Loss of EUR 1,727,352.51 from valuation of shares and securities was not charged against P&L, but was transferred to a special Equity account "Loss from ..." (art. 2, §1, L.2992/2002)
4. During 2003 the depreciation rates have changed according to P.D. 299/2003 resulting in a decrease in depreciation of approximately EUR 2.25 mil, compared to the previous fiscal year depreciation rates. Consequently, the lower depreciation has affected the profit & loss statement by EUR 1 mil approximately, the stocks by EUR 797 thousand approximately and the assets in course of construction by EUR 405 thousand approximately.
5. The company's tax returns have not been audited for the years 2001-2003. Consequently, the company's tax obligations for these years have not

Athens, April 6 2004

CHAIRMAN OF THE BOARD

ULYSSES P. KYRIAKOPOULOS
ID No. ? 162877

MANAGING DIRECTOR

EFTHIMIOS OR. VIDALIS
ID No. S 237368

ACCOUNTING MANAGER

NICOLAOS CH. IOAKEIM
ID No. S 090579

CHARTERED ACCOUNTANTS - AUDITORS
CERTIFICATE

We hereby certify that we have audited the above Financial Statements and the relevant Appendix of S&B INDUSTRIAL MINERALS S.A. for the fiscal year ended December 31, 2003. Our audit, in the context of which we have been advised of the complete accounting report of the operation of company's branches, has been carried out in accordance with provisions in Law 2190/1920, "on S.A. Companies", Art. 37, and the appropriate auditing procedures based on the principles and auditing regulations set by the Institute of Chartered Auditors-Accountants of Greece (SOEL), which are in line with the basic principles of International Auditing Standards. All the books and data kept by the Company were placed at our disposal and all required information and clarifications have been made available to us in the course of our audit. The Company has implemented the General Chart of Accounts correctly. There have been no changes made to last year's inventory method, while the cost of production arising from the accounting books was estimated in accordance with acknowledged cost calculation principles. We verified the consistency of the contents of the Board of Director's Management Report to the regular Shareholders General Meeting with the relevant Financial Statements. The Appendix contains the information stipulated in Law 2190/1920, Art. 43a, par. I. The audit we carried out showed that: 1) The item Fixed Assets C.III.I. "Investments in Affiliated Companies" reflects the costs for the acquisition of shares in domestic S.A. companies, amounting to EURO 13,071,071.76, as well as the costs for the acquisition of stakes in foreign businesses, totaling EURO 93,753,525.84. The valuation of these investments has been calculated on the acquisition value according to the "Code on Books and Records" Art. 28. If such valuation were calculated pursuant to provisions in Law 2190/1920, Art. 43, par. 6, the above "Investments" would appear to be lower by EURO 1,022,350.83, for which amount has not been made a provision. In our opinion, the above Financial Statements, arising from the company's accounting books and data, as well as the Appendix, after taking into account our Notes as well as the Company's Notes No2, No3 and No5 to the Balance Sheet, represent fairly the assets and financial position of the Company on December 31, 2003, and the results of the fiscal year ending on the same date, in accordance with the relevant provisions and approved accounting principles which are not variance with those that the

Athens, May 7 2004

Alexandros E. Tzortzis

CHARTERED ACCOUNTANT - AUDITOR

SOEL Reg. No. 12371

SOL CHARTERED ACCOUNTANTS S.A.