INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY - 30 SEPTEMBER 2011

OF THE COMPANY AND THE GROUP HERACLES G.C.C.

IN ACCORDANCE WITH L.3556/2007 AND THE RELATED DECISIONS OF THE BOARD OF DIRECTORS OF THE CAPITAL MARKET COMMITTEE

HERACLES G.C.C.
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CONDENSED INCOME STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2011

Amounts in Euro thousand	NOTE	GROUP		COMPANY	
		1/1-30/9/2011	1/1-30/9/2010	1/1-30/9/2011	1/1-30/9/2010
Operating results					
Turnover	5	215.007	305.113	186.226	266.095
Cost of sales		(177.553)	(239.886)	(154.554)	(209.828)
Gross profit / (loss)		**37.454**	**65.227**	**31.672**	**56.267**
Administrative & distribution expenses		(35.232)	(42.103)	(22.757)	(25.427)
Other operating income/(expenses)	6	(33.295)	(17.201)	(30.527)	(18.393)
Operating profit / (loss)		**(31.073)**	**5.923**	**(21.612)**	**12.447**
Finance income/(expenses)		(1.414)	(3.979)	1.189	792
Profit / (loss) for the period before tax		**(32.487)**	**1.944**	**(20.423)**	**13.239**
Income tax	8	261	(16.036)	360	(15.163)
Net profit / (loss) for the period after tax	5	**(32.226)**	**(14.092)**	**(20.063)**	**(1.924)**
Allocated to:					
Non controlling interest		**(92)**	**31**	**0**	**0**
Company's Shareholders		**(32.134)**	**(14.123)**	**(20.063)**	**(1.924)**
		(32.226)	**(14.092)**	**(20.063)**	**(1.924)**
Number of shares		71.082.707	71.082.707	71.082.707	71.082.707
Earnings/ (losses) per share (in €)	9	(0,45)	(0,20)	(0,28)	(0,03)

Amounts in Euro thousand	GROUP		COMPANY	
	1/7/2011-30/9/2011	1/7/2010-30/9/2010	1/7/2011-30/9/2011	1/7/2010-30/9/2010
Operating results				
Turnover	67.554	92.882	58.172	81.174
Cost of sales	(39.350)	(74.487)	(32.192)	(65.878)
Gross profit	**28.204**	**18.395**	**25.980**	**15.296**
Administrative & distribution expenses	(10.059)	(12.186)	(6.281)	(6.334)
Other operating income/(expense)	(2.718)	(14.706)	(1.610)	(15.159)
Operating profit / (loss)	**15.427**	**(8.497)**	**18.089**	**(6.197)**
Finance income/(expense)	53	(2.264)	757	(928)
Profit /(loss) for the period before tax	**15.480**	**(10.761)**	**18.846**	**(7.125)**
Income tax	(4.945)	(862)	(4.731)	(502)
Net profit /(loss) for the period after tax	**10.535**	**(11.623)**	**14.115**	**(7.627)**
Allocated to:				
Non controlling interest	**95**	**(17)**	**0**	**0**
Company's Shareholders	**10.440**	**(11.606)**	**14.115**	**(7.627)**
	10.535	**(11.623)**	**14.115**	**(7.627)**
Number of shares	71.082.707	71.082.707	71.082.707	71.082.707
Earnings /(losses) per share (in €)	0,15	(0,16)	0,20	(0,11)

Notes from page 8 through to page 22 form an integral part of the Company and Group interim Financial Statements.

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2011

Amounts in Euro thousand	GROUP		COMPANY	
	30/9/2011	30/9/2010	30/9/2011	30/9/2010
Net profit / (loss) for the period after tax	**(32.226)**	**(14.092)**	**(20.063)**	**(1.924)**
Profit / (loss) from derivative financial instruments recognised directly in equity, net of deferred tax	661	609	661	609
Actuarial gain / (loss) recognised directly in equity, net of deferred tax	915	(933)	915	(937)
Witheld tax on the capitalization of retained earnings	0	(538)	0	(538)
Other equity movements	(34)	(307)	0	(9)
Other comprehensive income for the period, net of tax	**1.542**	**(1.169)**	**1.576**	**(875)**
Total comprehensive income for the period, net of tax	**(30.684)**	**(15.261)**	**(18.487)**	**(2.799)**

Amounts in Euro thousand	GROUP		COMPANY	
	1/7/2011-30/9/2011	1/7/2010-30/9/2010	1/7/2011-30/9/2011	1/7/2010-30/9/2010
Net profit / (loss) after tax	**10.535**	**(11.623)**	**14.115**	**(7.627)**
Profit / (loss) from derivative financial instruments recognised directly in equity, net of deferred tax	417	345	417	345
Actuarial gain / (loss) recognised directly in equity, net of deferred tax	0	(3)	0	0
Other equity movements	63	(311)	0	0
Other comprehensive income for the period, net of tax	**480**	**31**	**417**	**345**
Total comprehensive income for the period, net of tax	**11.015**	**(11.592)**	**14.532**	**(7.282)**

Notes from page 8 through to page 22 form an integral part of the Company and Group interim Financial Statements.

CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2011

Amounts in Euro thousand	NOTE	GROUP		COMPANY	
		30/9/2011	31/12/2010	30/9/2011	31/12/2010
Fixed assets					
Goodwill		29.480	29.480	0	0
Intangible assets	11	3.387	4.048	1.049	1.485
Tangible assets	11	464.124	511.198	427.839	473.514
Investments in associates and subsidiaries	12	0	0	81.168	81.168
Other investments	12	56	55	56	55
Other non-current receivables		17.125	15.325	44.263	39.799
Deferred tax asset	8	3.605	548	3.075	0
Total fixed assets		**517.777**	**560.654**	**557.450**	**596.021**
Current assets					
Inventories		60.926	56.364	54.566	50.236
Trade and other receivables		142.126	131.129	106.060	96.650
Derivative financial instruments		645	2.368	645	2.368
Fixed assets available for sale	11	9.044	9.044	9.044	9.044
Cash and cash equivalents		132.577	138.002	117.864	125.962
Income tax receivable		5.882	5.333	4.818	4.109
Total current assets		**351.200**	**342.240**	**292.997**	**288.369**
Total assets		**868.977**	**902.894**	**850.447**	**884.390**
Non-current liabilities					
Provision for staff termination indemnity		57.553	57.354	54.150	54.117
Other non-current provisions		20.575	20.558	37.287	36.082
Deferred tax liabilities	8	576	2.946	0	2.390
Finance lease liabilities		261	221	60	126
Total non-current liabilities		**78.965**	**81.079**	**91.497**	**92.715**
Current liabilities					
Provision for staff termination indemnity		6.544	4.658	6.316	3.979
Trade and other payables		106.335	122.118	94.746	108.622
Income tax liability		40	103	0	0
Finance lease liabilities		344	187	75	31
Other current provisions		1.654	871	1.180	547
Derivative financial instruments		1.112	3.722	1.112	3.722
Dividends payable		138	138	138	138
Bank loans	13	58.120	43.609	251	1.017
Total current liabilities		**174.287**	**175.406**	**103.818**	**118.056**
Total liabilities		**253.252**	**256.485**	**195.315**	**210.771**
Equity					
Share capital		190.502	190.502	190.502	190.502
Share premium		1.279	1.279	1.279	1.279
Reserves		174.696	174.696	162.170	162.170
Derivatives valuation reserve		(380)	(1.041)	(380)	(1.041)
Retained earnings		249.658	280.911	301.561	320.709
Total Shareholders' equity		**615.755**	**646.347**	**655.132**	**673.619**
Non controlling interest		(30)	62	0	0
Total equity		**615.725**	**646.409**	**655.132**	**673.619**
Total liabilities and equity		**868.977**	**902.894**	**850.447**	**884.390**

Notes from page 8 through to page 22 form an integral part of the Company and Group interim Financial Statements.

CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2011

Amounts in Euro thousand

GROUP	Share capital	Share premium	Reserves	Derivatives valuation reserve	Retained earnings	Non controlling interest	Total
Balance at 1/1/2011	**190.502**	**1.279**	**174.696**	**(1.041)**	**280.911**	62	**646.409**
Profit / (loss) for the period	0	0	0	0	(32.134)	(92)	**(32.226)**
Profit / (loss) from derivative financial instruments recognised directly in equity	0	0	0	661	0	0	**661**
Actuarial gain / (loss), net of deferred tax	0	0	0	0	915	0	**915**
Other equity movements	0	0	0	0	(34)	0	**(34)**
Balance at 30/9/2011	**190.502**	**1.279**	**174.696**	**(380)**	**249.658**	**(30)**	**615.725**
Balance at 1/1/2010	**142.165**	**1.279**	**171.058**	**(1.136)**	**397.118**	**0**	**710.484**
Profit / (loss) for the period	0	0	0	0	(14.123)	**31**	**(14.092)**
Dividends	0	0	0	0	(20.614)	0	**(20.614)**
Increase of share capital	48.337	0	0	0	(48.337)		**0**
Distribution of profits	0	0	3.830	0	(3.830)	0	**0**
Profit / (loss) from derivative financial instruments recognised directly in equity	0	0	0	609	0	0	**609**
Actuarial gain / (loss), net of deferred tax	0	0	0	0	(933)	0	**(933)**
Witheld tax on the capitalization of retained earnings	0	0	0	0	(538)	0	**(538)**
Other equity movements	0	0	(192)	0	(224)	109	**(307)**
Balance at 30/9/2010	**190.502**	**1.279**	**174.696**	**(527)**	**308.519**	**140**	**674.609**

Amounts in Euro thousand

COMPANY	Share capital	Share premium	Reserves	Derivatives valuation reserve	Retained earnings	Total
Balance at 1/1/2011	**190.502**	**1.279**	**162.170**	**(1.041)**	**320.709**	**673.619**
Profit / (loss) for the period	0	0	0	0	(20.063)	**(20.063)**
Profit / (loss) from derivative financial instruments recognised directly in equity	0	0	0	661	0	**661**
Actuarial gain / (loss), net of deferred tax	0	0	0	0	915	**915**
Balance at 30/9/2011	**190.502**	**1.279**	**162.170**	**(380)**	**301.561**	**655.132**
Balance at 1/1/2010	**142.165**	**1.279**	**158.340**	**(1.136)**	**417.571**	**718.219**
Profit / (loss) for the period	0	0	0	0	(1.924)	**(1.924)**
Dividends	0	0	0	0	(20.614)	**(20.614)**
Increase of share capital	48.337	0	0	0	(48.337)	**0**
Distribution of profits	0	0	3.830	0	(3.830)	**0**
Profit / (loss) from derivative financial instruments recognised directly in equity	0	0	0	609	0	**609**
Actuarial gain / (loss), net of deferred tax	0	0	0	0	(937)	**(937)**
Witheld tax on the capitalization of retained earnings	0	0	0	0	(538)	**(538)**
Other equity movements	0	0	0	0	(9)	**(9)**
Balance at 30/9/2010	**190.502**	**1.279**	**162.170**	**(527)**	**341.382**	**694.806**

Notes from page 8 through to page 22 form an integral part of the Company and Group interim Financial Statements.

CONDENSED STATEMENT OF CASH FLOWS (Indirect Method) FOR THE PERIOD ENDED 30 SEPTEMBER 2011

Amounts in Euro thousand	GROUP		COMPANY	
	1/1-30/9/2011	1/1-30/9/2010	1/1-30/9/2011	1/1-30/9/2010
Operating activities				
Profit / (loss) before tax	(32.487)	1.944	(20.423)	13.239
Plus / less adjustments for:				
Depreciation	33.980	35.318	31.338	32.573
Impairment of tangible and intangible fixed assets	21.226	0	21.226	0
Provisions	15.352	15.634	14.921	15.614
Foreign exchange differences	1.167	(1.597)	1.089	(1.597)
Gain /(loss) from derivatives valuation	15	261	15	261
Income / (expenses), profit / (losses) from investing activities	(461)	(2.005)	(1.184)	(4.641)
Interest and related expenses	2.240	6.229	346	3.301
Plus/ less adjustments for changes in working capital accounts or relevant with operating activities:				
Decrease / (increase) in inventories	(9.723)	(8.149)	(9.491)	(7.412)
Decrease / (increase) in receivables	(18.172)	(31.158)	(17.543)	(26.957)
(Decrease) / increase in liabilities (excl. bank loans)	(11.718)	(7.453)	(10.499)	(3.092)
Less :				
Interest and related expenses paid	(2.093)	(6.732)	(236)	(3.179)
Taxes paid	(5.842)	(14.473)	(5.450)	(14.308)
Total inflow / (outflow) from operating activities (a)	**(6.516)**	**(12.181)**	**4.109**	**3.802**
Investing activities				
Acquisition of subsidiaries, affiliates, joint-ventures and other investments	0	(52)	(1)	0
Purchases of tangible and intangible fixed assets	(14.874)	(10.921)	(13.316)	(9.468)
Proceeds from disposals of tangible and intangible assets	678	1.907	484	958
Proceeds (payments) from the sale (purchase) of investments (shares, securities)	200	518	0	0
Interest received	758	1.268	1.424	1.662
Dividends received	0	0	0	1.434
Total inflow / (outflow) from investing activities (b)	**(13.238)**	**(7.280)**	**(11.409)**	**(5.414)**
Financing activities				
Loan proceeds	56.177	70.900	0	0
Loan repayments	(41.666)	(57.400)	(766)	(2.385)
Payments of obligations under finance leases	(182)	(184)	(32)	(17)
Dividends paid	0	(20.385)	0	(20.385)
Total inflow /(outflow) from finance activities (c)	**14.329**	**(7.069)**	**(798)**	**(22.787)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (a)+(b)+(c)	**(5.425)**	**(26.530)**	**(8.098)**	**(24.399)**
Cash and cash equivalents at the beginning of the period	**138.002**	**192.120**	**125.962**	**177.178**
Cash and cash equivalents at the end of the period	**132.577**	**165.590**	**117.864**	**152.779**

Notes from page 8 through to page 22 form an integral part of the Company and Group interim Financial Statements.

1. GENERAL INFORMATION

HERACLES GENERAL CEMENT COMPANY (the Company) has been incorporated in Greece under the Company Law 2190/1920, with its registered office located in the Municipality of Paiania, Attica, 19,3 km Markopoulou Avenue. The majority shareholding (88,99% as at 30/9/2011) in the Company is held by the LAFARGE Group, France.

The HERACLES G.C.C. Group (the Group) operates mainly in the production and trading of cement, concrete and other construction materials. The interim Financial Statements are presented in Euro thousand, unless otherwise stated, which is the currency of the primary economic environment, in which the Group operates.

2. BASIS OF PREPARATION

The interim condensed Financial Statements have been prepared in accordance with International Accounting Standard IAS 34, "Interim Financial Reporting".

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS OF EXISTING STANDARDS

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations effective for the current financial year

IAS 24 (Revised) "Related Party Disclosures"
This amendment attempts to reduce disclosures of transactions between government-related entities and clarify related-party definition. More specifically, it removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities, clarifies and simplifies the definition of a related party and requires the disclosure not only of the relationships, transactions and outstanding balances between related parties, but of commitments as well in both the consolidated and the individual Financial Statements. This revision does not affect the Group's Financial Statements.

IAS 32 (Amendment) "Financial Instruments: Presentation"
This amendment clarifies how certain rights issues should be classified. In particular, based on this amendment, rights, options or warrants to acquire a fixed number of the entity's own equity instruments for a fixed amount of any currency are equity instruments if the entity offers the rights, options or warrants pro rata to all of its existing owners of the same class of its own non-derivative equity instruments. This amendment is not relevant to the Group.

IFRIC 19 "Extinguishing Financial Liabilities with Equity Instruments"
This interpretation addresses the accounting by the entity that issues equity instruments to a creditor in order to settle, in full or in part, a financial liability. This interpretation is not relevant to the Group.

IFRIC 14 (Amendment) "The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction"
The amendments apply in limited circumstances: when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendments permit such an entity to treat the benefit of such an early payment as an asset. This interpretation is not relevant to the Group.

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS OF EXISTING STANDARDS (Continued)

Amendments to standards that form part of the IASB's 2010 annual improvements project

The amendments set out below describe the key changes to IFRSs following the publication in May 2010 of the results of the IASB's annual improvements project. Unless otherwise stated the following amendments do not have a material impact on the Group's Financial Statements.

IFRS 3 "Business Combinations"
The amendments provide additional guidance with respect to: (i) contingent consideration arrangements arising from business combinations with acquisition dates preceding the application of IFRS 3 (2008); (ii) measuring non-controlling interests; and (iii) accounting for share-based payment transactions that are part of a business combination, including un-replaced and voluntarily replaced share-based payment awards.

IFRS 7 "Financial Instruments: Disclosures"
The amendments include multiple clarifications related to the disclosure of financial instruments.

IAS 1 "Presentation of Financial Statements"
The amendment clarifies that entities may present an analysis of the components of other comprehensive income either in the statement of changes in equity or within the notes.

IAS 27 "Consolidated and Separate Financial Statements"
The amendment clarifies that the consequential amendments to IAS 21, IAS 28 and IAS 31 resulting from the 2008 revisions to IAS 27 are to be applied prospectively.

IAS 34 "Interim Financial Reporting"
The amendment places greater emphasis on the disclosure principles that should be applied with respect to significant events and transactions, including changes to fair value measurements, and the need to update relevant information from the most recent annual report.

IFRIC 13 "Customer Loyalty Programmes"
The amendment clarifies the meaning of the term 'fair value' in the context of measuring award credits under customer loyalty programmes.

Standards and Interpretations effective from periods beginning on or after 1 January 2012

IFRS 7 (Amendment) "Financial Instruments: Disclosures" – transfers of financial assets (effective for annual periods beginning on or after 1 July 2011)
This amendment sets out disclosure requirements for transferred financial assets not derecognised in their entirety as well as on transferred financial assets derecognised in their entirety but in which the reporting entity has continuing involvement. It also provides guidance on applying the disclosure requirements. This amendment has not yet been endorsed by the EU.

IAS 12 (Amendment) "Income Taxes" (effective for annual periods beginning on or after 1 January 2012)

The amendment to IAS 12 provides a practical approach for measuring deferred tax liabilities and deferred tax assets when investment property is measured using the fair value model in IAS 40 "Investment Property". This amendment has not yet been endorsed by the EU.

IAS 1 (Amendment) "Presentation of Financial Statements" (effective for annual periods beginning on or after 1 July 2012)
The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. This amendment has not yet been endorsed by the EU.

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS OF EXISTING STANDARDS (Continued)

IAS 19 (Amendment) "Employee Benefits" (effective for annual periods beginning on or after 1 January 2013)
This amendment makes significant changes to the recognition and measurement of defined benefit pension expense and termination benefits (eliminates the corridor approach) and to the disclosures for all employee benefits. The key changes relate mainly to recognition of actuarial gains and losses, recognition of past service cost / curtailment, measurement of pension expense, disclosure requirements, treatment of expenses and taxes relating to employee benefit plans and distinction between "short-term" and "other long-term" benefits. This amendment has not yet been endorsed by the EU.

IFRS 9 "Financial Instruments" (effective for annual periods beginning on or after 1 January 2013)
IFRS 9 is the first Phase of the Board's project to replace IAS 39 and deals with the classification and measurement of financial assets and financial liabilities. The IASB intends to expand IFRS 9 in subsequent phases in order to add new requirements for impairment and hedge accounting. The Group is currently investigating the impact of IFRS 9 on its Financial Statements. The Group cannot currently early adopt IFRS 9 as it has not been endorsed by the EU.

IFRS 13 "Fair Value Measurement" (effective for annual periods beginning on or after 1 January 2013)
IFRS 13 provides new guidance on fair value measurement and disclosure requirements. These requirements do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs. IFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. Disclosure requirements are enhanced and apply to all assets and liabilities measured at fair value, not just financial ones. This standard has not yet been endorsed by the EU.

Group of standards on consolidation and joint arrangements (effective for annual periods beginning on or after 1 January 2013)

The IASB has published five new standards on consolidation and joint arrangements: IFRS 10, IFRS 11, IFRS 12, IAS 27 (amendment) and IAS 28 (amendment). These standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted only if the entire "package" of five standards is adopted at the same time. These standards have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the new standards on its consolidated Financial Statements. The main provisions are as follows:

IFRS 10 "Consolidated Financial Statements"
IFRS 10 replaces all of the guidance on control and consolidation in IAS 27 and SIC 12. The new standard changes the definition of control for the purpose of determining which entities should be consolidated. This definition is supported by extensive application guidance that addresses the different ways in which a reporting entity (investor) might control another entity (investee). The revised definition of control focuses on the need to have both power (the current ability to direct the activities that significantly influence returns) and variable returns (can be positive, negative or both) before control is present. The new standard also includes guidance on participating and protective rights, as well as on agency/ principal relationships.

IFRS 11 "Joint Arrangements"
IFRS 11 provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form. The types of joint arrangements are reduced to two: joint operations and joint ventures. Proportional consolidation of joint ventures is no longer allowed. Equity accounting is mandatory for participants in joint ventures. Entities that participate in joint operations will follow accounting much like that for joint assets or joint operations today. The standard also provides guidance for parties that participate in joint arrangements but do not have joint control.

3. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS OF EXISTING STANDARDS (Continued)

IFRS 12 "Disclosure of Interests in Other Entities"
IFRS 12 requires entities to disclose information, including significant judgments and assumptions, which enable users of Financial Statements to evaluate the nature, risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. An entity can provide any or all of the above disclosures without having to apply IFRS 12 in its entirety, or IFRS 10 or 11, or the amended IAS 27 or 28.

IAS 27 (Amendment) "Separate Financial Statements"
This Standard is issued concurrently with IFRS 10 and together, the two IFRSs supersede IAS 27 "*Consolidated and Separate Financial Statements*". The amended IAS 27 prescribes the accounting and disclosure requirements for investment in subsidiaries, joint ventures and associates when an entity prepares separate Financial Statements. At the same time, the Board relocated to IAS 27 requirements from IAS 28 "*Investments in Associates*" and IAS 31 "*Interests in Joint Ventures*" regarding separate Financial Statements.

IAS 28 (Amendment) "Investments in Associates and Joint Ventures"
IAS 28 "*Investments in Associates and Joint Ventures*" replaces IAS 28 "*Investments in Associates*". The objective of this Standard is to prescribe the accounting for investments in associates and to set out the requirements for the application of the equity method when accounting for investments in associates and joint ventures, following the issue of IFRS 11.

4. ACCOUNTING PRINCIPLES

The interim condensed Financial Statements have been prepared on the historical or deemed cost basis with the exemption of derivatives financial instruments which are presented at their fair value.

The main accounting principles used have not changed in relation to the Group and Company annual Financial Statements of 31 December 2010. However, the interim condensed Financial Statements should be examined along with the annual Financial Statements of 31 December 2010 which are available at the Company's website www.lafarge.gr.

5. OPERATING SEGMENTS

The following information is provided for the reportable segments which are regularly reviewed by the Group's chief operating decision makers. Segments were determined based on the operating division, since this is the way that the chief operating decision makers review the Group. Using the quantitative thresholds, the Group reports separately in the present note its three operating segments.

Management evaluates segment performance based on turnover, current operating income, operating income, financial income and expenses and total assets. ''Current operating income'' is defined by Management as the income of the Company and the Group before taxes, finance income / (expenses) and non-recurring income / (expenses). Segment information is presented below:

Amounts in Euro thousand			30/9/2011		
	Cement Division	**Concrete Division**	**Aggregates Division**	**Eliminations**	**Total Group**
Turnover	188.837	31.290	8.921	(13.510)	**215.538**
Current Operating income	4.689	(6.009)	(1.881)	0	**(3.201)**
Operating income / (loss)	(22.760)	(7.715)	(2.114)	916	**(31.673)**

			30/9/2010		
	Cement Division	**Concrete Division**	**Aggregates Division**	**Eliminations**	**Total Group**
Turnover	269.015	40.621	12.220	(17.712)	**304.144**
Current Operating income	19.247	(3.169)	1.115	0	**17.193**
Operating income / (loss)	10.766	(5.740)	823	0	**5.849**

Amounts in Euro thousand

Total Assets as per Management Reporting	**Cement Division**	**Concrete Division**	**Aggregates Division**	**Eliminations**	**Total Group**
30/9/2011	861.384	88.488	57.739	(139.742)	**867.869**
31/12/2010	887.739	88.294	54.798	(142.031)	**888.800**

Reconciling items between financial reporting used from Group's Management for decision making and Published Financial Statements of the Group, are presented in the following tables and are mainly due to:

a) Timing difference in the preparation of the reports. As a result, due to subsequent events the recognised amounts in the Income Statement as well as in the Statement of Financial Position of the Group are different.

b) Different deemed cost that was defined for the Group's fixed assets due to the timing difference in the first adoption of International Financial Reporting Standards between financial reporting used by the Management and to the published, according to International Financial Reporting Standards, Financial Statements.

5. OPERATING SEGMENTS - Continued

Amounts in Euro thousand

	30/9/2011	30/9/2010
Turnover per Management Reporting	**215.538**	**304.144**
Discount reclassification between Turnover and Cost of sales	(531)	969
Turnover per Income Statement	**215.007**	**305.113**

Amounts in Euro thousand

Reportable Segments	30/9/2011	30/9/2010
Current Operating Income / (loss)	(3.201)	17.193
Non-recurring income / (expenses)	(28.472)	(11.344)
Operating Income / (loss)	**(31.673)**	**5.849**
Reconciliation to Income Statement		
Timing difference on revenue recognition	0	160
Provisions and liabilities recognised in different periods	(44)	1.910
Cost allocation between administrative and finance expenses	770	(965)
Difference in fixed assets depreciation	(874)	(2.172)
Other timing differences	748	1.141
Income Statement		
Operating Income / (loss)	**(31.073)**	**5.923**
Net financial income /(expenses)	(1.414)	(3.979)
Profit / (loss) before tax	**(32.487)**	**1.944**
Income tax	261	(16.036)
Net profit / (loss) for the period after tax	**(32.226)**	**(14.092)**

Amounts in Euro thousand

	30/9/2011	30/9/2010
Total Finance Income / (Expenses) per Management Reporting	**(770)**	**(3.375)**
Cost allocation between administrative and finance expenses	(770)	965
Receivables discounting	0	(1.537)
Other	126	(32)
Total Finance Income / (Expenses) per Income Statement	**(1.414)**	**(3.979)**

Amounts in Euro thousand

	30/9/2011	31/12/2010
Total Assets per Management Reporting	**867.869**	**888.800**
Difference in deemed cost of fixed assets	13.883	17.601
Additional provision for doubtful debts	(2.564)	(2.286)
Total assets of non consolidated entity	(3.872)	(3.987)
Deferred tax difference	(3.697)	943
Reclass to liability account	(1.830)	0
Other	(812)	1.823
Total Assets per Statement of Financial Position	**868.977**	**902.894**

The comparative data have been adjusted for presentation purposes.

6. OTHER OPERATING INCOME / (EXPENSES)

Other operating income / (expenses) of the Group and the Company for the period 1/1 – 30/9/2011 are analysed as follows:

Amounts in Euro thousand	GROUP		COMPANY	
	1/1-30/9/2011	**1/1-30/9/2010**	**1/1-30/9/2011**	**1/1-30/9/2010**
Profit / (loss) from investment disposals	0	277	0	0
Profit / (loss) from fixed asset disposals	(297)	460	(240)	110
(Impairment) / Reversal of impairment of tangible fixed assets	(21.228)	0	(21.226)	0
Provision for obsolecence of spare parts	(4.472)	0	(4.472)	0
(Provision) / Reversal of provision for share in losses of subsidiaries	0	0	(1.017)	(579)
Provision for doubtful receivables	(6.323)	(17.924)	(3.572)	(17.924)
Other	(975)	(14)	0	0
	(33.295)	**(17.201)**	**(30.527)**	**(18.393)**

Included in other operating expenses of the Group and the Company is the impairment of production line of kiln D' in the Chalkis plant amounting to 21.226 Euro thousand, due to the cease of its activity resulting from the continuous market decline and low prospect for recovery, as well as the relative provision for spare parts amounting to 4.472 Euro thousand which were related to the particular production line.

For the Group, an amount of 490 Euro thousand has been reclassified from other operating income to turnover for the nine-month period of 2010, while an amount of 154 Euro thousand has been reclassified from other operating income to cost of sales by 447 Euro thousand, as revenue, and to administrative expenses by 293 Euro thousand for the same period.

The above reclassifications have also been made in the income statement of the nine-month period of 2010.

7. FINANCIAL RESULTS

The Group's turnover amounted to 215.007 Euro thousand for the nine-month period of 2011, decreased by 29,5% compared to the corresponding period in 2010, while the Company's turnover amounted to 186.226 Euro thousand, for the same period in 2011, decreased by 30% compared to the corresponding period in 2010.

The decrease in the turnover of the Group and the Company is mostly due to the reduction of construction activity in domestic market, as the result of the further deterioration of the economic environment.

The Group's net losses after taxes for the nine-month period of 2011 amounts to 32.226 Euro thousand compared to net losses after taxes 14.092 Euro thousand for the corresponding period of 2010. The Company released net losses after taxes of amount 20.063 Euro thousand for the nine-month period of 2011 while for the same period of 2010 released net losses after taxes of amount 1.924 Euro thousand.

The reduction of operating cost, in the framework of the continuing program Excellence, only partially offset the significant decrease in sales volumes and the increase in international fuel prices. The impairment of fixed assets and the relative provision for spare parts as mentioned in note 6 of the interim condensed Financial Statements had a significant negative effect in the results of the nine-month period.

8. INCOME TAX

The period's income tax mostly represents the sum of current income tax, tax audit differences for unaudited years, property tax and deferred tax.

The Company on 30/9/2011 has a deferred tax asset amounting to 3.075 Euro thousand while on 31/12/2010 has a deferred tax liability amounting to 2.390 Euro thousand. The fluctuation is mainly due to deferred tax asset of 3.919 Euro thousand concerning the impairment of fixed assets of the Company and 894 Euro thousand concerning the relative provision for obsolescence of spare parts.

9. EARNINGS / (LOSSES) PER SHARE

The calculation of the basic earnings / (losses) per share is based on the following data:

Amounts in Euro thousand	GROUP		COMPANY	
	1/1-30/9/2011	**1/1-30/9/2010**	**1/1-30/9/2011**	**1/1-30/9/2010**
Net profit /(loss) for the period after tax	(32.226)	(14.092)	(20.063)	(1.924)
Weighted average number of common shares for the purpose of calculating basic earnings per share	71.082.707	71.082.707	71.082.707	71.082.707
Earnings /(losses) per share in Euro	**(0,45)**	**(0,20)**	**(0,28)**	**(0,03)**

10. DIVIDENDS

At the end of each year, the Board of Directors proposes the dividends, which are recognised as a liability at the time of approval by the General Assembly of Shareholders.

No dividends were distributed for year 2010.

11. INTANGIBLE & TANGIBLE ASSETS

The Group's capital expenditure for the period 1/1-30/9/2011 amounted to 8.521 Euro thousand, while Company's capital expenditure amounted to 7.288 Euro thousand. The carrying amount of the fixed assets written off for the period by the Group, amounted to 1.152 Euro thousand and for the Company amounted to 858 Euro thousand.

Intangible Assets	GROUP	COMPANY
Opening net book amount as at 31/12/2010	**4.048**	**1.485**
Additions	142	64
Amortisation of allocation of goodwill	(56)	0
Amortisation	(747)	(500)
Closing net book amount as at 30/9/2011	**3.387**	**1.049**

Tangible Assets	GROUP	COMPANY
Opening net book amount as at 31/12/2010	**511.198**	**473.514**
Additions	8.521	7.288
Amortisation of allocation of goodwill	(123)	0
Disposals / Write-offs	(1.152)	(858)
Depreciation	(33.053)	(30.838)
Impairment of tangible assets	(21.267)	(21.267)
Closing net book amount as at 30/9/2011	**464.124**	**427.839**

Fixed assets available for sale	GROUP	COMPANY
Value as at 31/12/2010	**9.044**	**9.044**
Value as at 30/9/2011	**9.044**	**9.044**

12. INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES

The companies included in the consolidated interim Financial Statements, with their respective registered offices, the Group's interest therein and the main scope of activity, are as follows:

Companies consolidated by full consolidation:

Name of subsidiary	Registered office	Direct participation	Indirect participation	Total	Main scope of activity
HERACLES G.C.C	Greece, Paiania, Attica			Parent	Cement manufacture & trade
LAFARGE BETON S.A.	Greece, Paiania, Attica	98,64%	1,36%	100,00%	Concrete and aggregates production & trade
EVIESK S.A.	Greece, Paiania, Attica	95,76%	4,24%	100,00%	Dormant
HERACLES MARITIME CO.	Greece, Paiania, Attica	99,99%	0,01%	100,00%	Sea transports and ship management
LAVA S.A.	Greece, Paiania, Attica	44,16%	55,84%	100,00%	Building materials and aggregates production & trade
AEGEAN TERMINALS S.A.	Greece, Paiania, Attica	100,00%		100,00%	Dormant
G. HATZIKYRIAKOS SOC. NAV.	Greece, Lycovrissi, Attica		100,00%	100,00%	Dormant
A. HATZIKYRIAKOS SOC. NAV.	Greece, Lycovrissi, Attica		100,00%	100,00%	Dormant
DYSTOS SOC. NAV.	Greece, Lycovrissi, Attica		100,00%	100,00%	Dormant
NAFSIKA SOC. NAV.	Greece, Lycovrissi, Attica		100,00%	100,00%	Dormant
SUPER BETON S.A. I MARKOULAKIS	Greece, Heraclion, Crete		100,00%	100,00%	Concrete production & trade
MARATHOS QUARRIES S.A.	Greece, Heraclion, Crete		99,15%	99,15%	Dormant
PORT SAID SILO INVESTMENT COMPANY S.A.	Panama		100,00%	100,00%	Dormant
LEADER BETON S.A	Tirana, Albania		51,00%	51,00%	Trade of concrete

12. INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES - Continued

For the subsidiary company MARATHOS QUARRIES S.A. in which the Group's participation is 99,15%, non-controlling interest has not been recognised either in the period losses or in its negative net equity based on its insignificance.

Company consolidated using the equity method:

Name of Associate	Registered Office	Direct participation	Indirect participation	Total	Main scope of activity
MIDDLE EAST CEMENT SHIPPING & HANDLING COMPANY S.A.	Greece, Paiania, Attica	1,00%	49,00%	50,00%	Dormant

The Group has a 0,52% shareholding in the company EKEPY S.A. registered in Chalkis of Evia. The above mentioned entity is not consolidated because its shareholding and financial position are immaterial. Since July of 2011, the Group also participates with a percentage of 7,14% in the newly established company UNICEN registered in the Municipality of Chalandri. This entity is not consolidated as well, because its shareholding and financial position are immaterial.

13. BANK LOANS

The short term bank loans and overdrafts of the Group as at 30/9/2011 have an average interest rate of 3,07% (2010: 4,52%). All bank loans are denominated in Euro.

As at 30/9/2011 the total short-term bank loans amounted to 58.120 Euro thousand of which 55.676 Euro thousand concern subsidiary LAFARGE BETON S.A., 251 Euro thousand concern the Company, 2.000 Euro thousand concern subsidiary EVIESK S.A. and 193 Euro thousand concern subsidiary LEADER BETON S.A.

As at 31/12/2010 the total Group's bank loans amounted to 43.609 Euro thousand of which 38.699 Euro thousand concern subsidiary LAFARGE BETON S.A., 3.697 Euro thousand concern subsidiary EVIESK S.A., 1.017 Euro thousand concern the Company and 196 Euro thousand concern subsidiary LEADER BETON S.A.

14. CONTINGENT LIABILITIES AND COMMITMENTS

Company disputes under litigation or arbitration

On 30/9/2011, there were pending lawsuits against the Group amounting to 59.790 Euro thousand (31/12/2010: 50.025 Euro thousand), out of which the pending lawsuits against the Company amount to 45.163 Euro thousand (31/12/2010: 36.397 Euro thousand), which are being subject to court proceedings, the outcome of which is uncertain. According to estimates, the maximum risk faced by the Group from the final decisions on the above cases amounts to 24.216 Euro thousand, out of which 18.796 Euro thousand relate to the Company. No provision has been made in the interim Financial Statements of the period for the said pending cases, as it is unlikely that such risk will eventually occur.

Various plots of land of the Company have been declared as forests, sea shores and archaeological sites and their ownership is disputed by the Greek State and various third parties. The maximum risk from such claims is estimated to 1.885 Euro thousand and 1.908 Euro thousand for the Company and the Group respectively. Neither provision nor impairment of the assets value has been made in the Financial Statements of the year for the said claims as it is unlikely that such risk will eventually occur.

14. CONTINGENT LIABILITIES AND COMMITMENTS - Continued

Unaudited tax years

Tax obligations of the Group's companies in Greece will be finalised after completion of the relevant regular tax audits and/or after finalisation of all pending court cases on existing previous years' differences with tax authorities. The current period 1/1/2011-30/9/2011 is also considered as unaudited. From these tax audits, additional tax obligation may arise, which is estimated not to have significant effect in the Group and the Company.

Company	Registered Office	Unaudited tax years
HERACLES GCC	Greece, Paiania, Attica	2009-2010
LAFARGE BETON S.A.	Greece, Paiania, Attica	2009-2010
EVIESK S.A.	Greece, Paiania, Attica	2010
HERACLES MARITIME CO.	Greece, Paiania, Attica	2005-2010
LAVA S.A.	Greece, Paiania, Attica	2010
AEGEAN TERMINALS S.A.	Greece, Paiania, Attica	2010
INVESTMENT SILO PORT SAID COMPANY S.A. (absorbed by AEGEAN TERMINALS S.A.)	Greece, Paiania, Attica	2010
G. HATZIKYRIAKOS SOC. NAV. (dormant)	Greece, Lycovrissi, Attica	1998-2010
A. HATZIKYRIAKOS SOC. NAV. (dormant)	Greece, Lycovrissi, Attica	1998-2010
DYSTOS SOC. NAV. (dormant)	Greece, Lycovrissi, Attica	1996-2010
NAFSIKA SOC. NAV. (dormant)	Greece, Lycovrissi, Attica	1998-2010
HERACLES GLORY SOC. NAV. (liquidated)	Greece, Lycovrissi, Attica	1998-2009
SUPER BETON S.A. I MARKOULAKIS	Greece, Heraclion, Crete	2010
MIDDLE EAST CEMENT SHIPPING & HANDLING CO. S.A.	Greece, Paiania, Attica	2010
FINDA TRANSPORTS S.A. (absorbed by INVESTMENT SILO PORT SAID SILO INVESTMENT COMPANY S.A.)	Greece, Paiania, Attica	1993-2009
MARATHOS QUARRIES S.A.	Greece, Heraclion, Crete	2010
PORT SAID SILO INVESTMENT COMPANY S.A. (dormant)	Panama	*
INTERNATIONAL MEDITERRANEAN SHIPPING S.A. (liquidated)	Luxemburg	*

* Relates to a company established abroad, subject to a special tax status in the country of establishment.

The regular tax audit of the company EVIESK S.A., subsidiary of HERACLES G.C.C., was completed for years 2005-2009 and a stamp duty was assessed, for which the company brought an action to the authorised administrative court.

A tax audit is in progress for the Group company PONTOPOROS SOC.NAV. (liquidated) for the years 2000 to 2004.

14. CONTINGENT LIABILITIES AND COMMITMENTS - Continued

Granted guarantees

The following letters of guarantee have been provided to secure liabilities of the Group and the Company, and were in force on 30/9/2011 and on 31/12/2010:

Amounts in Euro thousand	GROUP		COMPANY	
	30/9/2011	31/12/2010	30/9/2011	31/12/2010
Granted guarantees	5.237	4.686	3.726	3.233
Intercompany granted guarantees	0	0	1.923	1.923
	5.237	4.686	5.649	5.156

Commitments for purchases and capital expenditure

Commitments for purchases and capital expenditure in force on 30/9/2011 and on 31/12/2010 are as follows:

Amounts in Euro thousand	GROUP		COMPANY	
	30/9/2011	31/12/2010	30/9/2011	31/12/2010
Purchase contracts	14.288	22.753	71.352	31.548
Capital expenditure contracts	2.795	6.723	1.309	4.923
	17.084	29.476	72.661	36.471

Commitments for operating leases

On the reporting date, the Group and the Company have the following liabilities under operating lease agreements without the option or the intention of cancellation, which are payable as follows:

Amounts in Euro thousand	GROUP		COMPANY	
	30/9/2011	31/12/2010	30/9/2011	31/12/2010
Within one year	12.699	10.464	1.019	247
Within two and up to five years	45.962	9.092	4.536	2.440
Over five years	21.219	5.839	7.565	1.957
	79.880	25.395	13.120	4.644

15. RELATED PARTY TRANSACTIONS

Trading transactions with related parties

For the Group, related parties are the ultimate parent company LAFARGE S.A. and all other LAFARGE Group companies. Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note:

Amounts in Euro thousand

GROUP	INCOME		EXPENSES		RECEIVABLES		LIABILITIES	
	1/1-30/9/2011	1/1-30/9/2010	1/1-30/9/2011	1/1-30/9/2010	30/9/2011	31/12/2010	30/9/2011	31/12/2010
HERACLES G.C.C Group associates	0	414	0	52	0	0	0	0
Parent company LAFARGE S.A.	69.474	36.382	21.309	460	12	0	152	344
LAFARGE Group associates	32.208	41.817	4.613	6.421	3.288	4.757	2.803	471
Royalties to LAFARGE S.A.	0	0	4.933	6.792	0	0	2.014	1.646
Total	**101.682**	**78.613**	**30.855**	**13.725**	**3.300**	**4.757**	**4.969**	**2.461**

Transactions between the Company and its subsidiaries, which are related parties, prior to elimination entries, and with the parent company LAFARGE S.A. along with other LAFARGE Group companies, are disclosed below:

Amounts in Euro thousand

COMPANY	INCOME		EXPENSES		RECEIVABLES		LIABILITIES	
	1/1-30/9/2011	1/1-30/9/2010	1/1-30/9/2011	1/1-30/9/2010	30/9/2011	31/12/2010	30/9/2011	31/12/2010
HERACLES G.C.C Group Companies	14.898	19.285	10.258	12.407	33.080	31.395	8.332	10.452
Parent company LAFARGE S.A.	69.467	36.382	21.308	460	12	0	0	193
LAFARGE Group associates	30.978	41.561	4.433	6.287	2.728	4.435	2.602	389
Royalties to LAFARGE S.A.	0	0	4.933	6.792	0	0	2.014	1.646
Total	**115.343**	**97.228**	**40.932**	**25.946**	**35.820**	**35.830**	**12.948**	**12.680**

All transactions between related parties are based on market prices and terms, which are also used in third party transactions.

The comparative data of the related party liabilities of the Company and the Group have been adjusted for presentation purposes.

15. RELATED PARTY TRANSACTIONS - Continued

Remuneration to management and members of the BoD

Remunerations and amounts due to/from executive management, as well as attendance fees to Group and Company BoD members, are analysed as follows:

Amounts in Euro thousand	GROUP		COMPANY	
	1/1-30/9/2011	1/1-30/9/2010	1/1-30/9/2011	1/1-30/9/2010
Current benefits	2.582	2.838	1.546	1.669
Provision for retirement compensation and paid compensations	94	124	44	68
BoD members attendance fees	221	225	146	146
	2.897	**3.187**	**1.736**	**1.883**

Amounts in Euro thousand	GROUP		COMPANY	
	1/1-30/9/2011	1/1-30/9/2010	1/1-30/9/2011	1/1-30/9/2010
Prepayments of expenses to Management to be refunded and BoD Members	0	0	0	0
Obligations to Management and BoD members	0	0	0	0
Net receivables/ (obligations) to Management and BoD Members	**0**	**0**	**0**	**0**

The comparative data have been adjusted for presentation purposes.

16. PERSONNEL

Group and Company employees as at 30 September 2011 are as follows:

	GROUP		COMPANY	
	30/9/2011	30/9/2010	30/9/2011	30/9/2010
Number of personnel	1.535	1.803	1.228	1.430

17. EVENTS AFTER THE REPORTING DATE OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

According to the Company's Management best knowledge, no subsequent events exist that may have a significant financial impact on the Group and the Company.

The Group and Company interim condensed Financial Statements on page 2 through to page 22 were approved by the Company's Board of Directors on 24 November of 2011. The Board of Directors authorised the following directors and officers to sign the interim Financial Statements on its behalf:

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE MANAGING DIRECTOR	THE CHIEF FINANCIAL OFFICER
MANOLIS CHR. KYPRIANIDES	PIERRE DELEPLANQUE	MICHAIL TH. MICHELIS
I.D. No. AZ 007012	PASSPORT No. 07CV39073	ECG LIC. No. E29960 A' CLASS