



S&B Industrial Minerals S.A.

Financial Report

for the six-month period ended June 30, 2011

This six month Financial Report is prepared in accordance with article 5 of L.3556/2007 and was approved by the Board of Directors of S&B Industrial Minerals S.A. on August 4, 2011. This is made publicly available on the company's website at www.sandb.com for at least 5 (five) years from the date of issue.

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S&B Industrial Minerals S.A.

FINANCIAL REPORT FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2011

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**A. BOARD OF DIRECTORS'
STATEMENT**

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BOARD OF DIRECTORS' STATEMENT
(in accordance with the article 5, paragraph 2, of the Law 3556/2007)

1. Ulysses P. Kyriacopoulos, The Chairman of the Board of Directors
2. Kriton St. Anavlavis, The Chief Executive Officer
3. Alexandros P. Sarrigeorgiou, Director, specifically appointed by the Board of Directors at its meeting on August 4, 2011

WE STATE THAT

to the best of our knowledge:

- a. the Company's and the Group's Financial Statements for the six-month period ended June 30, 2011, which were prepared according to the prevailing accounting standards, present fairly the assets, the liabilities, the equity and the results of S&B Industrial Minerals S.A., as well as of the entities included in the consolidation, in accordance with the provisions of the Law 3556/2007, article 5, paragraphs 3 to 5 and that
- b. the half-year Board of the Directors' Report presents fairly the information that is required based on the Law 3556/2007, article 5, paragraph 6, for the period January 1 to June 30, 2011.

**The Chairman of the Board of
Directors**

**The Chief Executive
Officer**

The Director

Ulysses P. Kyriacopoulos

Kriton St. Anavlavis

Alexandros P. Sarrigeorgiou

ID No AH042868

ID No Π062025

ID No AE 586794

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**B. BOARD OF DIRECTORS'
REPORT**

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HALF YEAR 2011 REPORT OF THE BOARD OF DIRECTORS

Group results summary

S&B Industrial Minerals (“S&B” or the “Group”) recorded consolidated sales of € 229,8 million for the first half of 2011, which represents an increase of 12,8% (*) compared to € 203,7 million in the respective period of 2010. Profitability improved, enabled by resilient demand and higher volumes, and as a result, EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) increased by 24,1% to € 34,6 million from € 27,9 million in the first half of 2010. Similarly, operating profit of € 21 million increased by 77,5% from € 11,8 million in the first half of 2010 and net profit attributable to shareholders of € 10,4 million was 85,1% higher compared to €5,6 million in the corresponding period of 2010.

€ 000s	Half Year 2011	Half Year 2010	% Change
Net Sales	229.813	203.692	12,8%
EBITDA	34.619	27.898	24,1%
Operating profit	20.999	11.830	77,5%
Profit before tax	17.049	10.031	70,0%
Net profit ¹	10.401	5.619	85,1%
EPS ²	0,2035	0,1096	85,7%

¹ Net profit attributable to shareholders

² Based on net profit attributable to shareholders and the basic weighted average numbers of shares

Business developments and financial performance

Our Group’s performance during the first half of 2011 delivered solid results and improved progressively during the second quarter. Market demand from our key segments was on positive momentum, with some signs of a slight deceleration compared to the previous year’s recovery dynamics. The metallurgical segments continued to benefit from increased global steel production and an enhanced automotive industry performance in our key geographies. Industrial production excluding construction has been growing both in Europe and the US, leading to a strengthened business overall for our Group. Construction activity has broadly stabilized at low levels, particularly in southern Europe, but we managed to realize slightly improved performances in the related sectors of North America and northern Europe. Economic developments in our Greek domestic market have been adverse, as a result of tough austerity measures that are in place and a sovereign debt issue, for which, only recently, certain solutions were agreed. With less than 8% of Group revenues generated in Greece, we draw confidence from our diversified, international profile, to navigate through the challenges of the domestic economic environment.

**Note: All percentages have been calculated using the full figures and not the rounded ones presented in this report.*

In terms of revenue by Division, Bentonite sales during the first half of 2011 increased by 14,1% to € 104,3 million compared to € 91,4 million in the first half of 2010. The demand from the key foundry and pelletizing segments remained strong in the key European and North American regions, while the foundry business in the Middle East is showing positive trends after our recent investments in the area. The pet litter and civil engineering segments continue to be hindered, although the latter has recorded significant improvement during the first six months.

The Perlite Division achieved sales of € 35,8 million during the first half of 2011 versus € 34,2 million in the respective prior year period, an increase of 4,5%. Construction related activity was improved in North America and Europe, with the exception being the areas of southern Europe and especially Greece. The construction related performance in China was particularly strong with a positive contribution to profitability, which has partially offset a generally slower horticulture segment.

In the Bauxite Division, production has been gradually returning to satisfactory levels and improvement is on-going. Market demand was strong, leading to double digit revenue growth for alumina and cements and we managed to serve this demand successfully without imports of third party material. Furthermore, certain deliveries to the iron & steel segment, which were originally expected to be realized in the second quarter of 2011, were realized in early July. However, sales revenue achieved for the first half of the year was higher by 6,6% at € 15,6 million compared to € 14,6 million in the same period of 2010.

In Continuous Casting Fluxes, performance followed suit of steel production which continues to grow globally, albeit at a slower pace. Sales revenue achieved during the first half of the year was € 51,9 million, showing an increase of 13,1% compared to € 45,9 million in the respective prior year period. Double digit revenue growth was achieved in nearly all key regions for the half year period. However, the overall growth achieved slowed to 5,5% in the second quarter from 21,3% growth in the first quarter, reflecting closely the trend in global steel production.

For the Minerals Trading division, performance was driven largely by the glass & ceramics segments in which the division has been developing new business and experienced strong double digit revenue growth as a result of increased demand. Total sales revenue achieved for the first half of 2011 was € 21,6 million compared to € 17,2 million in the same period of the prior year, representing an increase of 25,7%.

Consolidated Group revenue amounted to € 229,8 million for the first half of 2011, which represents a 12,8% increase compared to € 203,7 million in the same prior year period. Besides higher sales volumes achieved, our revenue performance also reflects market share gains in several of the market segments we serve, as well as improved pricing compared to the previous year. All these parameters combined have contributed favorably to profitability, allowing for the maintenance of high operating leverage and the continuation of margin improvement. Costs have been on an inflationary trend, particularly with regards to certain raw materials and energy. Indicatively, crude oil prices were on average higher by approximately 44% for the first half of 2011 compared to the same period in 2010. Moreover, increased oil prices have offset most of the anticipated benefits from lower ocean freight rates, which on average were lower by 45% during the first half of 2011 compared to the same period in 2010. On the contrary, the normalization of bauxite production during the period had a significant favorable impact on costs. Overall, gross profit increased by 29,4% during the first half of the year to € 56,2 million and gross margin expanded by a substantial 310 basis points over the same period in 2010.

Selling, General & Administrative (SG&A) expenses increased by 10% during the first half of 2011 compared to the first half of 2010 and amounted to € 36,4 million. The lower rate of increase in SG&A expenses, in relation to revenue growth of 12,8% during the period, is evidence of our continued focus on investing sensibly in our business, which contributes favorably to operating leverage. During the period, EBITDA and operating margins improved by 140 and 330 basis points, respectively, compared to the first half of 2010. As a result, EBITDA of € 34,6 million and operating profit of € 21 million, continued to accelerate ahead of revenue growth, with increases of 24,1% and 77,5%, respectively, compared to the first half of 2010.

**Note: All percentages have been calculated using the full figures and not the rounded ones presented in this report.*

Net financial expenses during the first half were € 4,2 million compared to € 2,2 million in the first half of 2010, with more than half of the increase being driven by foreign exchange differences due to the higher EUR/USD exchange rate. Net interest expenses were € 2,6 million compared to € 1,9 million in the first half of 2010 with the increase attributed almost exclusively to higher interest rates, as average net debt during the period was almost at par with last year's comparable first half:

- a) the Group's average net debt increased slightly to € 124,8 million in the first half of 2011 from € 121,4 million in the first half of 2010
- b) the average Euribor 3 month rate was higher by 60 basis points at 1,26% in the first half of 2011 compared to 0,67% in the respective prior year period.

Profit before tax of € 17 million increased by 70% in the first half of 2011 from € 10 million in the first half of 2010.

The Group's effective tax rate for the period was 39,4%, lower than the 42,7% rate of the first quarter of the year. This includes various adverse tax adjustments of approximately € 0,8 million for provisions mainly related to unaudited tax years provisions and tax audit conclusion charges for certain legal entities. On the contrary, the return of the parent company to profitability during the second quarter of the year had a favorable impact on the Group's mix of taxable profits, as the Greek nominal corporate tax rate is one of the most favorable among the Group's significant subsidiaries.

Net profit attributed to shareholders of the Group amounted to € 10,4 million for the first half of 2011 compared to € 5,6 million in the respective period of 2010, representing a substantial 85,1% increase.

As a result of funding the recovering business activity, working capital (current assets excluding cash minus current liabilities excluding short-term borrowings) increased by € 7,6 million to € 72,6 million at the end of the first half of 2011 from € 65 million at the end of the first half of 2010. However, it continued to be well controlled as it was reduced from € 75,7 million at the end of 2010. Despite the enhanced business activity and corresponding revenue growth of our Group, working capital has been maintained at 15,8% of sales, at par with 16% at the end of the first half of 2010 and improved compared to 18% at the end of 2010. In line with our plans, we accelerated investments during the second quarter, leading to capital expenditure of € 17,5 million for the first half of the year, higher by 87% compared to the corresponding 2010 period. This increase is mainly related to the increased bauxite production with the rest being mainly related to mine development investments in the US and our recent Perlite joint venture in Turkey. Pre-tax operating free cash flow (net of capital expenditure) for the first half of 2011 was € 4,3 million compared to € 12,9 million in the first half of 2010. Cash generation was adversely impacted by income taxes paid in the first half of 2011 of € 6,9 million which were significantly higher compared to € 1,8 million in the respective prior year period. This increase represents tax obligations of some of our foreign legal entities that stem from their local legislation and are related to profitability improvements in prior periods. In addition, as a result of the strengthened EUR/USD exchange rate, cash generation was further burdened during the first half of the current year by adverse foreign exchange differences of € 2,9 million on cash flows and on cash, while in the respective period of 2010 this had a positive impact of € 4,9 million. During the period, € 15 million of interest - bearing loans were repaid. Moreover, we refinanced a € 20 million bond loan maturing in March 2011 with a two year term loan maturing in March 2013 and issued in June 2011 a new common bond loan of € 20 million with a two year tenor. Our Group's net debt position increased in the first half of the year, by € 7,7 million to € 120,6 million from € 112,9 million at the end of 2010.

**Note: All percentages have been calculated using the full figures and not the rounded ones presented in this report.*

Significant Events

Organizational restructuring

By initiative of our senior management, S&B proceeded with organizational changes that will be effective from September 1st 2011. The new structure will enable the achievement of operational synergies, meeting and exceeding customer expectations globally for additional sustainable solutions and exploiting growth dynamics in emerging regions.

S&B will be organized internally according to a matrix system, based on four geographic regions and four market segments. The geographic regions are, North Europe, South Europe, Asia/Pacific and Americas with responsibility for operations, sales, supply chain and support functions. The four Global market segments - Metallurgy, Foundry, Construction and Specialties- will complement the new organization, assuming responsibility for marketing, global accounts management, business development and R&D, which aims to enhance S&B's innovation and expand its product and solutions portfolio. The new structure will be actively supported by a lean organization of corporate functions that will set, drive and monitor the implementation of corporate strategies and policies. The new function of Group Sustainable Development will be established with the purpose to enable our business to operate responsibly for long term success by achieving a balance of economic, environmental and social imperatives, taking in consideration the expectations of all stakeholders.

The new matrix environment will operate with multiple communication lines that will capitalize on the diversity of our global community of employees, fostering a collaborative, learning and innovative organization with a clear strategic focus.

The new organizational structure and appointed executives, reporting to the CEO, are:

- Global market segments - Yanni Paniaras as Global Marketing General Manager (GM), currently GM of the Bentonite Division.
- Region North Europe (France, Germany, Hungary and Poland) - Dirk Steinkemper as GM, currently GM of the Continuous Casting Fluxes Division.
- Region South Europe (Greece, Bulgaria, Georgia, Italy, Spain and Turkey) - Thanasis Kefalas as GM, currently Bentonite Upstream Operations Manager.
- Region Americas (U.S.A and Brazil) - Rob Steele as GM, currently Manager of the Bentonite Division's Foundry North America Business Unit.
- Region Asia/Pacific (China, India and South Korea) - Aris Chatziparaskevas as GM, currently GM of the Perlite Division.
- Financial Management Organization - Ioannis Christodoulakis as Group CFO, currently Group Controller.
- Group Sustainable Development - Thomas Androulakis as Manager, currently GM of the Bauxite and Otavi Minerals Divisions.
- Group Human Resources - Eva Valavani as Manager, currently in the same role.
- Group Legal Counsel - Danai Voulgari, currently Corporate Affairs Manager.
- Mergers & Acquisitions (previously under the Financial Management Organization) - Thanos Efthimiou as Manager, currently in the same role.

These changes are the result of an extensive internal, participative process initiated from our new CEO on April 4, upon his appointment. The commitment, energy and spirit of mutual trust and respect exhibited by all participating executives, provides confidence that our new journey will be both successful and rewarding for all stakeholders. The depth and talent of our management team will continue to drive S&B's success under its new collaborative structure. Sustainability will have an elevated role, as an enabler for our business to operate responsibly and as a vital component of our solutions offering. We will be well positioned to realize the full value of our market focused global operations, capture significant opportunities and achieve sustainable value growth for our shareholders.

Capital return

On the basis of our Group's strong operating performance during 2010, the confidence in the future prospects for our business and with the intent to efficiently reward our shareholders, our Board proposed to the AGM on June 1st 2011, a capital return to shareholders of € 0,25 per share. The proposal was approved and a capital return was paid to shareholders in cash on July 25, 2011.

Cancellation of treasury shares

The AGM of June 1st 2011 resolved, among other topics, to decrease the total number of shares from 51.782.200 to 51.110.687 ordinary registered shares, by cancelling 671.513 treasury shares representing 1,3% of issued capital, according to article 16 of C.L. 2190/1920. The said treasury shares were acquired during the period from June 6, 2008 until January 12, 2011, based on the resolutions of the Company's AGM's of May 14th 2008 and June 17th 2010. After the cancellation of the treasury shares, the Company's share capital stands at € 51.110.687,00 divided into 51.110.687 ordinary registered shares, of nominal value € 1,00 each.

New Board of Directors & new members to the Audit Committee

On June 1st 2011, the AGM elected a new Board of Directors as the 3-year term of the previous Board expired. The newly elected Board has a 3 year term, is more flexible, comprising 12 instead of 15 members previously and it includes one new member and seven independent non-executive members according to article 3 of L. 3016/2002. The AGM also approved the election of new members of the Audit Committee as per article 37 of L. 3693/2008.

New CEO appointment

On April 4, 2011 S&B's Board of Directors unanimously approved the election of Mr. Kriton Anavlavis, former Group Chief Financial Officer, as a new member to the Board and Chief Executive Officer (CEO) of the Company. Mr Anavlavis replaced the resigned non-executive Honorary Chairman of the Board, Mrs Aikaterini Kyriacopoulos. His election was ratified by the AGM on June 1st 2011 and he assumed the duties of CEO for an initial period of five years. Our Board's decision reflects our organization's commitment to leadership development, fostering internal talent opportunities for growth, advancement and continuous learning to manage change and succession planning. It also demonstrates the trust and respect of our Board for high-level knowledge of our business, loyalty and assurance of timely and smooth leadership transitions.

Business Risks

The S&B Group systematically monitors, assesses and adopts specific measures, in order to address risks that may arise. Such risks are: Transportation risks, Energy Price risks, Raw Material Price risks, EHSQ (Environmental, Health, Safety and Quality) risks, Legal and Licensing risks, Financial risks and Insurable risks.

- **Transportation Risks**

Given the geographic distribution of its mineral reserves, industrial facilities and markets, as well as the nature of its products, the Group makes extensive use of sea-going vessels for its transportation needs. Principal exposure is evaluated to stem from the shipments of bentonite and perlite from the east Mediterranean to the North American east coast, Northern Europe and to a lesser extent to the west Mediterranean. Part of this exposure is mitigated by medium-term contracts with ship-owners and ship operators. Management is continuously monitoring this risk and exploring alternative contractual and hedging strategies for managing the exposure. Other means of transportation (trucks, river barges and rail) are also extensively used, where the main risks that arise, come in the form of fuel price fluctuations (see energy price risks below).

Management does not anticipate that the above mentioned transportation risks will substantially affect the Group's financial position in 2011.

- **Energy Price Risks**

S&B is exposed to the risk of fluctuating prices for the various fuel and energy sources (mainly oil, natural gas and electricity) which form a significant part of its production and transportation activities. The Group's geographical locations and energy supply sources remain diversified, but a general and sharp increase in energy prices may have a significant impact on its operating profitability. Additionally, as energy supplies are sourced regionally, some local markets may temporarily be subject to significant but non-recurring price variations. Under these circumstances, management concentrates its efforts on reducing the impact on margins by focusing on energy savings and productivity improvements, while adjusting, where possible, its commercial policies. On a global level, the developments in energy markets have caused significant volatility in recent years, while a significant upward trend in oil prices has occurred since the start of 2011. Management is continuously monitoring the exposure in the context of evaluating alternative sourcing and hedging strategies.

Management does not anticipate that the above mentioned energy price risks will substantially affect the Group's financial position in 2011

- **Raw Materials Price Risks**

S&B generally possesses and maintains its own mineral reserves in its most crucial business segments (bentonite, perlite, bauxite and wollastonite). However, a smaller part of its activities is based on trading and processing of specialty minerals that are purchased from third-party suppliers. Although effort is devoted to secure the needed supply of such minerals through medium-term contracts, this has not always been possible and may not be, in the future.

The Group also purchases a number of raw materials (soda ash, coal, resins) that are used as additives in the production of the final products and other materials (explosives, spare parts, packaging materials) that are used during the various production phases. Significant price volatility has been observed in most of these products, in recent years. The risks associated with these purchased items are managed through long-term relationships and associated contracts.

Management does not anticipate that the above mentioned raw material risks will substantially affect the Group's financial position in 2011.

- **EHSQ Risks**

In every country in which S&B operates, it is subject to regulations concerning air emissions, noise, waste disposal and post-mining site rehabilitation.

Most of the industrial activities that form S&B's core business have an impact, even if only a limited one, on the environment. In the majority of cases, that impact is inherent in mining activities and in facilities associated with the downstream processing of extracted minerals. S&B strives to minimize the environmental health and safety impact of its operations and proactively manages environmental risks through implementation of appropriate measures. EHS related performance is monitored via a reporting and measurement grid, which includes 64 indicators, as well as, via ad hoc EHS audits of the operations. S&B has rolled out a Corporate EHSQ (Environmental, Health, Safety and Quality) policy, emphasizing its commitment in monitoring and effectively addressing EHSQ aspects that originate from its operations. The policy criteria are applied in a manner sensitive to local cultures, customs and circumstances.

S&B has certified the Quality and Environmental management systems of the majority of its global operations as per ISO 9001 (quality) and ISO 14001 (environmental standards). In December 2009 and May 2010 respectively, the Health & Safety (H&S) management system of CCF operations in India and the H&S management system of the French subsidiary S&B S.A.R.L., were certified as per the OHSAS 18001 standards and other operations in Germany and Greece are in the process of preparation to obtain such certification.

S&B strives to provide a safe working environment for its employees and sub-contractors in an effort to protect their health, maintain superior business reputation and minimize potential compensation liabilities. In this context, management makes every effort in properly training its employees and sub-contractors in the use of explosives and in the operation of heavy mobile equipment, such as underground mine equipment, trucks, loaders, forklifts and other. Pro-active safety practices, including Management Safety Visits, initiated in 2006 in Greece, are currently rolled out to operations in Germany and Bulgaria. A corporate EHS committee was established in 2006, aiming at a gradual harmonization of policies and procedures across the Group and three Regional EHS Councils overlook performance in Southern Europe, Northern Europe and USA.

Management does not anticipate that the above mentioned environmental, health, safety and quality risks will substantially affect the Group's financial position in 2011.

- **Legal and Licensing Risks**

As a global group with a diverse business portfolio, S&B is exposed to various legal risks. In addition, it is exposed to risks associated with required permitting procedures with regards to operation rights, in the normal course of its business. The Corporate Legal department and the Mining Rights department monitor and assess centrally major such risks.

It should be noted, that the application filed with the Council of State for cancelling the approved environmental conditions that regulate the way the Company should mine its bauxite reserve located in the area of the Municipality of Lidoriki, is still pending.

- **Financial Risks**

The Group's business activities and its funding structure generate exposure to foreign exchange, interest rate and liquidity risks. Additionally, there are risks related to ocean freights and the volatility of energy prices as both items represent a material component of the Group's cost structure.

Foreign Currency, Freights and Energy Risks

Depending on market conditions the Group may use derivative instruments with a forward time horizon of one year to hedge against its exposure to foreign currency rates, oil prices and freight rates fluctuations.

Freights and energy risks are hedged by using the Supramax and the IPE Brent Indices respectively, as proxies for the Group's exposure.

Interest Rate risk

The Group hedges part of its interest exposure in order to be protected against adverse interest rate fluctuations. In doing so, management evaluates current market conditions and future leverage, in order to reach a decision. The time horizon for hedging is more than a year.

Liquidity risk

Liquidity risk is managed by having available committed and uncommitted debt and credit facilities and by spreading the maturities of long-term debt in order to avoid concentration of refinancing risk. In addition, the group keeps a sufficient amount of cash in reserves.

Management does not anticipate that the above mentioned financial risks will substantially affect the Group's financial position in 2011.

- **Insurable Risks**

S&B carries insurance policies to be protected against insurable risks.

It operates two Global insurance programs, one for Property Damage and Business Interruption and one for Civil Liability, both of which are centrally managed. In this way, the group benefits, among others, from a uniform approach for risk and insurance.

Other local insurance programs are operated at subsidiary level, however Group Headquarters monitors all such procedures and decision making for material amounts, is centralized.

Prospects for the second half of 2011

Industrial production has been rising without yet having reached pre-crisis levels. This has been a key supporting factor to our Group's performance in the first half of 2011. We managed to respond effectively to the increased demand in most of our key segments and regions and achieved market share gains in various segments. The improvements anticipated from the normalization of bauxite mining operations have already started to be realized and further progress is expected. Despite raw material cost increases and high oil prices, our profitability and our margins continued to recover during the first half of the year. Moreover, we are taking precautionary measures to safeguard our position against the inflationary environment, such as the covering of more than half of our production-related and other fuel requirements through hedging and through customer contractual agreements in certain cases.

We continue to expect an improved performance for the year, provided that future economic expectations do not deteriorate drastically. Demand for steel is expected to remain positive, although it is trending at a slower pace than expected. Scattered improvements are foreseen from the construction sector in Europe and the US, where activity remains at all-time lows. Developing economies have been recovering faster than developed economies and this is where our focus rests for increasing capacity and enhancing our Group's presence. We remain alert to the development of the external cost risks to our business. In parallel, we are focused on controlling our internal costs, keeping our discipline on pricing and maintaining working capital at optimum levels.

Significant Related Party Transactions

(Amounts in thousand Euro, unless otherwise stated)

During the first half of 2011, business transactions of the Group, as well as those of the Company, with related parties have been carried out with common market terms and conditions. The Group or any of its related parties have not been engaged in any material transactions that were not in an arm's length basis. None of the transactions includes special terms or conditions.

Transactions with Group subsidiaries and associates are carried out in the normal course of the business operations of the Group. Outstanding balances at the period-end are unsecured, interest free and settlement occurs in cash within the agreed time period. The guarantees provided by S&B to its subsidiaries as of June 30, 2011 and December 31, 2010 are analyzed in Note 13 of the financial statements. The Management of the Company has not provided against the receivables due from its subsidiaries or associates as it does not anticipate any doubtfulness of such receivables, except for the case of Askana Ltd. (Georgia) against which a provision for doubtful debts has been established in 2008.

Intra-group balances and transactions among fully consolidated subsidiaries have been fully eliminated from the financial statements of the Group.

Balances and transactions with related parties are the following (see note 11 of the financial statements):

Group balances due from and to related parties

Group balances due from related parties amount to € 1.415 and € 1.354 for June 30, 2011 and December 31, 2010 respectively. The most significant changes are the following:

- Increase in the amount due from the jointly controlled entity "Cebo International B.V." (€ 154 and € 0 for 2011 and 2010, respectively) due to unsettled industrial minerals sales to this entity.
- Decrease in the amount due from the related company "Halliburton Affiliates LLC" (€ 582 and € 759 for 2011 and 2010, respectively) due to settlement of receivables from this company.

Group balances due to related parties amount to € 1.738 and € 2.017 for June 30, 2011 and December 31, 2010 respectively. The most significant change is the following:

- Decrease in the amount due to the associate entity "Xinyang Athenian Mining Co. Ltd" (€ 563 and € 925 for 2011 and 2010, respectively), due to reduced industrial minerals purchases from this entity.

Company balances due from and to related parties

Company balances due from related parties amount to € 3.381 and € 3.943 for June 30, 2011 and December 31, 2010 respectively. The most significant changes are the following:

- Decrease in the amount due from the indirect subsidiaries "S&B Endustriyel Mineraller AS" (€ 255 and € 497 for 2011 and 2010, respectively), "S&B Industrial Minerals North America Inc." (€ 0 and € 465 for 2011 and 2010, respectively) and "S&B Industrial Minerals S.A.R.L." (€ 19 and € 505 for 2011 and 2010, respectively) due to settlement of receivables from these entities.
- Increase in the amount due from the jointly controlled entity "Cebo International B.V." (€ 308 and € 0 for 2011 and 2010, respectively) due to unsettled industrial minerals sales to this entity.
- Increase in the amount due from the associate entity "Laviosa Promasa SA" (€ 530 and € 330 for 2011 and 2010, respectively) due to unsettled industrial minerals sales to this entity.

Company balances due to related parties amount to € 5.006 and € 2.219 for June 30, 2011 and December 31, 2010 respectively. The most significant change is the following:

- Increase in the amount due to the indirect subsidiary "S&B Industrial Minerals GmbH" (€ 2.554 and € 95 for 2011 and 2010, respectively) due to the receipt of advance payments of € 2.554 for industrial minerals sales to this entity.

Group income / expenses

Group income from related parties amounted to € 4.954 and € 4.742 for June 30, 2011 and June 30, 2010 respectively. The most significant changes are the following:

- Increase in the income from related company “Halliburton Affiliates LLC” (€ 2.778 and € 2.278 for 2011 and 2010, respectively) due to an increase in turnover of industrial minerals sales to these entities.
- Decrease in the income from the jointly controlled entity “Cebo International B.V.” (€ 774 and € 1.202 for 2011 and 2010, respectively) due to reduced industrial minerals sales to this entity.

Group expenses to related parties amounted to € 2.562 and € 2.740 for June 30, 2011 and June 30, 2010 respectively. The most significant changes are the following:

- Decrease in the expense to the related companies “Perlite Hellas S.A.” (€ 871 and € 1.061 for 2011 and 2010, respectively), arising from reduced industrial minerals purchases.

Company income / expenses

Company income from related parties amounted to € 28.721 and € 27.289 for June 30, 2011 and June 30, 2010 respectively. The most significant changes are the following:

- Increase in the income from indirect subsidiaries “S&B Industrial Minerals North America Inc.” (€ 9.187 and € 8.611 for 2011 and 2010, respectively), “S&B Industrial Minerals S.A.R.L.” (€ 3.049 and € 2.375 for 2011 and 2010, respectively), “S&B Endustriyel Mineraller A.S.” (€ 849 and € 413 for 2011 and 2010, respectively) and “S&B Industrial Minerals Spain S.L.u.” (€ 423 and € 181 for 2011 and 2010, respectively) as well as from the associate entity “Laviosa Chimica Mineraria S.p.A.” (€ 266 and € 40 for 2011 and 2010, respectively) arising from industrial minerals sales to these entities.
- Decrease in the revenues from direct subsidiary entity “Isocon S.A.” (€ 766 and € 1.100 for 2011 and 2010, respectively) and the jointly controlled entity “Cebo International B.V.” (€ 1.548 and € 2.336 for 2011 and 2010, respectively), due to a decrease in turnover of industrial minerals.

Company expenses to related parties amounted to € 616 and € 593 for June 30, 2011 and June 30, 2010 respectively. There are no significant changes.

Kifissia, August 4, 2011

On behalf of the Company’s Board of Directors
The Chief Executive Officer

Kriton St. Anavlavis

**C. CERTIFIED AUDITORS'
ACCOUNTANTS' REVIEW REPORT**

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THIS REPORT HAS BEEN TRANSLATED FROM THE GREEK ORIGINAL**REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION**

To the Shareholders of
S&B Industrial Minerals S.A.

Introduction

We have reviewed the accompanying interim statement of financial position of S&B Industrial Minerals S.A. (the “Company”) and the accompanying interim consolidated statement of financial position of the Company and its subsidiaries (the “Group”) as at 30 June 2011, the related consolidated and separate statements of income, comprehensive income, changes in equity and cash flows of the Company and the Group for the six-month period then ended, as well as the selected explanatory notes (the “interim condensed financial information”) which is an integral part of the six-month financial report of article 5 Law 3556/2007. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as endorsed by the European Union and applicable to interim financial reporting (“IAS 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

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Report on other legal and regulatory requirements

Our review did not reveal any inconsistency between the information contained in the six-month financial report prepared in accordance with article 5 of Law 3556/2007 and the accompanying interim condensed financial information.

Athens, 4 August 2011

THE CERTIFIED AUDITORS ACCOUNTANTS

PANOS PAPAZOGLU
S.O.E.L. No 16631

IOANNIS PSICHOUNTAKIS
S.O.E.L. No 20161

ERNST & YOUNG (HELLAS)
CERTIFIED AUDITORS ACCOUNTANTS S.A.
11TH KLM. NATIONAL ROAD ATHENS – LAMIA
144 51 METAMORFOSI
S.O.E.L. No. 107

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D1. INTERIM CONDENSED FINANCIAL STATEMENTS

The accompanying interim condensed Financial Statements for the six- month period ended June 30, 2011 have been approved by the Board of Directors of S&B Industrial Minerals S.A. on August 4, 2011.

**The Chairman of the Board of
Directors**

**The Chief Executive
Officer**

The Controller Greece

Ulysses P. Kyriacopoulos

Kriton St. Anavlavis

Nikolaos Ch. Ioakim

ID No AH042868

ID No Π062025

**A' Class License No
0002714**

S&B Industrial Minerals S.A.
INTERIM CONSOLIDATED INCOME STATEMENT
FOR THE SIX AND THE THREE MONTH PERIODS ENDED JUNE 30, 2011

(Amounts in thousand Euro, except for earnings per share)

The Group				
Note	1/1 - 30/06/2011	1/1 - 30/06/2010	1/4 - 30/06/2011	1/4 - 30/06/2010
Sale of goods	229.813	203.692	117.981	108.460
Cost of sales	(173.657)	(160.280)	(88.263)	(87.335)
Gross Profit	56.156	43.412	29.718	21.125
Administrative expenses	(24.220)	(21.259)	(12.207)	(10.613)
Selling expenses	(12.201)	(11.853)	(6.330)	(6.403)
Other income	1.899	2.065	906	903
Other expenses	(635)	(535)	(323)	(484)
Operating profit	20.999	11.830	11.764	4.528
Finance income	313	1.194	214	891
Finance costs	(4.476)	(3.408)	(2.235)	(1.603)
Share of profit of associates	213	415	142	243
Profit before tax	17.049	10.031	9.885	4.059
Income tax expense	(6.711)	(4.703)	(3.650)	(2.640)
Net profit	10.338	5.328	6.235	1.419
Attributable to:				
Equity holders of the Company	10.401	5.619	6.284	1.582
Non-controlling interests	(63)	(291)	(49)	(163)
	10.338	5.328	6.235	1.419
Earnings per share attributable to Equity holders of the Company:				
Basic	0,2035	0,1096	0,1229	0,0309
Diluted	0,2021	0,1085	0,1219	0,0306
Weighted average number of shares				
Basic	51.110.687	51.288.603	51.110.687	51.238.729
Diluted	51.457.526	51.769.907	51.560.685	51.743.713

The accompanying notes are an integral part of these interim condensed financial statements.

S&B Industrial Minerals S.A.
INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX AND THE THREE MONTH PERIODS ENDED JUNE 30, 2011
(Amounts in thousand Euro)

	The Group			
	<u>1/1 - 30/06/2011</u>	<u>1/1 - 30/06/2010</u>	<u>1/4 - 30/06/2011</u>	<u>1/4 - 30/06/2010</u>
Net profit	10.338	5.328	6.235	1.419
<u>Other comprehensive income</u>				
Translation of foreign operations:				
-Subsidiaries	(5.254)	9.295	(1.434)	5.494
-Associates	239	136	281	55
Valuation of available-for-sale financial assets	(40)	(96)	(37)	(71)
Income tax relating to the valuation of available-for-sale financial assets	8	23	7	17
Valuation of derivatives	461	(843)	(828)	(383)
Income tax relating to the valuation of derivatives	(110)	200	166	92
Other comprehensive (loss) / income for the period, net of tax	(4.696)	8.715	(1.845)	5.204
Total comprehensive income for the period, net of tax	5.642	14.043	4.390	6.623
Attributable to:				
Equity holders of the Company	5.718	14.331	4.443	6.782
Non-controlling interests	(76)	(288)	(53)	(159)
	5.642	14.043	4.390	6.623

The accompanying notes are an integral part of these interim condensed financial statements.

S&B Industrial Minerals S.A.
SEPARATE INTERIM INCOME STATEMENT
FOR THE SIX AND THE THREE MONTH PERIODS ENDED JUNE 30, 2011

(Amounts in thousand Euro)

The Company					
	<u>Note</u>	<u>1/1 - 30/06/2011</u>	<u>1/1 - 30/06/2010</u>	<u>1/4 - 30/06/2011</u>	<u>1/4 - 30/06/2010</u>
Sale of goods	5	70.114	64.864	37.996	36.135
Cost of sales		(53.273)	(54.746)	(27.684)	(32.223)
Gross Profit		16.841	10.118	10.312	3.912
Administrative expenses		(15.875)	(12.732)	(7.833)	(6.339)
Selling expenses		(1.420)	(1.661)	(804)	(907)
Other income		2.301	2.531	1.033	1.237
Other expenses		(55)	(462)	(2)	(461)
Operating profit / (loss)		1.792	(2.206)	2.706	(2.558)
Finance income	6	216	1.165	162	856
Finance costs	7	(3.190)	(2.347)	(1.683)	(1.091)
Investment income		688	213	688	213
Profit / (loss) before tax		(494)	(3.175)	1.873	(2.580)
Income tax expense	8	(787)	(439)	(689)	(552)
Net profit / (loss)		(1.281)	(3.614)	1.184	(3.132)

The accompanying notes are an integral part of these interim condensed financial statements.

S&B Industrial Minerals S.A.
SEPARATE INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX AND THE THREE MONTH PERIODS ENDED JUNE 30, 2011

(Amounts in thousand Euro)

	The Company			
	<u>1/1 - 30/06/2011</u>	<u>1/1 - 30/06/2010</u>	<u>1/4 - 30/06/2011</u>	<u>1/4 - 30/06/2010</u>
Net profit / (loss)	(1.281)	(3.614)	1.184	(3.132)
<u>Other comprehensive income</u>				
Valuation of available-for-sale financial assets	(40)	(96)	(37)	(71)
Income tax relating to the valuation of available-for-sale financial assets	8	23	7	17
Valuation of derivatives	461	(843)	(828)	(383)
Income tax relating to the valuation of derivatives	(110)	200	166	92
Other comprehensive income / (loss) for the period, net of tax	319	(716)	(692)	(345)
Total comprehensive income / (loss) for the period, net of tax	(962)	(4.330)	492	(3.477)

The accompanying notes are an integral part of these interim condensed financial statements.

S&B Industrial Minerals S.A.
INTERIM STATEMENTS OF FINANCIAL POSITION JUNE 30, 2011
(Amounts in thousand Euro)

	The Group		The Company		
	Note	June 30 2011	December 31 2010	June 30 2011	December 31 2010
ASSETS					
Non-current assets					
Property, plant and equipment		194.554	190.114	104.778	97.828
Investment properties		20.077	20.214	20.077	20.214
Goodwill		82.962	83.437	25.129	25.129
Other intangible assets		20.687	21.748	183	196
Investments in subsidiaries		-	-	133.570	133.570
Investments in associates		10.219	10.724	4.198	4.198
Deferred tax assets		3.201	4.145	1.489	2.016
Available-for-sale financial assets		149	189	149	189
Other non-current assets		2.496	2.429	518	452
		334.345	333.000	290.091	283.792
Current assets					
Inventories		80.436	77.056	26.379	26.908
Trade receivables		60.670	51.743	8.443	7.808
Due from related parties	11	1.415	1.354	3.381	3.943
Income tax receivables		244	181	-	-
Other current assets		22.100	17.613	16.208	13.003
Cash and cash equivalents		41.450	42.724	9.221	1.208
		206.315	190.671	63.632	52.870
Total Assets		540.660	523.671	353.723	336.662
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital		51.111	51.782	51.111	51.782
Share premium		27.000	42.329	27.000	42.329
Treasury shares	16	-	(3.216)	-	(3.216)
Share option plan reserve		1.792	2.237	1.792	2.237
Derivatives valuation reserve		(112)	(463)	(112)	(463)
Other reserves		77.950	85.703	90.266	90.298
Translation of foreign operations		(6.172)	(1.182)	-	-
Retained earnings		83.317	65.207	1.512	2.793
		234.886	242.397	171.569	185.760
Non-controlling interests		411	561	-	-
Total equity		235.297	242.958	171.569	185.760
Non-current liabilities					
Provision for staff leaving indemnities		17.258	19.613	8.214	10.445
Provision for environmental rehabilitation		13.156	12.346	10.934	10.073
Other provisions		2.433	2.273	346	252
Interest-bearing loans and borrowings	15	67.953	119.858	67.953	74.929
Deferred tax liabilities		14.887	14.964	-	-
Government grants		1.875	1.982	1.550	1.623
Other non-current liabilities		1.454	1.605	89	89
		119.016	172.641	89.086	97.411
Current liabilities					
Trade payables		51.073	44.015	15.051	12.620
Due to related parties	11	1.738	2.017	5.006	2.219
Short-term borrowings		2.141	779	1.283	-
Current portion of long-term interest bearing loans and borrowings	15	91.953	35.000	47.000	27.500
Income tax liabilities		3.822	4.805	733	688
Dividends payable		28	25	23	25
Other current liabilities		35.592	21.431	23.972	10.439
		186.347	108.072	93.068	53.491
Total equity and liabilities		540.660	523.671	353.723	336.662

The accompanying notes are an integral part of these interim condensed financial statements.

S&B Industrial Minerals S.A.
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2011
(Amounts in thousand Euro)

		The Group									
		Attributable to Equity holders of the Company									
Note	Share Capital	Share Premium	Treasury Shares	Share option plan reserve	Derivatives valuation reserve	Other reserves	Translation of foreign operations	Retained earnings	Total	Non-controlling interests	Total equity
January 1, 2010	41.426	42.329	(2.268)	1.760	(170)	102.268	(6.294)	50.881	229.932	1.095	231.027
- Profit for the period	-	-	-	-	-	-	-	5.619	5.619	(291)	5.328
- Other comprehensive income / (loss) for the period	-	-	-	-	(643)	(73)	9.418	10	8.712	3	8.715
- Total comprehensive income / (loss) for the period	-	-	-	-	(643)	(73)	9.418	5.629	14.331	(288)	14.043
- Dividends distribution	-	-	-	-	-	(3.314)	-	(1.657)	(4.971)	-	(4.971)
- Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(82)	(82)
- Income tax relating to the future distribution of reserves from tax-exempted income	-	-	-	-	-	(51)	-	-	(51)	-	(51)
- Share based payment	-	-	-	252	-	-	-	-	252	-	252
- Purchase of treasury shares	-	-	(691)	-	-	-	-	-	(691)	-	(691)
June 30, 2010	41.426	42.329	(2.959)	2.012	(813)	98.830	3.124	54.853	238.802	725	239.527
January 1, 2011	51.782	42.329	(3.216)	2.237	(463)	85.703	(1.182)	65.207	242.397	561	242.958
- Profit for the period	-	-	-	-	-	-	-	10.401	10.401	(63)	10.338
- Other comprehensive income / (loss) for the period	-	-	-	-	351	(32)	(4.990)	(12)	(4.683)	(13)	(4.696)
- Total comprehensive income / (loss) for the period	-	-	-	-	351	(32)	(4.990)	10.389	5.718	(76)	5.642
- Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(74)	(74)
- Share based payment	-	-	-	(445)	-	-	-	-	(445)	-	(445)
- Share capital increase from capitalization of share premium	16	12.778	(12.778)	-	-	-	-	-	-	-	-
- Share capital return	16	(12.778)	-	-	-	-	-	-	(12.778)	-	(12.778)
- Share capital decrease	16	(671)	(2.551)	3.222	-	-	-	-	-	-	-
- Purchase of treasury shares	16	-	-	(6)	-	-	-	-	(6)	-	(6)
- Transfers*	-	-	-	-	-	(7.721)	-	7.721	-	-	-
June 30, 2011	51.111	27.000	-	1.792	(112)	77.950	(6.172)	83.317	234.886	411	235.297

* Settlement between Retained earnings and Other reserves related to statutory requirements for German subsidiaries.

The accompanying notes are an integral part of these interim condensed financial statements.

S&B Industrial Minerals S.A.
SEPARATE INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2011
(Amounts in thousand Euro)

		The Company						
<u>Note</u>	Share Capital	Share Premium	Treasury Shares	Share option plan reserve	Derivatives valuation reserve	Other reserves	Retained earnings	Total
January 1, 2010	41.426	42.329	(2.268)	1.760	(170)	104.136	10.797	198.010
- Loss for the period	-	-	-	-	-	-	(3.614)	(3.614)
- Other comprehensive loss for the period	-	-	-	-	(643)	(73)	-	(716)
- Total comprehensive loss for the period	-	-	-	-	(643)	(73)	(3.614)	(4.330)
- Dividends distribution	-	-	-	-	-	(3.314)	(1.657)	(4.971)
- Income tax relating to the future distribution of reserves from tax-exempted income	-	-	-	-	-	(51)	-	(51)
- Share based payment	-	-	-	252	-	-	-	252
-Purchase of treasury shares	-	-	(691)	-	-	-	-	(691)
June 30, 2010	41.426	42.329	(2.959)	2.012	(813)	100.698	5.526	188.219
January 1, 2011	51.782	42.329	(3.216)	2.237	(463)	90.298	2.793	185.760
- Loss for the period	-	-	-	-	-	-	(1.281)	(1.281)
- Other comprehensive income/ (loss) for the period	-	-	-	-	351	(32)	-	319
- Total comprehensive income/ (loss) for the period	-	-	-	-	351	(32)	(1.281)	(962)
- Share based payment	-	-	-	(445)	-	-	-	(445)
- Share capital increase from capitalization of share premium	16 12.778	(12.778)	-	-	-	-	-	-
- Share capital return	16 (12.778)	-	-	-	-	-	-	(12.778)
- Share capital decrease	16 (671)	(2.551)	3.222	-	-	-	-	-
- Purchase of treasury shares	16 -	-	(6)	-	-	-	-	(6)
June 30, 2011	51.111	27.000	-	1.792	(112)	90.266	1.512	171.569

The accompanying notes are an integral part of these interim condensed financial statements.

S&B Industrial Minerals S.A.
STATEMENTS OF CASH FLOWS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2011
(Amounts in thousand Euro)

	Note	The Group		The Company	
		1/1 - 30/06 2011	1/1 - 30/06 2010	1/1 - 30/06 2011	1/1 - 30/06 2010
Cash flows from operating activities					
Profit / (loss) before tax		17.049	10.031	(494)	(3.175)
Adjustments for:					
- Depreciation and amortization		13.514	15.730	7.775	9.546
- Grants amortization		(107)	(77)	(73)	(65)
- Provisions, net		2.108	1.439	1.208	644
- Finance income	6	(313)	(1.194)	(216)	(1.165)
- Finance costs	7	4.476	3.408	3.190	2.347
- Investment income (net of foreign taxes)		-	-	(635)	(205)
- Share of profit of associates		(213)	(415)	-	-
- (Gain) / loss from the disposal of property, plant and equipment		(10)	(74)	19	-
		36.504	28.848	10.774	7.927
(Increase) / Decrease in:					
- Inventories		(4.195)	(137)	(54)	1.626
- Trade receivables		(9.268)	(12.649)	(635)	(3.079)
- Due from related parties		(61)	(528)	562	(6.287)
- Other assets		(4.744)	(4.061)	(3.585)	(2.000)
Increase / (Decrease) in:					
- Trade payables		7.058	8.400	2.431	3.632
- Due to related parties		(279)	370	2.787	126
- Other liabilities		1.044	3.939	947	1.720
Staff leaving indemnities paid		(4.091)	(1.598)	(3.685)	(574)
Payments for environmental rehabilitation		(359)	(405)	(327)	(384)
Income tax paid		(6.891)	(1.815)	(417)	(1.094)
Net cash flows from operating activities		14.718	20.364	8.798	1.613
Cash flows from investing activities					
- Capital expenditure	12	(17.515)	(9.646)	(13.089)	(6.787)
- Business combinations and investments in consolidated entities		-	(615)	-	(7.500)
- Proceeds from the sale of associate		-	550	-	550
- Dividends received		388	32	388	124
- Interest and other finance income received		112	300	15	191
- Proceeds from the settlement of derivatives		166	80	166	80
- Government grants received		-	264	-	-
- Proceeds from the disposal of property, plant and equipment		28	86	1	-
Net cash flows used in investing activities		(16.821)	(8.949)	(12.519)	(13.342)
Cash flows used in financing activities:					
- Purchase of treasury shares		(6)	(691)	(6)	(691)
- Net increase of short-term borrowings		1.363	662	1.283	-
- Proceeds from long-term borrowings	15	20.000	-	20.000	-
- Repayment of long-term borrowings	15	(15.000)	(15.000)	(7.500)	(7.500)
- Dividends paid to the Equity holders of the Company, net of taxes		(2)	(5)	(2)	(5)
- Dividends paid to non-controlling interests		(70)	(97)	-	-
- Interest and other finance costs paid		(2.775)	(2.534)	(1.998)	(1.742)
Net cash flows from / (used in) financing activities		3.510	(17.665)	11.777	(9.938)
- Net foreign exchange difference on cash flows		(1.648)	3.290	(233)	974
Net (decrease)/ increase in cash and cash equivalents		(241)	(2.960)	7.823	(20.693)
Increase in restricted cash		190	-	190	-
Cash and cash equivalents at the beginning of the period		42.724	49.573	1.208	24.619
- Net foreign exchange difference on cash and cash equivalents at the beginning of the period		(1.223)	1.645	-	-
Cash and cash equivalents at period end		41.450	48.258	9.221	3.926

The accompanying notes are an integral part of these interim condensed financial statements.

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**D2. NOTES TO THE INTERIM
CONDENSED FINANCIAL
STATEMENTS**

S&B Industrial Minerals S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF JUNE 30, 2011

(Amounts in thousand Euro, unless otherwise stated)

1. CORPORATE INFORMATION AND ACTIVITIES

The S&B Industrial Minerals S.A. Group of companies (“the Group” or “S&B”) is a Group of companies mainly engaged, through the Greek company S&B Industrial Minerals S.A. (“the Company”) and its subsidiaries, in the extraction, processing, distribution and supply of industrial minerals, the production, distribution and supply of fluxes, the exploration for renewable sources of energy and the management and development of real estate property.

The activities of industrial minerals are related to bentonite, perlite, and bauxite products, to continuous casting fluxes (stollberg) and trading mineral applications such as wollastonite, spodumene, calcined chamotte etc. Principal activities are described in more detail in Note 14.

The Company was incorporated in Greece in 1934 and, since 1994, its shares are quoted on the Athens Exchange. S&B headquarters are located in Kifissia, Attica, 15 A. Metaxa street, P.C. 145 64, Greece. In 1978, the Shareholders Ordinary General Assembly extended the duration of the Company by 50 years up to 2034.

As of June 30, 2011 and 2010 the Group employed 1.969 and 2.006 employees, respectively, while the Company employed 660 and 636 employees, respectively.

2. BASIS OF PRESENTATION OF INTERIM CONDENSED FINANCIAL STATEMENTS

The accompanying interim consolidated and separate financial statements (hereinafter referred to as “the financial statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as endorsed by the European Union and explicitly with the provisions of IAS 34 “Interim Financial Reporting”.

The financial statements are prepared in accordance with the applicable provisions of Greek Corporate Law 2190/1920. There are no standards applied earlier from their effective date. Moreover, the financial statements have been prepared under the historical cost convention, except for financial instruments and available for sale financial assets which are measured at fair value. All amounts in the financial statements are presented in thousand of Euro (“€”) and are rounded to the nearest thousand, unless otherwise stated.

The financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the latest issued annual financial statements as at December 31, 2010.

The financial statements for the six month period ended June 30, 2011 were approved by the Company’s Board of Directors on August 4, 2011.

S&B Industrial Minerals S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF JUNE 30, 2011

(Amounts in thousand Euro, unless otherwise stated)

3. PRINCIPAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements, are consistent with those followed in the preparation of the annual financial statements for the year ended December 31, 2010, except for the below mentioned adoption of amended IFRS and IFRIC interpretations applicable for fiscal periods beginning at January 1, 2011:

- **IAS 32 “Classification on Rights Issues” (Amended)**
- **IAS 24 “Related Party Disclosures” (Revised)**
- **IFRIC 19 “Extinguishing Financial Liabilities with Equity Instruments”**
- **IFRIC 14 “Prepayments of a Minimum Funding Requirement” (Amended)**
- **Improvements to IFRSs (May 2010):** In May 2010, the IASB issued its third omnibus of the following amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording:
 - IAS 1 “Presentation of Financial Statements”:** This amendment clarifies that an entity will present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements.
 - IAS 34 “Interim Financial Reporting”:** This improvement provides guidance to illustrate how to apply disclosure principles in IAS 34 and add disclosure requirements.
 - IFRS 3 “Business Combinations”**
 - IFRS 7 “Financial Instruments: Disclosures”**
 - IAS 27 “Consolidated and Separate Financial Statements”**
 - IFRIC 13 “Customer Loyalty Programmes”**

The adoption of the above amendments had no impact on the interim financial statements of the Group or the Company.

The following standards are issued but not yet effective:

- **IFRS 9 “Financial Instruments - Phase 1 financial assets, classification and measurement”**
- **IFRS 7 “Financial Instruments: Disclosures as part of its comprehensive review of off balance sheet activities” (Amended)**
- **IFRS 10 “Consolidated Financial Statements”**
- **IFRS 11 “Joint Arrangements”**
- **IFRS 12 “Disclosures of Interests in Other entities”**
- **IFRS 13 “Fair Value Measurement”**
- **IAS 12 “Deferred tax: Recovery of Underlying Assets” (Amended)**
- **IAS 19 “Employee Benefits” (Amended)**
- **IAS 27 “Separate Financial Statements” (Amended)**
- **IAS 28 “Investments in Associates and Joint Ventures” (amended)**

The Group management monitors closely the issuance of new standards and amendments and is in the process of assessing their impact on the financial position or performance of the Group.

The Group has not early adopted any other standard, interpretation or amendment that was issued but is not yet effective.

S&B Industrial Minerals S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
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4. ENTITIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

4.1 Consolidation under the full method

The subsidiaries of S&B included in the consolidated financial statements are the following:

Entity	Country	Field of activity	% Participation		Year Established / Acquired
			30/6/2011	31/12/2010	
EUROPE					
S&B Industrial Minerals AD	Bulgaria	Industrial Minerals	99,73%	99,73%	2003
Sibimin Overseas Ltd.	Cyprus	Industrial Minerals	99,99%	99,99%	1996
Cape Trahilas Enterprises Ltd.	Cyprus	Real Estate	75,00%	75,00%	2007
Cape Trahilas One Ltd.	Cyprus	Real Estate	75,00%	75,00%	2007
Cape Trahilas Two Ltd.	Cyprus	Real Estate	75,00%	75,00%	2007
Asian Minerals Ltd.	Cyprus	Holding	100,00%	100,00%	2006
S&B Industrial Minerals S.A.R.L.	France	Industrial Minerals	100,00%	100,00%	2001
Denain Anzin Metallurgie S.A.S. ⁽¹⁾	France	Industrial Minerals	-	100,00%	2004
S&B Industrial Minerals GmbH	Germany	Industrial Minerals	100,00%	100,00%	2001
S&B Holding GmbH	Germany	Holding	100,00%	100,00%	1992
SLS Baustoffe GmbH	Germany	Industrial Minerals	99,80%	99,80%	2001
Askana Ltd.	Georgia	Industrial Minerals	97,70%	97,70%	1998
Isocon S.A.	Greece	Industrial Minerals	60,00%	60,00%	1996
Greek Helicon Bauxites S.A.	Greece	Industrial Minerals	100,00%	100,00%	1995
Cape Trahilas One S.A.	Greece	Real Estate	75,00%	75,00%	2007
Cape Trahilas Two S.A.	Greece	Real Estate	75,00%	75,00%	2007
Cape Trahilas Three S.A.	Greece	Real Estate	75,00%	75,00%	2009
S&B Industrial Minerals Kft	Hungary	Industrial Minerals	100,00%	100,00%	2001
Sarda Perlite S.r.l.	Italy	Industrial Minerals	61,00%	61,00%	2001
S&B Industrial Minerals SP Z.O.O.	Poland	Industrial Minerals	100,00%	100,00%	2006
S&B Industrial Minerals Spain S.L.u.	Spain	Industrial Minerals	100,00%	100,00%	2000
AMERICA					
Stollberg do Brazil Ltda	Brazil	Industrial Minerals	100,00%	100,00%	2004
Milos Island Resort Ltd.	B.V.I.	Real Estate	75,00%	75,00%	2009
S&B Industrial Minerals North America Inc.	U.S.A.	Industrial Minerals	100,00%	100,00%	1999
Stollberg Inc.	U.S.A.	Industrial Minerals	100,00%	100,00%	2004
ASIA					
S&B Industrial Minerals (Henan) Co. Ltd.	China	Industrial Minerals	100,00%	100,00%	1996
Guizhou S&B New-Typed Material Co. Ltd.	China	Industrial Minerals	100,00%	100,00%	2009
S&B Jilin Wollastonite Co Ltd.	China	Industrial Minerals	100,00%	100,00%	2005
S&B Industrial Minerals (Tianjin) Co. Ltd.	China	Industrial Minerals	100,00%	100,00%	2006
Panshi Huanyu Wollastonite Co. Ltd.	China	Industrial Minerals	100,00%	100,00%	2007
Stollberg India Pvt. Ltd	India	Industrial Minerals	100,00%	100,00%	2004
S&B Endustriyel Mineraller A.Ş.	Turkey	Industrial Minerals	99,72%	99,72%	1996
Pabalk Maden A.Ş.	Turkey	Industrial Minerals	98,73%	98,73%	1995
AFRICA					
Naimex S.A.R.L.	Morocco	Industrial Minerals	100,00%	100,00%	2003
S&B Ind. Min. Morocco S.A.R.L.	Morocco	Industrial Minerals	100,00%	100,00%	2008

Footnotes

1. As of January 1, 2011 Denain Anzin Metallurgie S.A.S. was merged with S&B Industrial Minerals S.A.R.L.

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(Amounts in thousand Euro, unless otherwise stated)

4. ENTITIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS
(continued)

4.2 Consolidation under the proportionate method

The jointly controlled entities of S&B included in the consolidated financial statements are the following:

Entity	Country	Field of activity	% Participation		Year Established / Acquired
			30/6/2011	31/12/2010	
EUROPE					
Orykton GmbH	Germany	Industrial Minerals	50,00%	50,00%	2005
Cebo International BV	Netherlands	Holding	50,00%	50,00%	2007
Cebo Holland B.V.	Netherlands	Industrial Minerals	50,00%	50,00%	2007
Cebo Marine B.V.	Netherlands	Industrial Minerals	50,00%	50,00%	2007
Cebo U.K. Ltd	G.Britain	Industrial Minerals	50,00%	50,00%	2007
ASIA					
Stollberg & Samil Co. Ltd.	Korea	Industrial Minerals	50,00%	50,00%	2004
Qing Dao Stollberg & Samil Co.Ltd. (1)	China	Industrial Minerals	48,32%	48,32%	2004
Pergem Mineral A.Ş.	Turkey	Industrial Minerals	50,00%	50,00%	2010

Footnotes

1. Qing Dao Stollberg & Samil Co.Ltd. is fully consolidated in the parent company's financial statements, namely Stollberg & Samil Co. Ltd, (96,64% interest).

4.3 Equity method entities

Entities consolidated under the equity method of accounting are the following:

Associate	Country	Field of activity	% Participation		Year Established / Acquired
			30/6/2011	31/12/2010	
Laviosa Chimica Mineraria S.p.A.	Italy	Industrial Minerals	35,00%	35,00%	1997
Laviosa Sanayi Ve Ticaret Ltd. (1)	Turkey	Industrial Minerals	35,00%	35,00%	2008
Laviosa Trimex Industries Ltd. (1)	India	Industrial Minerals	19,00%	19,00%	2009
Laviosa MPC SAS (1)	France	Industrial Minerals	28,00%	28,00%	2010
Minersarda S.p.A. (1)	Italy	Industrial Minerals	35,00%	35,00%	1993
Laviosa Promasa S.A (2)	Spain	Industrial Minerals	29,52%	29,52%	1997
Xinyang- Athenian Mining Co Ltd. (XAMCO)	China	Industrial Minerals	25,00%	25,00%	1996
Angang Stollberg & Samil Co. Ltd. (3)	China	Industrial Minerals	25,00%	25,00%	2010
Protovoulia Milos S.A.	Greece	Other activities	43,07%	43,07%	2007
Adventus Europe GmbH	Germany	Other activities	42,00%	42,00%	2010

Footnotes

1. Laviosa Sanayi Ve Ticaret Ltd., Laviosa Trimex Industries Ltd, Laviosa MPC SAS and Minersarda S.p.A. are fully consolidated in their parent's, Laviosa Chimica Mineraria S.p.A., financial statements (participation interest 100%, 55%, 80% and 100%, respectively).
2. The Company holds a direct participation interest of 20,10% in the associate Laviosa Promasa S.A. whereas the aggregate interest stated at the above table, derives indirectly due to the fact that the above mentioned company is also consolidated in the financial statements of Laviosa Chimica Mineraria S.p.A.
3. Angang Stollberg & Samil Co. Ltd is consolidated under the equity method in its parent's, Stollberg & Samil Co. Ltd, financial statements (participation interest 50%).

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5. SALES

Sales in the financial statements are analyzed as follows:

	The Group			
	1/1-30/06	1/1-30/06	1/4-30/6	1/4-30/6
	2011	2010	2011	2010
Bentonite	104.195	91.270	55.002	48.702
Perlite	35.794	34.205	18.082	18.713
Continuous casting fluxes	51.888	45.896	25.327	24.005
Minerals trading	21.542	17.021	10.817	9.001
Bauxite	15.591	14.624	8.256	7.616
Other	803	676	497	423
	229.813	203.692	117.981	108.460
	The Company			
	1/1-30/06	1/1-30/06	1/4-30/6	1/4-30/6
	2011	2010	2011	2010
Bentonite	34.184	31.759	19.641	18.738
Perlite	19.536	17.805	9.602	9.358
Bauxite	15.591	14.624	8.256	7.616
Other	803	676	497	423
	70.114	64.864	37.996	36.135

6. FINANCE INCOME

Finance income in the financial statements is analyzed as follows:

	The Group			
	1/1-30/06	1/1-30/06	1/4-30/6	1/4-30/6
	2011	2010	2011	2010
Gains from settlement of derivatives on oil	201	-	160	-
Interest income	112	300	54	227
Foreign exchange gains, net	-	894	-	664
	313	1.194	214	891
	The Company			
	1/1-30/06	1/1-30/06	1/4-30/6	1/4-30/6
	2011	2010	2011	2010
Gains from settlement of derivatives on oil	201	-	160	-
Interest income	15	191	2	166
Foreign exchange gains, net	-	974	-	690
	216	1.165	162	856

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7. FINANCE COSTS

Finance costs in the financial statements are analyzed as follows:

	The Group			
	<u>1/1-30/06</u>	<u>1/1-30/06</u>	<u>1/4-30/6</u>	<u>1/4-30/6</u>
	2011	2010	2011	2010
Interest expense on long term loans and borrowings	2.518	1.519	1.349	625
Foreign exchange loss, net	486	-	49	-
Finance cost of environmental rehabilitation provision	444	353	222	177
Finance cost of staff leaving indemnities provision	438	486	219	243
Bank charges	301	282	210	134
Interest expense on short term borrowings	240	712	162	396
Amortization of loan expenses	49	56	24	28
	<u>4.476</u>	<u>3.408</u>	<u>2.235</u>	<u>1.603</u>
	The Company			
	<u>1/1-30/06</u>	<u>1/1-30/06</u>	<u>1/4-30/6</u>	<u>1/4-30/6</u>
	2011	2010	2011	2010
Interest expense on long term loans and borrowings	1.965	958	1.052	391
Finance cost of environmental rehabilitation provision	423	329	211	164
Foreign exchange losses, net	233	-	54	-
Finance cost of staff leaving indemnities provision	223	255	112	127
Bank charges	132	135	107	38
Interest expense on short term borrowings	190	642	135	357
Amortization of loan expenses	24	28	12	14
	<u>3.190</u>	<u>2.347</u>	<u>1.683</u>	<u>1.091</u>

8. INCOME TAX (CURRENT AND DEFERRED)

Income tax in the financial statements is analyzed as follows:

	The Group			
	<u>1/1-30/06</u>	<u>1/1-30/06</u>	<u>1/4-30/6</u>	<u>1/4-30/6</u>
	2011	2010	2011	2010
Current income tax	5.819	3.833	2.523	2.429
Deferred income tax (income) / expense	892	870	1.127	211
	<u>6.711</u>	<u>4.703</u>	<u>3.650</u>	<u>2.640</u>
	The Company			
	<u>1/1-30/06</u>	<u>1/1-30/06</u>	<u>1/4-30/6</u>	<u>1/4-30/6</u>
	2011	2010	2011	2010
Current income tax	362	634	79	634
Deferred income tax (income) / expense	425	(195)	610	(82)
	<u>787</u>	<u>439</u>	<u>689</u>	<u>552</u>

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8. INCOME TAX (CURRENT AND DEFERRED) (continued)

The unaudited tax years of each company of the Group are as follows:

Entity	Footnote	Country	Unaudited tax years
EUROPE			
S&B Industrial Minerals AD		Bulgaria	2007-2010
S&B Industrial Minerals S.A.R.L.		France	2009-2010
Denain Anzin Metallurgie S.A.S.		France	2006-2010
S&B Industrial Minerals GmbH	(2)	Germany	2006-2010
S&B Holding GmbH	(2)	Germany	2006-2010
SLS Baustoffe GmbH	(2)	Germany	2006-2010
Orykton GmbH		Germany	2010
Askana Ltd.		Georgia	2003-2010
S&B Industrial Minerals S.A.		Greece	2010
Isocon S.A.		Greece	2007-2010
Greek Helicon Bauxites S.A.		Greece	2010
Cape Trahilas One S.A.		Greece	2010
Cape Trahilas Two S.A.		Greece	2010
Cape Trahilas Three S.A.		Greece	2010
S&B Industrial Minerals Spain S.L.u.		Spain	2004-2010
Sarda Perlite S.r.l.		Italy	2004-2010
Sibimin Overseas Ltd.		Cyprus	2006-2010
Asian Minerals Ltd.		Cyprus	2006-2010
Cape Trahilas Enterprises Ltd.		Cyprus	2007-2010
Cape Trahilas One Ltd.		Cyprus	2007-2010
Cape Trahilas Two Ltd.		Cyprus	2007-2010
Cebo International B.V.		Netherlands	2010
Cebo Holland B.V.		Netherlands	2010
Cebo Marine B.V.		Netherlands	2010
Cebo U.K. Ltd.		G. Britain	2010
S&B Industrial Minerals Kft.		Hungary	2004-2010
S&B Industrial Minerals SP Z.O.O.		Poland	2008-2010
AMERICA			
S&B Industrial Minerals North America Inc.	(1)	U.S.A.	2006-2010
Stollberg Inc.	(1)	U.S.A.	2006-2010
Stollberg do Brazil Ltda		Brazil	2004-2010
Milos Island Resort Ltd.		B.V.I.	2009-2010
ASIA			
S&B Industrial Minerals (Henan) Co. Ltd.		China	2008-2010
S&B Jilin Wollastonite Co Ltd.		China	2005-2010
S&B Industrial Minerals (Tianjin) Co. Ltd.		China	2006-2010
Panshi Huanyu Wollastonite Co. Ltd.		China	2007-2010
Qing Dao Stollberg & Samil Co.Ltd.		China	2009-2010
S&B Endustriyel Mineraller A.Ş.		Turkey	2004-2010
Pabalk Maden A.Ş.		Turkey	2004-2010
Stollberg India Pvt. Ltd.		India	2007-2010
Stollberg & Samil Co. Ltd.		Korea	2004-2010
AFRICA			
Naimex S.A.R.L.		Morocco	2006-2010
S&B Ind. Min. Morocco S.A.R.L.		Morocco	2008-2010

Footnotes:

(1) These entities are currently under audit from tax authorities for the year 2008.

(2) These entities are currently under audit from tax authorities for the years 2006-2009.

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9. EXISTING LIENS

No liens exist on the Group's and the Company's assets.

10. PENDING LITIGATION AND ARBITRATION

The Group is a party to various lawsuits and arbitration proceedings in the normal course of business, against which the Group has provided for an amount of € 850 and € 450 as of June 30, 2011 and December 31, 2010, respectively, (€ 825 and € 425 as of June 30, 2011, and December 31, 2010, respectively, for the Company) in the financial statements.

Moreover, by its decisions 8778/07 and 8779/07 the Hellenic Ministry for the Environment, Energy and Climate Change imposed penalties of € 224 and € 168, respectively, to the Company in 2007. The related amounts were paid in 2008. Furthermore, the Company appealed the above decisions before the Administrative Court of Athens which by its decisions 1630/2008 and 1631/2008 accepted the appeals and rejected the initial decisions of the Hellenic Ministry for the Environment, Energy and Climate Change. The above amounts were remitted to the Company in 2009. The pertinent authorities have repeated the procedure and by their decisions 2589/9.7.10 and 2588/9.7.10 have imposed to the Company the same amount of penalties € 224 and € 168, respectively. The amounts were paid within 2010. However, following the aforementioned payment, the Company has appealed against the above decisions before the Administrative Court of Athens.

By a letter dated September 29, 2010, the Secretariat of the International Commercial Chamber (I.C.C.) informed the Company that it has received a request for arbitration from Kerneos S.A. (claimant), a French third party customer. The claimant, on the basis of a 10-year supply of bauxite agreement with the Company, alleges that the Company has breached its contractual obligations due to non-delivery of the quantities stipulated in the said agreement. On the basis of the revised statement of claim submitted on June 29, 2011, the claimant claims the amount of € 4,8 million for late deliveries penalties and € 2,2 million for alleged damages. Based on current circumstances, the Group's Management has reasons to believe that the arbitration process relating to the amount of € 4,8 million will be concluded in favor of the Group. The remaining claim components, in their majority, lack either contractual grounds or appropriate supportive evidence. Thus, based on the aforementioned developments Group Management estimates that a provision of € 0,4 million in the June 30, 2011 financial statements is sufficient to cover for the claim components which may be later substantiated.

Except for these cases, the Group's Management believes that the outcome of any remaining litigation is not expected to have a material adverse effect on the Group's and the Company's financial position and operations.

11. RELATED PARTY TRANSACTIONS

Transactions with related parties are made at arms'-length and mainly relate to operating and partly to investing activities. Outstanding balances at the year-end are unsecured, interest free and are settled in cash within the timeframe agreed. The guarantees provided by S&B to its subsidiaries as June 30, 2011 and December 31, 2010 are analyzed in Note 13. Company's Management has not provided against the receivables due from its subsidiaries or associates as it does not anticipate any doubtfulness of such receivables, except for the case of Askana Ltd. against which a provision for doubtful debts has been established. Intra-group balances and transactions among fully consolidated subsidiaries have been fully eliminated from the financial statements of the Group.

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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
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11. RELATED PARTY TRANSACTIONS (continued)

The following table present balances due from and due to, as well as revenues and expenses, between related parties and the Group:

	The Group			
	Due from		Due to	
	June 30 2011	December 31 2010	June 30 2011	December 31 2010
<u>Associates</u>				
Laviosa Promasa S.A.	530	450	-	-
Xinyang Athenian Mining Co. Ltd	-	-	563	925
Adventus Europe GmbH	39	39	-	-
Laviosa Chimica Mineraria S.p.A.	7	4	-	-
	576	493	563	925
<u>Jointly controlled entities</u>				
Cebo International B.V.	154	-	117	111
Stollberg & Samil Co. Ltd	18	18	21	-
Pergem Mineral A.S.	-	6	-	-
	172	24	138	111
<u>Other related companies</u>				
Haliburton Affiliates LLC.	582	759	139	75
Motodynamics S.A., Group of companies	38	38	-	-
Perlite Hellas S.A.	-	-	797	771
Rescon India Private Ltd.	-	-	101	130
Other	47	40	-	5
	667	837	1.037	981
	1.415	1.354	1.738	2.017
	The Group			
	Revenues		Expenses	
	1/1-30/06 2011	1/1-30/06 2010	1/1-30/06 2011	1/1-30/06 2010
<u>Associates</u>				
Laviosa Promasa S.A.	1.352	1.215	-	-
Laviosa Chimica Mineraria S.p.A.	37	40	-	-
Xinyang Athenian Mining Co. Ltd	-	-	354	310
	1.389	1.255	354	310
<u>Jointly controlled entities</u>				
Cebo International B.V.	774	1.202	292	445
Stollberg & Samil Co. Ltd	5	-	85	105
	779	1.202	377	550
<u>Other related companies</u>				
Haliburton Affiliates LLC.	2.778	2.278	383	269
Rescon India Private Ltd.	-	-	530	503
Perlite Hellas S.A.	-	-	871	1.061
Other	8	7	47	47
	2.786	2.285	1.831	1.880
	4.954	4.742	2.562	2.740

S&B Industrial Minerals S.A.
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11. RELATED PARTY TRANSACTIONS (continued)

The following tables present balances due to and from related parties as well as revenues and expenses with them for the Company:

	The Company			
	Due from		Due to	
	June 30 2011	December 31 2010	June 30 2011	December 31 2010
<u>Direct subsidiaries</u>				
Isocon S.A.	1.897	1.973	-	-
S&B Holding GmbH	96	-	-	-
Greek Helicon Bauxite S.A.	2	12	1.009	923
Sarda Perlite S.r.l.	110	-	596	373
Sibimin Overseas Ltd	5	7	-	-
	2.110	1.992	1.605	1.296
<u>Indirect subsidiaries</u>				
S&B Industrial Minerals GmbH	-	-	2.554	95
S&B Industrial Minerals AD	-	10	759	671
S&B Endustriyel Mineraller A.S.	255	497	83	-
S&B Industrial Minerals S.A.R.L.	19	505	-	-
S&B Industrial Minerals (Henan) Co. Ltd.	12	12	5	6
S&B Industrial Minerals North America Inc.	-	465	-	7
Other	17	11	-	-
	303	1.500	3.401	779
<u>Associates</u>				
Laviosa Promasa S.A.	530	330	-	-
Adventus Europe GmbH	39	39	-	-
Laviosa Chimica Mineraria S.p.A.	7	4	-	-
	576	373	-	-
<u>Other related companies</u>				
Cebo International B.V.	308	-	-	139
Motodynamics S.A., Group of companies	38	38	-	2
Other	46	40	-	3
	392	78	-	144
	3.381	3.943	5.006	2.219

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11. RELATED PARTY TRANSACTIONS (continued)

	The Company			
	Revenues		Expenses	
	1/1-30/06 2011	1/1-30/06 2010	1/1-30/06 2011	1/1-30/06 2010
<u>Direct subsidiaries</u>				
Isocon S.A.	766	1.100	-	-
S&B Holding GmbH	207	319	-	-
Sarda Perlite S.r.l.	110	122	283	175
Sibimin Overseas Ltd	12	14	-	-
Greek Helicon Bauxite S.A.	4	4	197	262
	1.099	1.559	480	437
<u>Indirect subsidiaries</u>				
S&B Industrial Minerals GmbH	10.656	10.406	1	-
S&B Industrial Minerals North America Inc.	9.187	8.611	-	2
S&B Industrial Minerals S.A.R.L.	3.049	2.375	-	-
S&B Endustriyel Mineraller A.S.	849	413	-	-
S&B Industrial Minerals Spain S.L.u.	423	181	-	-
Stollberg Inc.	116	106	-	-
S&B Industrial Minerals AD	4	4	88	107
Other	6	4	-	-
	24.290	22.100	89	109
<u>Associates</u>				
Laviosa Promasa S.A.	1.510	1.247	-	-
Laviosa Chimica Mineraria S.p.A.	266	40	-	-
	1.776	1.287	-	-
<u>Other related companies</u>				
Cebo International B.V.	1.548	2.336	-	-
Other	8	7	47	47
	1.556	2.343	47	47
	28.721	27.289	616	593

Transactions and compensation of key management personnel and Board members of the Group for the six month period ended June 30, 2011 amounted to € 2.467 (€ 2.698 for the six month period ended June 30, 2010). Balances due to key management and Board members as of June 30, 2011 amounted to € 715 (€ 2.037 as of December 31, 2010).

Finally, transactions and compensation of key management and Board members of the Company for the six month period ended June 30, 2011 amounted to € 2.345 (€ 2.516 for the six month period ended June 30, 2010). Balances due to key management and Board members as of June 30, 2011 amounted to € 681 (€ 1.937 as of December 31, 2010).

S&B Industrial Minerals S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF JUNE 30, 2011

(Amounts in thousand Euro, unless otherwise stated)

12. CAPITAL EXPENDITURE

The Group realized capital expenditure for the six month periods ended June 30, 2011 and 2010 of € 17,5 million and € 9,6 million, respectively (the Company realized € 13,1 million and € 6,8 million, respectively).

13. CONTINGENCIES - COMMITMENTS

On June 30, 2011 and December 31, 2010 the Group has issued letters of guarantee for a total amount of € 8,5 million and € 4,9 million, respectively, while the Company has issued letters of guarantee for a total amount of € 3,2 million and € 2,9 million, respectively, relating mainly to mining rights and licenses. Further to the above, the Company as of June 30, 2011 had issued corporate guarantees to banks in favor of certain subsidiaries for the issuance of bank loans to them for a total amount of approximately € 56,7 million (approximately € 64,2 million as of December 31, 2010).

14. OPERATING SEGMENT INFORMATION

For management purposes the Group is organized into divisions based on the nature of the industrial mineral applications. The Group has five reportable profit generating operating segments which are independently managed, plus the Corporate segment. The external segment reporting is based on the Group's organizational and management structure and on key figures of internal financial reporting to the chief operating decision maker who is considered to be the Chief Executive Officer. Therefore, the Group reportable operating segments are summarized as follows:

- **Bentonite segment:** the Bentonite segment supplies bentonite, zeolite, coal and other additives to a wide range of applications, such as foundry sand castings, iron ore pelletising, civil engineering projects, cat litter, paper manufacturing and animal feed. Bentonite is clay with strong colloidal properties, which increases in volume several times when coming into contact with water, creating a gelatinous substance, useful for its binding and rheological properties.
- **Perlite segment:** Perlite is a natural volcanic glassy material formed by rapidly cooled lava that trapped water within its mass, thereby giving perlite its most important physical property, the ability to expand and increase its volume. Perlite has thermal and acoustic insulation properties, as well as high porosity making it an excellent lightweight aggregate, hydroponics media and significant component of acoustical tiles.
- **Continuous Casting Fluxes (C.C.F.) segment:** C.C.F. segment supplies continuous casting fluxes, associated products, and services for the steel industry. Fluxes have a complex composition and are engineered to satisfy the customer needs. They are essential for the operational reliability and high-grade steel production in continuous casting, bottom pouring, ladle and tundish processes.
- **Bauxite segment:** Bauxite is the basic raw material in the production of alumina. The Group leases and owns bauxite mines in the Parnassos and Giona mountain regions, in central Greece and in Italy. The bauxite reserves are of diasporic and boehmitic type.
- **Minerals trading segment:** the Minerals trading segment is a supplier of industrial minerals for the glass, ceramic, metallurgy and refractory industries. Minerals trading segment produces customized products under strict quality control by using its own crushing and milling facilities.
- The **Corporate segment** incorporates all corporate activities, including the exploration for renewable sources of energy and the management and development of real estate property.

S&B Industrial Minerals S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF JUNE 30, 2011

(Amounts in thousand Euro, unless otherwise stated)

14. OPERATING SEGMENT INFORMATION (continued)

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of each segment separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on sales, profit / (loss) before tax and Earnings Before Interest Taxes Depreciation & Amortization (“EBITDA”). It is noted that the Group applies the same accounting policies as those in the financial statements in order to measure the operating segment’s results. Group financing, including finance costs (other than the finance costs of provisions for environmental rehabilitation and staff leaving indemnities) and finance income, as well as income taxes are measured on a group basis and are included in corporate segment without being allocated to the profit generating segments.

Transfer prices between operating segments are on an arm’s length basis in a manner similar to transactions with third parties. Inter-segment sales are eliminated on consolidation.

The following tables present sales and results regarding the Group’s operating segments for the six month periods ended June 30, 2011 and 2010, respectively:

	1/1-30/06/2011				
	Sales			Results	
	Third party	Inter-segment	Total sales	Profit / (loss) before tax	EBITDA
Bentonite	104.195	66	104.261	20.252	25.313
Perlite	35.794	-	35.794	4.597	6.652
C.C.F.	51.888	-	51.888	8.878	10.900
Bauxite	15.591	(1)	15.590	(2.990)	1.421
Minerals trading	21.542	61	21.603	3.226	3.407
Corporate	803	-	803	(16.914)	(13.074)
Eliminations	-	(126)	(126)	-	-
Total	229.813	-	229.813	17.049	34.619
	1/1-30/06/2010				
	Sales			Results	
	Third party	Inter-segment	Total sales	Profit / (loss) before tax	EBITDA
Bentonite	91.270	92	91.362	17.776	22.749
Perlite	34.205	33	34.238	2.417	4.353
C.C.F.	45.896	-	45.896	8.471	10.456
Bauxite	14.624	-	14.624	(7.328)	(585)
Minerals trading	17.021	163	17.184	2.335	2.577
Corporate	676	-	676	(13.640)	(11.652)
Eliminations	-	(288)	(288)	-	-
Total	203.692	-	203.692	10.031	27.898

S&B Industrial Minerals S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF JUNE 30, 2011

(Amounts in thousand Euro, unless otherwise stated)

14. OPERATING SEGMENT INFORMATION (continued)

The following table present segment assets of the Group's operating segments as of June 30, 2011 and December 31, 2010:

	Segment Assets	
	June 30, 2011	December 31, 2010
Bentonite	202.050	195.893
Perlite	76.991	76.210
C.C.F.	79.083	78.760
Bauxite	62.255	56.271
Minerals trading	26.436	23.068
Corporate	93.641	93.330
Eliminations	204	139
Total	540.660	523.671

It is noted that income tax assets (current and deferred), available-for-sale financial assets, derivative financial assets and cash and cash equivalents are included in the Corporate segment.

15. PROCEEDS AND REPAYMENTS OF BANK LOANS

Within June 2011, the Company concluded an agreement for common bond issues of € 20 million, according to the stipulations of the applicable law for common bond loans issues (L. 3156/2003). The above bond loan is of two years tenor with floating interest payments based on Euribor plus spread and will be gradually repaid until maturity date. The Company used the aforementioned loan for general working capital and refinancing needs. Moreover, within June 2011, the Group repaid € 15 million of interest-bearing loans, out of which € 7,5 million related to the Company's bond loans and € 7,5 million to the Group's syndicated loans.

Within March 2011, Company refinanced a bond loan of € 20 million with a 2 year tenor and repayable on maturity.

16. CURRENT PERIOD SIGNIFICANT EVENTS

(in this note all amounts are expressed in Euro, unless otherwise stated)

Acquisition and Cancellation of treasury shares

Within the six-month period, the Company purchased 1.800 common treasury shares, at an average price of € 3,76 per share for an aggregate amount of € 6.761,03. As of June 22, 2011, the Company held 671.513 treasury shares at average price of € 4,8 per share, for a total amount of € 3.222.616,14.

On June 1, 2011 the Shareholders' AGM resolved to decrease the total number of shares from 51.782.200 to 51.110.687 ordinary registered shares, by cancelling 671.513 treasury shares, which have been acquired during the period from June 6, 2008 until January 12, 2011. The aforementioned AGM decision was approved by the competent ministry on June 22, 2011.

Capital return

On March 22, 2011 the Board of Directors of the Company proposed and the Shareholders' General Assembly (AGM) held on June 1, 2011 approved to increase the Company's share capital by the amount of € 12.777.671,75 through the capitalization of an equal amount of the "Share premium account" reserve by increasing the nominal value of each share from the current € 1,00 to € 1,25. The AGM also approved to subsequently decrease the share

S&B Industrial Minerals S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF JUNE 30, 2011

(Amounts in thousand Euro, unless otherwise stated)

16. CURRENT PERIOD SIGNIFICANT EVENTS (continued)

(in this note all amounts are expressed in Euro, unless otherwise stated)

capital of the Company by an equal amount i.e. € 12.777.671,75 through the reduction of the nominal value of each share by € 0,25 and payment of the amount of the capital reduction to the shareholders in cash. The amount of the decrease in the share capital is presented as a liability on the statement of financial position as of June 30, 2011.

Following the above transactions as of June 30, 2011 the Company's share capital amounted to € 51.110.687 divided into 51.110.687 common registered shares of nominal value € 1,00 each.

Share options

On June 1, 2011 the Shareholders' AGM approved the grant of maximum 155.000 share options to certain executives of the Group, in the context of the share based payment plans. The strike price was set to the closing share price at the date of the Shareholders' AGM i.e. € 4,52 per share.

The basic terms of the stock option plans granted to executives of the Group have not been changed in relation to those applied as of December 31, 2010.

Swap contracts

In February 2011, the Company proceeded to the following swap contracts:

- A plain vanilla interest rate swap contract of a notional amount of € 10 million signed for paying fixed interest rate quarterly for 5 years duration and receiving respectively Euribor rate.
- Oil swap contracts signed for buying 96.000 BBL of on IPE Brent settled on a monthly basis until February 2012.

The above derivative financial instruments meet the requirements of cash flow hedges according to IAS 39 "Financial Instruments: Recognition and Measurement" and thus any change in their fair value is recognized directly to other comprehensive income.

All the above derivative financial instruments are measured on Level 2 of the fair value hierarchy and are included in the line "Other current liabilities" in the June 30, 2011 statement of financial position.

New CEO appointment

On April 4, 2011, the Board of Directors of the Company unanimously approved the election of Mr. Kriton Anavlavis, former Group Chief Financial Officer, as a new member to the Board and Chief Executive Officer (CEO) of the Company.

17. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On July 25, 2011, the amount of capital return of € 12.777.671,75 (Note 16) was paid to the Company's shareholders.

S&B Industrial Minerals S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF JUNE 30, 2011

(Amounts in thousand Euro, unless otherwise stated)

18. FOREIGN EXCHANGE RATES

The foreign exchange rates used for the translation of the subsidiaries financial statements expressed in foreign currency are as follows:

	FINANCIAL POSITION		
	June 30 2011	December 31 2010	Δ%
1 € = USD	1,4453	1,3362	8%
1 € = GBP	0,9026	0,8608	5%
1 € = BGN	1,9558	1,9558	0%
1 € = HUF	266,11	277,95	-4%
1 € = TRY	2,350	2,069	14%
1 € = CNY	9,3416	8,8220	6%
1 € = GEL	2,3380	2,3440	0%
1 € = KRW	1.560,50	1.513,60	3%
1 € = BRL	2,2667	2,2280	2%
1 € = INR	64,723	59,821	8%
1 € = MAD	11,3149	11,1675	1%
1 € = PLN	3,9903	3,9750	0%
	COMPREHENSIVE INCOME		
	Average rate six month 2011	Average rate six month 2010	Δ%
1 € = USD	1,4033	1,3268	6%
1 € = GBP	0,8682	0,8700	0%
1 € = BGN	1,9558	1,9558	0%
1 € = HUF	269,45	271,69	-1%
1 € = TRY	2,208	2,021	9%
1 € = CNY	9,1755	9,0567	1%
1 € = GEL	2,400	2,336	3%
1 € = KRW	1.545,62	1.531,21	1%
1 € = BRL	2,2923	2,3836	-4%
1 € = INR	63,112	60,673	4%
1 € = MAD	11,2540	11,1381	1%
1 € = PLN	3,9527	4,0020	-1%

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E. ADDITIONAL INFORMATION

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S&B Industrial Minerals S.A.

Company's No 110/06/B/86/11 in the register of Societes Anonymes - Andrea Metaxa 15 - 145 64 Kifissia

FINANCIAL DATA AND INFORMATION FOR THE PERIOD 1 JANUARY - 30 JUNE 2011

(In accordance with 4/507/28.04.2009 resolution of the Greek Capital Market Committee)

(Amounts in Euro thousand unless otherwise stated)

The purpose of the below data and information is to provide users with general financial information about the financial position and the results of operations of S&B Industrial Minerals S.A. and the Group of companies of S&B Industrial Minerals S.A. We advise the readers that, before proceeding to any kind of investing activity or other transaction with the Company, to access the company's web site www.sandb.com where the financial statements are published together with the auditor's review report, whenever is required.

Company's website: www.sandb.com

Board of Directors approval date of financial statements: August 4, 2011

Certified Auditors/Accountants:

Auditing firm:

Type of auditors report:

PANOS PAPAZOGLU, IOANNIS PSICHOUNTAKIS

ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS

Unqualified opinion

STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
	30/6/2011	31/12/2010	30/6/2011	31/12/2010
ASSETS				
Property, Plant & Equipment	194.554	190.114	104.778	97.828
Investment properties	20.077	20.214	20.077	20.214
Intangible assets	108.649	105.185	25.312	25.325
Other non current assets	15.916	17.298	133.775	140.036
Inventories	80.426	77.056	26.379	26.908
Trade receivables	60.670	51.743	8.443	7.908
Other current assets	23.759	19.448	19.589	16.946
Cash and cash equivalents	41.450	42.724	9.221	1.208
Available for sale financial assets	149	189	149	189
TOTAL ASSETS	540.660	523.671	353.723	336.662
EQUITY AND LIABILITIES				
Share capital	51.111	51.782	51.111	51.782
Share premium	27.000	42.229	27.000	42.229
Other equity components	156.775	148.286	33.458	31.649
Total equity attributable to owners of the Company (a)	234.886	242.297	171.569	185.760
Minority interests (b)	411	361	-	-
Total equity (c)=(a)+(b)	235.297	242.658	171.569	185.760
Long-term interest-bearing loans and borrowings	67.953	119.858	67.953	74.529
Provisions/Other non current liabilities	54.063	52.783	21.120	22.482
Short-term borrowings	94.094	35.779	48.283	27.500
Other current liabilities	92.053	72.093	44.785	25.991
Total liabilities (d)	305.363	280.713	182.154	150.902
TOTAL EQUITY AND LIABILITIES (e)=(a)+(d)	540.660	523.671	353.723	336.662

CONDENSED STATEMENT OF CHANGES IN EQUITY

	GROUP		COMPANY	
	30/6/2011	30/6/2010	30/6/2011	30/6/2010
Equity at beginning of the period (1/1/2011 and 1/1/2010 respectively)	242.958	231.027	185.760	198.010
Total comprehensive income/(loss) for the period	5.642	14.043	-962	-4.330
Dividend distribution	-74	-5.056	-	-4.971
Share capital increase	-	-	12.778	-
Share capital decrease	3.022	-	-3.022	-
Share capital return	-12.778	-	-12.778	-
Share premium decrease	-12.778	-	-12.778	-
Purchase of treasury shares	6	691	6	691
Cancellation of treasury shares	3.022	-	3.022	-
Share based payment	-445	252	-445	252
Income tax relating to the future distribution of reserves from tax-exempted income	-	51	-	51
Equity at period end (30/6/2011 and 30/6/2010 respectively)	235.297	239.527	171.569	188.219

ADDITIONAL DATA AND INFORMATION

- Companies included in the consolidated financial statements together with country of establishment, participation interest and method of consolidation for the three month period ended June 30, 2011 are presented in note 4 of the six month financial report.
- The fiscal years that are unaudited by the tax authorities for the Company and the Group's subsidiaries are presented in detail in note 8 of the six month financial report.
- Number of employees at the end of the reporting period: Group 1.969 (30.6.2010: 2.006) and 660 for the Company (30.6.2010: 636).
- Related party transactions for the first six months of 2011 and balances with related parties as of June 30, 2011 according to I.A.S. 24 are as follows:

	Group	Company
a) Revenues	4.954	28.721
b) Expenses	2.562	616
c) Receivables from related parties	1.415	3.381
d) Payables to related parties	1.738	5.006
e) Key management personnel compensations	2.487	2.345
f) Receivables from key management personnel	0	0
g) Payables to key management personnel	715	681
- Other comprehensive (expense)/income for the period 1.1 - 30.6.2011 is as follows:

	Group	Company
Translation of foreign operations:		
- Subsidiaries	-5.254	0
- Associates	239	0
Valuation of available-for-sale financial assets	40	40
Valuation of derivatives	461	461
Income tax relating to the valuation of available-for-sale financial assets	8	8
Income tax relating to the valuation of derivatives	-110	-110
- Provisions of the Group and the Company as of 30.6.2011 are as follows:

	Group	Company
a) Provision for litigation and arbitration	850	825
b) Provision for unaudited tax years	1.244	900
c) Other provisions	2.023	250
- No liens exist on the Parent's and the Group's assets.
- Within the normal course of business of the Company and the Group, court decisions on pending lawsuits, applications and appeals are not expected to have a substantial adverse effect on the Company's and the Group's financial position (note 10 of the six month financial report).
- (In this note all amounts are expressed in Euro):

The Shareholders' General Assembly (AGM) held on June 1, 2011 approved to increase the Company's share capital by the amount of € 12.777.671,75 through the capitalization of an equal amount of the "Share premium account" reserve by increasing the nominal value of each share from the current € 1,00 to € 1,25. The AGM also approved to subsequently decrease the share capital of the Company by an equal amount i.e. € 12.777.671,75 through the reduction of the nominal value of each share by € 0,25 and payment of the amount of the capital reduction to the shareholders. In each. The aforementioned amount is presented as a liability on the statement financial position as of June 30, 2011. Following the above transactions as of June 30, 2011 the Company's share capital amounted to € 51.110.687 divided into 51.110.687 common registered shares of nominal value € 1,00 each (note 16 of the six month financial report).

Within the period, the Company purchased 1.800 common treasury shares, at an average price of € 3,76 per share for an aggregate amount of € 6.761,00. As of June 30, 2011, the Company held 674.519 treasury shares, at average price of € 4,8 per share, for a total amount of € 3.232.616,14. On June 1, 2011 the Shareholders' AGM resolved to decrease the total number of shares from 51.782.200 to 51.110.687 ordinary registered shares, by cancelling 671.513 treasury shares, which have been acquired during the period from June 6, 2008 until January 12, 2011. The aforementioned AGM decision was approved by the competent ministry on June 22, 2011 (note 16 of the six month financial report).
- As of 1st January, 2011 Denain Andin Metallurgies S.A.S. was merged into S&B Industrial Minerals S.A.R.L. (note 4 of the six month financial report).

STATEMENT OF COMPREHENSIVE INCOME

	GROUP			
	11-30/6/2011	11-30/6/2010	11-30/6/2011	11-30/6/2010
Sales	229.813	203.692	117.981	108.460
Gross profit	56.156	43.412	29.718	21.125
Profit before income tax, financial and investment results	24.212	12.045	11.906	4.771
Profit before tax	17.049	10.021	9.885	4.059
Net profit (A)	10.328	5.328	6.235	1.419
Attributable to:				
- Owners of the company	10.401	5.619	6.284	1.582
- Non controlling interests	-69	-291	-	-
Other comprehensive (loss)/income for the period (B)	-4.696	8.715	-1.845	5.204
Total other comprehensive income for the period (A) + (B)	5.642	14.043	4.390	6.623
Attributable to:				
- Owners of the company	5.718	14.331	4.443	6.782
- Non controlling interests	-76	-288	-53	-159
Net Earnings per share - basic (in €)	0,2085	0,1096	0,1229	0,0309
Total before income tax, financial and investment results, depreciation and amortization	34.619	27.899	18.275	14.800
	COMPANY			
	11-30/6/2011	11-30/6/2010	11-30/6/2011	11-30/6/2010
Sales	70.114	64.864	37.996	36.135
Gross profit	16.941	10.118	10.212	3.912
Profit/(loss) before income tax, financial and investment results	1.792	-2.206	2.706	-2.538
(Loss)/profit before tax	-494	-3.175	1.873	-2.580
Net (loss)/profit (A)	-1.281	-3.614	1.184	-3.132
Attributable to:				
- Owners of the company	-1.281	-3.614	1.184	-3.132
Other comprehensive income/(loss) for the period (B)	319	-716	692	-345
Total other comprehensive (loss)/income for the period (A) + (B)	962	-4.330	492	-3.477
Attributable to:				
- Owners of the company	962	-4.330	492	-3.477
Net (Losses)/Earnings per share - basic (in €)	-0,0251	-0,0705	0,0232	-0,0611
Profit before income tax, financial and investment results, depreciation and amortization	9.499	7.875	6.265	4.187

CASH FLOW STATEMENT

	GROUP		COMPANY	
	11-30/6/2011	11-30/6/2010	11-30/6/2011	11-30/6/2010
Indirect Method				
Cash flows from operating activities				
Profit/(loss) before tax	17.049	10.021	-494	-3.175
Adjustments for:				
- Depreciation and amortization	19.514	15.730	7.775	9.546
- Grants amortization	-107	-77	-73	-65
- Provisions, net	2.108	1.439	1.038	644
- Finance income	-319	-194	-216	-1.165
- Finance costs	4.476	3.408	3.190	2.347
- Investment income (net of foreign taxes)	-	-	-635	-205
- Share of profit of associates	-210	-415	-	-
- (Gain)/Loss from disposal of property, plant and equipment	-10	-74	19	-
	36.504	28.848	10.774	7.927
(Increase) / Decrease in:				
- Inventories	-4.195	-137	54	1.626
- Trade receivables	-9.268	-12.649	-635	-3.079
- Due from related parties	-61	-528	562	6.287
- Other assets	-4.744	-4.061	-3.585	-2.000
Increase / (Decrease) in:				
- Trade payables	7.058	8.400	2.431	3.632
- Due to related parties	-279	270	2.787	135
- Other liabilities	1.044	3.929	847	1.720
- Staff leaving indemnities paid	-4.091	-1.598	-3.685	-574
- Payments for environment rehabilitation	-359	-405	-327	-384
- Income tax paid	-6.891	-1.815	-417	-1.094
Net cash flows from operating activities (a)	14.718	20.264	8.798	1.619
Cash flows from investing activities				
- Capital expenditure	-17.515	-9.646	-13.089	-6.787
- Business combinations and investments in consolidated entities	-	-615	-	-7.500
- Proceeds from the sale of an associate	-	550	-	550
- Dividends received	388	32	388	124
- Interest and other finance income received	112	300	15	191
- Derivative income received	166	80	166	80
- Government grants received	-	264	-	-
- Proceeds from disposal of property, plant and equipment	29	85	4	-
Net cash flow used in investing activities (b)	-16.821	-8.949	-12.519	-13.242
Cash flows from financing activities				
- Purchase of treasury shares	-6	-691	-6	-691
- Net increase of short-term borrowing	1.363	662	1.283	-
- Proceeds from long-term borrowing	20.000	-	20.000	-
- Repayment of long-term borrowing	-15.000	-15.000	-7.500	-7.500
- Dividends paid to equity holders of the Co., net of taxes	-2	-5	-2	-5
- Dividends paid to non controlling interests	-70	97	-	-
- Interest and other finance costs paid	-2.775	-2.534	-1.998	-1.742
Net cash flows from/(used in) financing activities (c)	3.510	-17.665	11.777	-9.938
Net (decrease)/increase exchange difference on cash flows (d)	-1.648	3.290	-233	974
Net (decrease)/increase in cash and cash equivalents (a) + (b) + (c) + (d)	-241	-2.960	7.822	-20.692
Increase in restricted cash	190	-	190	-
Cash and cash equivalents at the beginning of the period	42.724	49.573	1.208	24.619
- Net foreign exchange difference on cash and cash equivalents at the beginning of the period	-1.223	-1.645	-	-
Cash and cash equivalents at period end	41.450	48.258	9.221	3.926

Kifissia, August 4, 2011

THE CHAIRMAN OF THE BOARD OF DIRECTORS

THE CHIEF EXECUTIVE OFFICER

THE CONTROLLER GREECE

ULYSSES P. KYRIACOPOULOS
ID No. AH 042868

KRITON ST. ANAVLAIVIS
ID No. IT 062025

NIKOLAOS CH. IOAKIM
A'CLASS LICENSE No 0002714

GNN 210/0222848