



HERACLES
GROUP OF COMPANIES

A member of **LAFARGE**

**HERACLES COMPANY AND GROUP
INTERIM FINANCIAL STATEMENTS
IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL
REPORTING STANDARDS
AS AT 31 MARCH 2006**

HERACLES GENERAL CEMENT COMPANY S.A.
PUBLIC COMPANIES REG, NO. 13576/06/B/86/096
49-51 SOPHOCLI VENIZELOU STR
14123 LYCOVRISSI, ATTICA

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INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2006

Amounts in € thousand

	NOTE	GROUP		COMPANY	
		1/1-31/3/2006	1/1-31/3/2005	1/1-31/3/2006	1/1-31/3/2005
Operating results					
Turnover (sales)	4	141.190	120.230	127.055	108.184
Cost of Goods Sold		(121.832)	(107.635)	(109.493)	(98.757)
Gross profit		19.358	12.595	17.562	9.427
Administrative & distribution expenses		(17.094)	(16.832)	(14.966)	(13.519)
Other operating income / (expenses)		264	560	290	(88)
Operating profit/(loss)		2.528	(3.677)	2.886	(4.180)
Finance income / (expenses)		670	(5)	992	204
Profit/(loss) before taxes		3.198	(3.682)	3.878	(3.976)
Income tax	5	(602)	450	(498)	610
Net profit/(loss) after tax	4	2.596	(3.232)	3.380	(3.366)
Earnings per share (in €)	6	0,04	-0,05	0,05	-0,05

The Group and Company financial statements from page 3 through page 13 were approved by the Board of Directors' meeting held on Friday 19 May 2006. As ordered by the Board of Directors, Financial Statements are signed by the following persons:

**CHAIRMAN OF THE
B.O.D**

**MANAGING
DIRECTOR**

**CHIEF FINANCIAL
OFFICER**

**FINANCIAL SERVICES
MANAGER**

**MANOLIS CHR.
KYPRIANIDIS**

ALBERT CORCOS

**HARRIS V.
KOKOLOGIANIS**

MIHALIS T. MICHELIS

I.D. N 032249

PASP.No. 01RE52755

PERM.No. 31731

PERM.No. 29960

The notes set out on page 7 through page 13 form an integral part of the Company and Group Financial Statements.

BALANCE SHEET AS AT 31 MARCH 2006

Amounts in € thousand

	NOTE	GROUP		COMPANY	
		31/3/2006	31/12/2005	31/3/2006	31/12/2005
Non current assets					
Goodwill	7	7.129	2.666	0	0
Intangible Assets		724	840	66	89
Tangible assets	8	619.532	630.024	580.377	592.475
Investment in associates and subsidiaries	9	1.590	1.590	20.530	15.776
Other investments		57	128	55	104
Other non-current receivables		6.806	6.742	6.335	6.281
Deferred tax assets		9.930	9.428	5.816	5.609
Total non current assets		645.768	651.418	613.179	620.334
Current assets					
Inventories		75.701	78.027	69.088	73.450
Trade and other current receivables		189.432	165.559	155.797	129.433
Cash and cash equivalents		134.122	140.096	113.258	127.741
Total current assets		399.255	383.682	338.143	330.624
Total assets		1.045.023	1.035.100	951.322	950.958
Non-current liabilities					
Provision for staff retirement compensation		80.733	78.132	68.668	66.679
Other non-current provisions		7.511	7.447	8.147	8.321
Deferred tax liabilities		1.587	1.597	0	0
Obligations under finance leases		140	140	0	0
Bank Borrowings		0	0	0	0
Total non-current liabilities		89.971	87.316	76.815	75.000
Current liabilities					
Provision for staff retirement compensation		7.366	9.676	6.963	8.846
Suppliers and other creditors		85.161	84.711	68.788	72.092
Income tax liabilities		26.349	25.576	25.215	24.777
Obligations under finance leases		112	148	0	0
Other current provisions		1.001	1.258	1.001	1.017
Derivative financial instruments		1.997	2.177	1.997	2.177
Dividend payable		0	0	0	0
Bank borrowings		43.752	37.634	0	0
Total current liabilities		165.738	161.180	103.964	108.909
Total liabilities		255.709	248.496	180.779	183.909
Equity					
Share capital	10	109.467	109.467	109.467	109.467
Share premium		1.279	1.279	1.279	1.279
Treasury shares		431	431	0	0
Reserves		213.668	213.668	191.309	191.309
Derivatives valuation reserve		(1.368)	(1.482)	(1.368)	(1.482)
Retained earnings		465.837	463.241	469.856	466.476
Total equity		789.314	786.604	770.543	767.049
Total liabilities and equity		1.045.023	1.035.100	951.322	950.958

The notes set out on page 7 through page 13 form an integral part of the Company and Group Financial Statements.

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2006

Amounts in € thousand

GROUP	Share Capital	Share premium account	Reserves	Derivatives valuation reserve	Treasury shares	Accumulated profit	Total
Beginning of period 1/1/2006	109.467	1.279	213.668	(1.482)	431	463.241	786.604
Loss from commodity derivatives transferred to results	0	0	0	1.482	0	0	1.482
Profit for the period	0	0	0	0	0	2.596	2.596
Loss of commodity derivatives	0	0	0	(1.368)	0	0	(1.368)
End of period 31/3/06	<u>109.467</u>	<u>1.279</u>	<u>213.668</u>	<u>(1.368)</u>	<u>431</u>	<u>465.837</u>	<u>789.314</u>
Beginning of period 1/1/2005	109.467	1.279	151.428	(22)	(115)	395.221	657.258
Loss for the period	0	0	0	0	0	(3.232)	(3.232)
Sale of Treasury Shares	0	0	0	0	(11)	0	(11)
End of period 31/3/05	<u>109.467</u>	<u>1.279</u>	<u>151.428</u>	<u>(22)</u>	<u>(126)</u>	<u>391.989</u>	<u>654.015</u>
COMPANY	Share Capital	Share premium account	Reserves	Derivatives valuation reserve	Treasury shares	Accumulated profit	Total
Beginning of period 1/1/2006	109.467	1.279	191.309	(1.482)	0	466.476	767.049
Loss from commodity derivatives transferred to results	0	0	0	1.482	0	0	1.482
Profit for the period	0	0	0	0	0	3.380	3.380
Loss on commodity derivatives	0	0	0	(1.368)	0	0	(1.368)
End of period 31/3/06	<u>109.467</u>	<u>1.279</u>	<u>191.309</u>	<u>(1.368)</u>	<u>0</u>	<u>469.856</u>	<u>770.543</u>
Beginning of period 1/1/2005	109.467	1.279	126.985	(22)	0	406.908	644.617
Loss for the period	0	0	0	0	0	(3.366)	(3.366)
End of period 31/3/05	<u>109.467</u>	<u>1.279</u>	<u>126.985</u>	<u>(22)</u>	<u>0</u>	<u>403.542</u>	<u>641.251</u>

The notes set out on page 7 through page 13 form an integral part of the Company and Group Financial Statements

**CASH FLOW STATEMENT (Indirect method)
FOR THE PERIOD ENDED 31 MARCH 2006**

Amounts in € thousand

	GROUP		COMPANY	
	1/1- 31/3/2006	1/1- 31/3/2005	1/1- 31/3/2006	1/1- 31/3/2005
<u>Operating activities</u>				
Profit/(loss) before taxes	3.198	(3.682)	3.878	(3.976)
Plus / less adjustments for:				
Depreciation expenses	11.687	11.928	10.865	11.002
Provisions	90	758	(120)	809
Foreign exchange differences	132	266	132	(206)
Loss from derivatives valuation	(19)	176	(19)	176
Results (income, expenses, profit and losses) from investment activities	(1.627)	(533)	(1.483)	(323)
Interest expenses and relevant expenses	491	362	127	155
Plus/less adjustments for changes in working capital accounts or relevant with operating activities:				
Decrease / (increase) in inventories	3.264	1.362	4.362	(5.010)
Decrease / (increase) in receivables	(21.885)	(10.329)	(26.494)	(9.573)
(Decrease) / Increase in liabilities (except banks)	(2.196)	791	(3.179)	7.127
Less :				
Interest expenses and relevant expenses paid	(491)	(362)	(127)	(155)
Taxes paid	(547)	0	(433)	0
Total inflow / (outflow) from operating activities (a)	<u>(7.903)</u>	<u>737</u>	<u>(12.491)</u>	<u>26</u>
<u>Investment activities</u>				
Acquisition of subsidiaries, affiliates, joint-ventures and other investments	(4.472)	0	(4.754)	0
Purchase of tangible and intangible fixed assets	(5.142)	(4.501)	(4.224)	(4.330)
Proceeds from the sale of tangible and intangible fixed assets	5.853	0	5.795	0
Proceeds (payments) from the sale (purchase) of investment titles (shares, securities)	808	0	657	0
Interest received	626	533	585	323
Dividend received	0	0	0	0
Total inflow / (outflow) from investment activities (b)	<u>(2.327)</u>	<u>(3.968)</u>	<u>(1.941)</u>	<u>(4.007)</u>
<u>Finance activities</u>				
Proceeds from loans issued / drawn	4.343	100	0	0
Payment of obligations under finance leases	(36)	0	0	0
Dividend paid	0	(29)	0	(29)
Total inflow / (outflow) from finance activities (c)	<u>4.307</u>	<u>71</u>	<u>0</u>	<u>(29)</u>
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	<u>(5.923)</u>	<u>(3.160)</u>	<u>(14.432)</u>	<u>(4.010)</u>
Cash and Cash Equivalents- beginning of period	<u>140.096</u>	<u>63.691</u>	<u>127.741</u>	<u>50.772</u>
Effects of foreign exchange rate changes	(51)	0	(51)	0
Cash and Cash Equivalents- end of period	<u>134.122</u>	<u>60.531</u>	<u>113.258</u>	<u>46.762</u>

The notes set out on page 7 through page 13 form an integral part of the Company and Group Financial Statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2006

1. GENERAL INFORMATION

HERACLES GENERAL CEMENT COMPANY S.A. (the Company) is a company incorporated in Greece under the Companies Act 2190/1920, with its registered office in the Municipality of Lycovrissi, Attica, 49-51 Soph. Venizelou Str. The Company belongs to the Lafarge Group which is incorporated in France. The Group mainly operates in the production and trading of cement, concrete and other structural material. The above financial statements are presented in thousand Euros, as it is the currency of the primary economic environment in which the Group operates.

2. BASIS OF PREPARATION

The condensed financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared on the historical or deemed cost.

The accounting policies adopted are consistent with those followed in the preparation of the Group's & Company's annual financial statements for the year ended 31 December 2005.

4. BUSINESS AND GEOGRAPHICAL SEGMENTS

For management purposes, the Group is currently organised into the following operating segments: the cement sector and the concrete and aggregates sector. These divisions are the basis on which the Group reports its primary segment information.

Amounts in € thousand

	Sales		Net profit/(loss) after tax	
	<u>1/1-31/3/2006</u>	<u>1/1-31/3/2005</u>	<u>1/1-31/3/2006</u>	<u>1/1-31/3/2005</u>
Cement Division	143.414	124.249	3.458	(2.581)
Ready Mix Division	17.569	14.293	(679)	(449)
Aggregates Division	2.187	1.240	(183)	(202)
Intercompany	(21.980)	(19.552)	0	0
Total	<u>141.190</u>	<u>120.230</u>	<u>2.596</u>	<u>(3.232)</u>

5. INCOME TAX

Interim period income tax is calculated based on the annual income tax rate for 2006, 29% (2005: 32%).

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2006

6. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the following data:

	GROUP		COMPANY	
	<u>1/1-31/12/05</u>	<u>1/1-31/12/04</u>	<u>1/1-31/12/05</u>	<u>1/1-31/12/04</u>
Net Profit in € thousand	2.596	(3.232)	3.380	(3.366)
Average weighted number of common shares for the purposes of calculating basic profit per share	71.082.707	71.082.707	71.082.707	71.082.707
Earnings per share in €	0,04	-0,05	0,05	-0,05

7. GOODWILL

On 23 March 2006, the parent company HERACLES GENERAL CEMENT COMPANY S.A. acquired AEGEAN AVEE, for a total consideration of €796 thousand. The estimated temporary goodwill amounts to €650 thousand. The allocation of the purchase consideration remains provisional until one year after the acquisition date.

On 31 March 2006, the consolidated subsidiary LAFARGE BETON SA acquired TH. ATHASSIOU S.A, for a total consideration of €3.300 thousand. The estimated temporary goodwill amounts to €3.253 thousand. The allocation of the purchase consideration remains provisional until one year after the acquisition date.

On 1 March 2006, the consolidated subsidiary LAFARGE BETON SA acquired BETON PREVEZIS S.A, for a total consideration of €408 thousand. The estimated temporary goodwill amounts to €560 thousand. The allocation of the purchase consideration remains provisional until one year after the acquisition date.

8. TANGIBLE ASSETS

During the interim period, the Group spent €5.142 thousand on new tangible assets (A' Quarter 2005: €4.501 thousand) and the Company spent €4.224 thousand (A' Quarter 2005: €4.330 thousand).

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2006

9. INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES

The following table includes a list of the companies included in the consolidated financial statements, with their respective addresses and the Group's interest therein.

Companies consolidated by the full consolidation method

Name of Subsidiary	Registered Office	Direct participation	Indirect participation	Total
HERACLES GCC	Greece, Lykovrissi, Attica			Parent
LAFARGE BETON S.A.	Greece, Metamorfossi, Attica	94,71%	5,29%	100,00%
ATLAS S.A.	Greece, Kallithea, Thessaloniki		100,00%	100,00%
EVIESK S.A.	Greece, Lykovrissi, Attica	95,76%	4,24%	100,00%
HERACLES MARITIME CO.	Greece, Lykovrissi, Attica	99,99%	0,01%	100,00%
LAVA S.A.	Greece, Lykovrissi, Attica	44,16%	55,84%	100,00%
AMPER S.A.	Greece, Lykovrissi, Attica	100,00%		100,00%
EKET LTD.	Greece, Lykovrissi, Attica	90,00%	10,00%	100,00%
BETON PREVEZIS S.A.	Greece, Bl.PE Preveza		100,00%	100,00%
TH. ATHANASSIOU S.A.	Greece, Tsarouxa Evia		100,00%	100,00%
AEGEAN AVEE	Greece, Halandri, Attica	99,78%		99,78%
PORT SAID SILO INVESTMENT COMPANY S.A.	Greece, Lykovrissi, Attica	99,00%	1,00%	100,00%
G. HATZIKYRIAKOS SOC. NAV.	Greece, Lykovrissi, Attica		100,00%	100,00%
A. HATZIKYRIAKOS SOC. NAV. (inactive)	Greece, Lykovrissi, Attica		100,00%	100,00%
DYSTOS SOC. NAV. (inactive)	Greece, Lykovrissi, Attica		100,00%	100,00%
IOKASTI SOC. NAV. (under liquidation)	Greece, Lykovrissi, Attica		100,00%	100,00%
NAFSIKA SOC. NAV. (inactive)	Greece, Lykovrissi, Attica		100,00%	100,00%
HERACLES GLORY SOC. NAV. (inactive)	Greece, Lykovrissi, Attica		100,00%	100,00%
HALKIS CEMENT INTERNATIONAL S.A. (under liquidation)	Greece, Lykovrissi, Attica	100,00%		100,00%
FINDA TRANSPORTS S.A. (under liquidation)	Greece, Lykovrissi, Attica	100,00%		100,00%
ALEXANDRIA SILO INVESTMENT COMPANY S.A. (under liquidation)	Panama	100,00%		100,00%
HERMES COMPANIA NAVIERA S.A. (under liquidation)	Panama	100,00%		100,00%
PORT SAID SILO INVESTMENT COMPANY S.A. (inactive)	Panama		100,00%	100,00%
MARITIME COMPANY ESPERIDES S.A. (under liquidation)	Panama		100,00%	100,00%
DEPOT AND COORDINATION CO S.A (under liquidation)	Panama		100,00%	100,00%
INTERNATIONAL MEDITERRANEAN SHIPPING S.A. (under liquidation)	Luxemburg		100,00%	100,00%
INTERNATIONAL FLAG (inactive)	Egypt		95,50%	95,50%

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2006

9. INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES - continued

Companies consolidated by the equity method

Name of Associate	Registered Office	Direct participation	Indirect participation
HELACEM S.A.(under liquidation)	Switzerland	50,00%	
METROPOLITAN AUTOMOBILE ENTERPRISES S.A.	Greece, Athens	45,97%	
MIHALIS KATSIMBRIS SA	Greece, Heraclion, Crete		26,50%
MARATHOS QUARRIES S.A.	Greece, Heraclion, Crete		40,00%

10. SHARE CAPITAL

There were no movements in the share capital of the company during the current reporting period.

11. CONTINGENT LIABILITIES

Liens and Encumbrances

There are no liens or encumbrances on the immovable property of the Company or its subsidiaries.

Company disputes under litigation or arbitration

Both opposed parties, the Company and the Greek State, have filed an appeal against the court decision which obliged the Greek State to return to the Company the amount of € 44.138 thousand. The amount was actually paid on 27/05/2005. However, the Company claims a total amount of € 74.500 which was initially paid to the Greek State relating to the case of the alleged excess state grant that the company received in 1986, following the decision of the European community body.

On 31/3/2006, there were pending lawsuits against the Group amounting to €30.516 thousand (31/12/2005: 29.422 thousand) which are being handled legally. The outcome of such trials is uncertain. The maximum risk from the final decisions on the above cases is estimated at €17.691 thousand. No provision has been made in these financial statements for these cases, as it is unlikely that such risk will eventually occur.

The Greek State or the Department of Forestry have pending claims over certain land of the subsidiary Lafarge Beton SA, with a book value of €423 thousand, and consequently over buildings thereon with a carrying amount of €194 thousand. These cases are being handled legally.

On 31/03/2006, there were pending lawsuits against the Company amounting to €27.742 thousand (31/12/2005: 27.742 thousand) which are being handled legally. The outcome of such trials is uncertain. The maximum risk from the final decisions on the above cases is estimated at €15.792 thousand. No provision has been made in these financial statements for these cases, as it is unlikely that such risk will eventually occur.

The above lawsuits against the Company mostly concern the following cases:

- a. Claim for loss of income due to cancellation of a contract of approx. €2.083 thousand, with estimated maximum risk of €1.458 thousand.
- b. Claim for loss of vessel and loss of profit, to the amount of €13.603 thousand, with estimated maximum risk of €6.801 thousand.
- c. Lawsuit for counterclaim for environmental cost of €3.190 thousand, with estimated maximum risk of €2.552 thousand.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2006

11. CONTINGENT LIABILITIES - Continued

Unaudited Years

Tax obligations of the Group's companies in Greece will be finalised after completion of the relevant regular tax audits by the competent tax authorities, and/or after finalisation of all pending court cases on existing prior years' differences with tax authorities. It is possible that the above tax audits will result in additional taxes and charges being imposed that cannot be accurately estimated at the time. Therefore no provisions have been made.

Company	Registered Office	Unaudited years
HERACLES GCC	Greece, Lykovrissi, Attica	2003-2005 *
LAFARGE BETON S.A.	Greece, Metamorfossi, Attica	2001-2005
ATLAS S.A.	Greece, Kallithea, Thessaloniki	2003-2005
EVIESK S.A.	Greece, Lykovrissi, Attica	2002-2005
HERACLES MARITIME CO.	Greece, Lykovrissi, Attica	2002-2005
LAVA S.A.	Greece, Lykovrissi, Attica	2001-2005
AMPER S.A.	Greece, Lykovrissi, Attica	2004-2005
EKET LTD.	Greece, Lykovrissi, Attica	2005
BETON PREVEZIS S.A.	Greece, Bl.PE Preveza	2001-2005
TH. ATHANASSIOU S.A.	Greece, Tsarouxa Evia	2003-2005
AEGEAN AVEE	Greece, Halandri, Attica	2003-2005
PORT SAID SILO INVESTMENT COMPANY S.A.	Greece, Lykovrissi, Attica	1999-2005
G. HATZIKYRIAKOS SOC. NAV.	Greece, Lykovrissi, Attica	1998-2005
A. HATZIKYRIAKOS SOC. NAV. (inactive)	Greece, Lykovrissi, Attica	1998-2005
DYSTOS SOC. NAV. (inactive)	Greece, Lykovrissi, Attica	1996-2005
IOKASTI SOC. NAV. (under liquidation)	Greece, Lykovrissi, Attica	1998-2005
NAFSIKA SOC. NAV. (inactive)	Greece, Lykovrissi, Attica	1998-2005
HERACLES GLORY SOC. NAV. (inactive)	Greece, Lykovrissi, Attica	1998-2005
HALKIS CEMENT INTERNATIONAL S.A. (under liquidation)	Greece, Lykovrissi, Attica	1999-2005
FINDA TRANSPORTS S.A. (under liquidation)	Greece, Lykovrissi, Attica	1993-2005
ALEXANDRIA SILO INVESTMENT COMPANY S.A. (under liquidation)	Panama	**
HERMES COMPANIA NAVIERA S.A. (under liquidation)	Panama	**
PORT SAID SILO INVESTMENT COMPANY S.A. (inactive)	Panama	**
MARITIME COMPANY ESPERIDES S.A. (under liquidation)	Panama	**
DEPOT AND COORDINATION CO S.A (under liquidation)	Panama	**
INTERNATIONAL MEDITERRANEAN SHIPPING S.A. (under liquidation)	Luxemburg	**
INTERNATIONAL FLAG (inactive)	Egypt	**

* The Company has been audited by tax authorities up to the financial year 2002, except for administration support expenses, under case r, para.1, article 31 of Law 2238/94, amounting to €7.2 million for the financial years 2001 and 2002, which were referred to the committee under para. 4c, articles 66 of Law 2238/94. For the financial years 1999 and 2000, provisional tax audits have been performed due to the pending issue with the Greek Government.

As regards the audits of the financial years 1983 to 1991, when the Company belonged to the Business Restructuring Organisation, the tax audit reports have been legally disputed and have not been finalized. However any tax which may be imposed by virtue of the judicial rulings will be payable by the aforementioned Organisation – substituted by the Greek Government – as set out in the provisions of article 49 of Law 1892/1990.

** relates to company incorporated outside Greece subject to special tax rules applicable in that country.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2006

11. CONTINGENT LIABILITIES - Continued

Emissions Rights

As of 1 January 2005, the Company has been advised of its allowance according to the National CO2 Emissions Allocation Plan.

In case CO2 emissions exceed the corresponding limit allocated by the National Allocation Plan, then the Company shall incur extra costs to pay the stipulated fine or purchase additional emissions rights. Alternatively, the Company may make investments aimed at reducing emissions and avoiding fines.

Based on existing results, Management believes that the Company will not exceed the corresponding limit allocated.

Guarantees Granted

The following letters of guarantee have been provided to secure liabilities of the Group and the Company, and were in force on 31/3/2006 and on 31/12/2005:

Amounts in € thousand	GROUP		COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
Granted Guarantees	8.779	9.492	7.790	8.546
Inter-company Granted Guarantees	0	0	49.377	49.234

Commitments for Purchases and Capital Expenditure

Purchase and capital expenses contracts, in force on 31/3/2006 and on 31/12/2005, follow:

Amounts in € thousand	GROUP		COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
Purchase contracts	53.463	69.519	52.665	68.861
Capital expenditure contracts	4.846	6.538	4.432	6.124

12. POST BALANCE SHEET EVENTS

On 14 April 2006, the liquidation process of the Company's subsidiaries HERMES COMPANIA NAVIERA S.A., MARITIME COMPANY ESPERIDES S.A. and DEPOT AND COORDINATION CO S.A. was finalized.

On 11 May 2006, the Company participated in the share capital increase of its subsidiary company LAFARGE BETON S.A., against cash contribution of € 24.000 thousand.

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2006

13. RELATED PARTY TRANSACTIONS

Transactions with Related Parties

The Group considers the parent company LAFARGE SA, as well as the other LAFARGE Group companies, as related parties. Transactions between the company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note:

Amounts in € thousand

GROUP	SALES		PURCHASES		RECEIVABLES		LIABILITIES	
	1/1/2006-31/3/2006	1/1/2005-31/3/2005	1/1/2006-31/3/2006	1/1/2005-31/3/2005	1/1/2006-31/3/2006	1/1/2005-31/12/2005	1/1/2006-31/3/2006	1/1/2005-31/12/2005
Parent company Lafarge S.A.	166	2	2.014	242	107	0	1.675	4.007
Group Lafarge Associates	25.348	21.962	898	201	8.628	5.686	239	136
Total	25.514	21.964	2.912	443	8.735	5.686	1.914	4.143

Transactions between the company and its subsidiaries, on the one hand, which are related parties prior to being eliminated on consolidation and with the parent Company LAFARGE SA, on the other, are disclosed below:

Amounts in € thousand

COMPANY	SALES		PURCHASES		RECEIVABLES		LIABILITIES	
	1/1/2006-31/3/2006	1/1/2005-31/3/2005	1/1/2006-31/3/2006	1/1/2005-31/3/2005	1/1/2006-31/3/2006	1/1/2005-31/12/2005	1/1/2006-31/3/2006	1/1/2005-31/12/2005
Heracles Group Companies	7.361	5.937	13.849	13.840	20.361	18.659	6.179	7.082
Parent company Lafarge S.A.	165	1	2.013	235	107	0	1.634	4.003
Group Lafarge Associates	24.931	21.939	604	194	8.628	5.479	228	0
Total	32.457	27.877	16.466	14.269	29.096	24.138	8.041	11.085

All transactions between related parties are conducted on market prices and terms, which are also applicable to third party transactions.

14. NUMBER OF EMPLOYEES

The number of employees for the Group and the Company is analysed as follows:

	GROUP		COMPANY	
	31/3/2006	31/12/2005	31/3/2006	31/12/2005
Number of employees	2.590	2.560	1.911	1.925