



S&B Industrial Minerals S.A.

Interim Financial Statements

for the nine-month period ended September 30, 2012

These interim Financial Statements are prepared in accordance with article 6 of L.3556/2007 and were approved by the Board of Directors of S&B Industrial Minerals S.A. on November 13, 2012. These are made publicly available on the company's website at www.sandb.com for at least 5 (five) years from the date of issue.

S&B Industrial Minerals S.A.

INTERIM FINANCIAL STATEMENTS AS OF SEPTEMBER 30, 2012

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A1. INTERIM CONDENSED FINANCIAL STATEMENTS

The accompanying interim condensed Financial Statements for the nine month period ended September 30, 2012 have been approved by the Board of Directors of S&B Industrial Minerals S.A. on November 13, 2012.

**The Chairman of the Board
of Directors**

**The Chief Executive
Officer**

**The Chief Financial
Officer**

**The Controller
South Europe**

Ulysses P. Kyriacopoulos

Kriton St. Anavlavis

Ioannis E. Christodoulakis

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S&B Industrial Minerals S.A.
INTERIM CONSOLIDATED INCOME STATEMENT
FOR THE NINE AND THE THREE MONTH PERIODS ENDED SEPTEMBER 30, 2012
(Amounts in thousand Euro, except for earnings per share)

The Group

	Note	1/1 - 30/09/2012	1/1 - 30/09/2011	1/7 - 30/09/2012	1/7 -30/09/2011
Sales of goods	7	353.935	344.140	115.909	114.327
Cost of sales		(266.397)	(259.344)	(91.455)	(85.687)
Gross Profit		87.538	84.796	24.454	28.640
Administrative expenses		(33.021)	(34.241)	(12.183)	(10.021)
Selling expenses		(20.864)	(18.267)	(6.827)	(6.066)
Other income		2.788	2.674	395	775
Other expenses		(662)	(1.524)	(6)	(889)
Operating profit		35.779	33.438	5.833	12.439
Finance income	8	307	469	52	156
Finance costs	9	(11.000)	(6.413)	(4.698)	(1.937)
Share of profit of associates		1.040	531	195	318
Profit before tax		26.126	28.025	1.382	10.976
Income tax expense	10	(10.255)	(9.890)	(1.238)	(3.179)
Net profit		15.871	18.135	144	7.797
Attributable to:					
Equity holders of the company		15.965	18.173	105	7.772
Non-controlling interests		(94)	(38)	39	25
		15.871	18.135	144	7.797
Earnings per share attributable to equity holders of the Company					
Basic		0,3124	0,3556	0,0021	0,1521
Diluted		0,3082	0,3528	0,0020	0,1506
Weighted average number of shares					
Basic		51.110.687	51.110.687	51.110.687	51.110.687
Diluted		51.797.950	51.513.239	51.951.614	51.623.835

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

S&B Industrial Minerals S.A.
INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE AND THE THREE MONTH PERIODS ENDED SEPTEMBER 30, 2012
(Amounts in thousand Euro)

	The Group			
	<u>1/1 - 30/09/2012</u>	<u>1/1 - 30/09/2011</u>	<u>1/7 - 30/09/2012</u>	<u>1/7 -30/09/2011</u>
Net profit	15.871	18.135	144	7.797
<u>Other comprehensive income</u>				
Translation of foreign operations:				
-Subsidiaries	536	(2.079)	(1.866)	3.175
-Associates	67	(138)	(140)	(377)
Valuation of available-for-sale financial assets	50	(65)	61	(25)
Income tax relating to the valuation of available-for-sale financial assets	(10)	13	(12)	5
Valuation of derivatives	(732)	(1.504)	(297)	(1.965)
Income tax relating to the valuation of derivatives	146	283	59	393
Other comprehensive income / (loss) for the period, net of tax	57	(3.490)	(2.195)	1.206
Total comprehensive income / (loss) for the period, net of tax	15.928	14.645	(2.051)	9.003
Attributable to:				
Equity holders of the company	16.022	14.684	(2.086)	8.970
Non-controlling interests	(94)	(39)	35	33
	15.928	14.645	(2.051)	9.003

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

S&B Industrial Minerals S.A.
INTERIM SEPARATE INCOME STATEMENT
FOR THE NINE AND THE THREE MONTH PERIODS ENDED SEPTEMBER 30, 2012
(Amounts in thousand Euro)

The Company					
<u>Note</u>	<u>1/1 - 30/09/2012</u>	<u>1/1-30/09/2011</u>	<u>1/7-30/09/2012</u>	<u>1/7 - 30/09/2011</u>	
Sales of goods	7	106.934	107.186	36.006	37.072
Cost of sales		(83.579)	(79.713)	(32.056)	(26.440)
Gross Profit		23.355	27.473	3.950	10.632
Administrative expenses		(17.187)	(22.027)	(5.620)	(6.152)
Selling expenses		(3.835)	(2.169)	(1.127)	(749)
Other income		3.011	3.244	586	943
Other expenses		(243)	(823)	-	(768)
Operating profit / (loss)		5.101	5.698	(2.211)	3.906
Finance income	8	153	315	24	99
Finance costs	9	(8.391)	(4.906)	(3.372)	(1.716)
Investment income		542	688	-	-
Profit / (loss) before tax		(2.595)	1.795	(5.559)	2.289
Income tax expense	10	(428)	(1.315)	769	(528)
Net profit / (loss)		(3.023)	480	(4.790)	1.761

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

S&B Industrial Minerals S.A.
INTERIM SEPARATE STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE AND THE THREE MONTH PERIODS ENDED SEPTEMBER 30, 2012
(Amounts in thousand Euro)

	<u>The Company</u>			
	<u>1/1 - 30/09/2012</u>	<u>1/1-30/09/2011</u>	<u>1/7-30/09/2012</u>	<u>1/7 - 30/09/2011</u>
Net profit /(loss)	(3.023)	480	(4.790)	1.761
<u>Other comprehensive income</u>				
Valuation of available-for-sale financial assets	50	(65)	61	(25)
Income tax relating to the valuation of available-for-sale financial assets	(10)	13	(12)	5
Valuation of derivatives	(732)	(1.504)	(297)	(1.965)
Income tax relating to the valuation of derivatives	146	283	59	393
Other comprehensive loss for the period, net of tax	(546)	(1.273)	(189)	(1.592)
Total comprehensive income / (loss) for the period, net of tax	(3.569)	(793)	(4.979)	169

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

S&B Industrial Minerals S.A.
INTERIM STATEMENTS OF FINANCIAL POSITION SEPTEMBER 30, 2012
(Amounts in thousand Euro)

Note	The Group		The Company	
	September 30 2012	December 31 2011	September 30 2012	December 31 2011
ASSETS				
Non-current assets				
Property, plant and equipment	221.337	154.439	114.890	62.262
Investment properties	18.654	18.860	18.654	18.860
Goodwill	107.840	83.643	25.129	25.129
Other intangible assets	19.130	18.950	197	3
Investments in subsidiaries	-	-	133.780	129.338
Investments in associates	11.278	10.293	4.198	4.198
Deferred tax assets	4.481	3.584	1.108	1.121
Available-for-sale financial assets	140	90	140	90
Other non-current assets	11.190	10.862	8.545	8.412
	394.050	300.721	306.641	249.413
Current assets				
Inventories	101.619	73.469	39.667	18.362
Trade receivables	61.868	49.557	9.231	4.655
Due from related parties	13 2.312	1.464	3.338	3.243
Income tax receivables	1.326	894	721	602
Other current assets	25.622	17.934	18.618	12.656
Cash and cash equivalents	45.050	46.158	5.249	2.323
	237.797	189.476	76.824	41.841
Assets held for sale	6 -	72.585	-	76.286
Total Assets	631.847	562.782	383.465	367.540
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital	51.111	51.111	51.111	51.111
Share premium	14.222	27.000	14.222	27.000
Share option plan reserve	2.484	2.121	2.484	2.121
Derivatives valuation reserve	(2.231)	(1.645)	(2.231)	(1.645)
Other reserves	78.209	78.139	90.259	90.219
Translation of foreign operations	(9)	(613)	-	-
Retained earnings	108.998	93.140	(712)	2.311
	252.784	249.253	155.133	171.117
Non-controlling interests	634	658	-	-
Total equity	253.418	249.911	155.133	171.117
Non-current liabilities				
Provision for staff leaving indemnities	24.434	15.034	8.762	6.061
Provision for environmental rehabilitation	15.277	6.305	10.529	3.450
Other provisions	4.847	2.274	2.423	376
Interest-bearing loans and borrowings	17 171.186	66.978	102.906	66.978
Deferred tax liabilities	16.685	15.517	-	-
Government grants	1.756	1.829	1.497	1.534
Other non-current liabilities	916	779	102	88
	235.101	108.716	126.219	78.487
Current liabilities				
Trade payables	43.501	41.403	11.920	7.220
Due to related parties	13 3.546	3.548	22.874	11.455
Short-term borrowings	45.479	19.302	43.350	18.698
Current portion of long-term interest bearing loans and borrowings	17 10.387	91.977	6.000	47.000
Income tax liabilities	6.814	3.883	-	-
Dividends payable	23	22	16	16
Other current liabilities	33.578	19.988	17.953	9.307
	143.328	180.123	102.113	93.696
Liabilities associated with the assets classified as held for sale	6 -	24.032	-	24.240
Total equity and liabilities	631.847	562.782	383.465	367.540

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 NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012
(Amounts in thousand Euro)

The Group											
Attributable to Equity holders of the Company											
<u>Note</u>	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, 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	-	-	-	-	-	-	-	18.173	18.173	(38)	18.135
- Other comprehensive loss for the period	-	-	-	-	(1.221)	(52)	(2.204)	(12)	(3.489)	(1)	(3.490)
- Total comprehensive income/ (loss) for the period	-	-	-	-	(1.221)	(52)	(2.204)	18.161	14.684	(39)	14.645
- Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(74)	(74)
- Share based payment	-	-	-	(239)	-	-	-	-	(239)	-	(239)
- Share capital increase from capitalisation of share premium	12.778	(12.778)	-	-	-	-	-	-	-	-	-
- Share capital return	(12.778)	-	-	-	-	-	-	-	(12.778)	-	(12.778)
-Share capital decrease	(671)	(2.551)	3.222	-	-	-	-	-	-	-	-
-Purchase of treasury shares	-	-	(6)	-	-	-	-	-	(6)	-	(6)
-Transfers	-	-	-	-	-	(7.721)	-	7.721	-	-	-
September 30, 2011	51.111	27.000	-	1.998	(1.684)	77.930	(3.386)	91.089	244.058	448	244.506
January 1, 2012	51.111	27.000	-	2.121	(1.645)	78.139	(613)	93.140	249.253	658	249.911
- Profit for the period	-	-	-	-	-	-	-	15.965	15.965	(94)	15.871
- Other comprehensive income/ (loss) for the period	-	-	-	-	(586)	40	604	(1)	57	-	57
- Total comprehensive income/ (loss) for the period	-	-	-	-	(586)	40	604	15.964	16.022	(94)	15.928
- Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(70)	(70)
- Share based payment	-	-	-	363	-	-	-	-	363	-	363
- Share capital increase from capitalization of share premium	12.778	(12.778)	-	-	-	-	-	-	-	-	-
- Share capital return	(12.778)	-	-	-	-	-	-	-	(12.778)	-	(12.778)
- Increase of investment in subsidiaries	-	-	-	-	-	-	-	-	-	140	140
-Transfers	-	-	-	-	-	30	-	(106)	(76)	-	(76)
September 30, 2012	51.111	14.222	-	2.484	(2.231)	78.209	(9)	108.998	252.784	634	253.418

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

S&B Industrial Minerals S.A.
INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012
(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, 2011	51.782	42.329	(3.216)	2.237	(463)	90.298	2.793	185.760
- Profit for the period	-	-	-	-	-	-	480	480
- Other comprehensive loss for the period	-	-	-	-	(1.221)	(52)	-	(1.273)
- Total comprehensive income/ (loss) for the period	-	-	-	-	(1.221)	(52)	480	(793)
- Share based payment	-	-	-	(239)	-	-	-	(239)
- Share capital increase from capitalisation of share premium	12.778	(12.778)	-	-	-	-	-	-
-Share capital return	(12.778)	-	-	-	-	-	-	(12.778)
-Share capital decrease	(671)	(2.551)	3.222	-	-	-	-	-
-Purchase of treasury shares	-	-	(6)	-	-	-	-	(6)
September 30, 2011	51.111	27.000	-	1.998	(1.684)	90.246	3.273	171.944
January 1, 2012	51.111	27.000	-	2.121	(1.645)	90.219	2.311	171.117
- Loss for the period	-	-	-	-	-	-	(3.023)	(3.023)
- Other comprehensive income / (loss) for the period	-	-	-	-	(586)	40	-	(546)
- Total comprehensive income/ (loss) for the period	-	-	-	-	(586)	40	(3.023)	(3.569)
- Share based payment	-	-	-	363	-	-	-	363
- Share capital increase from capitalization of share premium	12.778	(12.778)	-	-	-	-	-	-
- Share capital return	(12.778)	-	-	-	-	-	-	(12.778)
September 30, 2012	51.111	14.222	-	2.484	(2.231)	90.259	(712)	155.133

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

S&B Industrial Minerals S.A.
INTERIM STATEMENTS OF CASH FLOWS
FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2012
(Amounts in thousand Euro)

	Note	The Group		The Company	
		1/1 - 30/09 2012	1/1 - 30/09 2011	1/1 - 30/09 2012	1/1 - 30/09 2011
Cash flows from operating activities					
Profit / (loss) before tax		26.126	28.025	(2.595)	1.795
Adjustments for:					
- Depreciation and amortization		21.984	20.628	13.686	11.975
- Grants amortization		(73)	(158)	(37)	(110)
- Provisions, net		1.233	3.974	1.732	2.708
- Finance income	8	(307)	(469)	(153)	(315)
- Finance costs	9	11.000	6.413	8.391	4.906
- Investment income (net of foreign taxes)		-	-	(500)	(635)
- Share of profit of associates		(1.040)	(531)	-	-
- (Gain)/ loss from the disposal of property, plant and equipment		(43)	4	(4)	20
		58.880	57.886	20.520	20.344
(Increase) / Decrease in:					
- Inventories		(4.419)	(10.264)	(5.233)	(5.758)
- Trade receivables		(1.829)	(3.588)	(759)	2.538
- Due from related parties		(848)	(252)	(93)	278
- Other assets		(5.955)	(8.217)	(4.845)	(6.208)
Increase / (Decrease) in:					
- Trade payables		(5.820)	4.627	(2.583)	2.916
- Due to related parties		(1)	323	10.344	2.886
- Other liabilities		3.635	2.472	488	1.641
Staff leaving indemnities paid		(894)	(4.365)	(310)	(3.773)
Payments for environmental rehabilitation		(1.209)	(594)	(957)	(523)
Income tax paid		(7.360)	(9.276)	(357)	(967)
Net cash flows from operating activities		34.180	28.752	16.215	13.374
Cash flows from investing activities					
- Capital expenditure	14	(22.914)	(28.898)	(15.650)	(21.534)
- Business combinations and investments in consolidated entities	5	(42.348)	(100)	(210)	-
- Non-controlling interest share in increase in capitalization in consolidated entities	4	140	-	-	-
- Dividends received		216	388	236	428
- Interest and other finance income received		200	183	12	26
- Proceeds from the settlement of derivatives		107	271	107	271
- Proceeds from the disposal of property, plant and equipment		77	17	5	1
Net cash flows used in investing activities		(64.522)	(28.139)	(15.500)	(20.808)
Cash flows used in financing activities:					
- Capital return to shareholders	18	(12.769)	(12.767)	(12.769)	(12.767)
- Purchase of treasury shares		-	(6)	-	(6)
- Net increase of short-term borrowings		26.176	13.209	24.652	13.101
- Proceeds from long-term borrowings	17	184.029	20.000	110.000	20.000
- Repayment of long-term borrowings	17	(160.000)	(15.000)	(114.000)	(7.500)
- Dividends paid to the Equity holders of the Company, net of taxes		-	(2)	-	(2)
- Dividends paid to non-controlling interests		(70)	(70)	-	-
- Payments for the settlement of derivatives		-	(4)	-	(4)
- Interest and other finance costs paid		(8.249)	(4.542)	(5.706)	(3.365)
Net cash flows from financing activities		29.117	818	2.177	9.457
- Net foreign exchange difference on cash flows		35	263	33	(54)
Net increase / (decrease) in cash and cash equivalents		(1.190)	1.694	2.925	1.969
- Increase in restricted cash		-	190	-	190
Cash and cash equivalents at the beginning of the period		46.187	42.724	2.324	1.208
- Net foreign exchange difference on cash and cash equivalents at the beginning of the period		53	(330)	-	-
Cash and cash equivalents at period end		45.050	44.278	5.249	3.367

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

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**A2. NOTES TO THE INTERIM
CONDENSED FINANCIAL
STATEMENTS**

S&B Industrial Minerals S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2012

(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 Group owns leases and has access to, a wide and geographically dispersed range of mineral and ore reserves, allowing it to carry a diversified product portfolio for its customers. Through mining and processing operations, the Group utilizes the multiple properties of industrial minerals to transform its mineral-based product portfolio into industrial customized solutions for a broad range of industry applications. Through these activities, the Group addresses and caters to the needs of its customers in construction, foundry, metallurgy and specialties markets across four geographic regions where it engages in mining, processing and distribution activities, defined as South Europe, North Europe, Americas and Asia & Pacific (Note 16).

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 September 30, 2012 and 2011 the Group employed 2.095 and 1.969 employees, respectively, while the Company employed 636 and 657 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 derivatives 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, 2011.

The financial statements for the nine month period ended September 30, 2012 were approved by the Company’s Board of Directors on November 13, 2012.

S&B Industrial Minerals S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2012

(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, 2011, except for the below mentioned adoption of amended IFRS and IFRIC interpretations applicable for fiscal periods beginning at January 1, 2012:

- **IFRS 7 “Financial Instruments: Disclosures” (Amended) - Transfers of financial assets**
- **IAS 12 “Income Taxes” (Amended) - Deferred Tax: Recovery of Underlying Assets**

The above amendments to IFRS did not have any impact on the accounting policies, financial position or performance of the Group.

The following standards are issued but not yet effective:

- **IAS 1 Financial Statement Presentation (Amended) - Presentation of Items of Other Comprehensive Income**
- **IAS 19 “Employee Benefits” (Amended)**

The following standards are issued but not yet effective and not yet endorsed by E.U.:

- **IFRS 7 “Financial Instruments: Disclosures” (Amended) - Offsetting Financial Assets and Financial Liabilities**
- **IFRS 9 “Financial Instruments - Classification and Measurement”**
- **IFRS 10 “Consolidated Financial Statements”**
- **IFRS 11 “Joint Arrangements”**
- **IFRS 12 “Disclosures of Involvement with Other Entities”**
- **IFRS 13 “Fair Value Measurement”**
- **IAS 27 “Separate Financial Statements” (Revised)**
- **IAS 28 “Investments in Associates and Joint Ventures” (Revised)**
- **IAS 32 “Financial Instruments: Presentation” (Amended) - Offsetting Financial Assets and Financial Liabilities**
- **IFRIC “Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine”**
- **Improvements to IFRSs:** IASB issued the Annual Improvements to IFRS 2009-2011 Cycle which contains amendments to its Standards and the related Basis for Conclusions:
 - **IAS 1 “Financial Statement Presentation”**
 - **IAS 16 “Property, Plant and Equipment”**
 - **IAS 32 “Financial Instruments: Presentation”**
 - **IAS 34 “Interim Financial Reporting”**
 - **Transition Guidance (IFRS 10, IFRS 10 and IFRS 12)**

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

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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
			30/9/2012	31/12/2011	
EUROPE					
S&B Industrial Minerals A.D.	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	100,00%	100,00%	2007
Cape Trahilas One Ltd. ⁽¹⁾	Cyprus	Real Estate	100,00%	100,00%	2007
Cape Trahilas Two Ltd. ⁽¹⁾	Cyprus	Real Estate	100,00%	100,00%	2007
S&B Industrial Minerals S.A.R.L.	France	Industrial Minerals	100,00%	100,00%	2001
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. ⁽⁴⁾	Greece	Industrial Minerals	60,00%	60,00%	1996
Greek Helicon Bauxites S.A.	Greece	Industrial Minerals	100,00%	100,00%	1995
Cape Trahilas Two S.A.	Greece	Real Estate	100,00%	100,00%	2007
Cape Trahilas Three S.A.	Greece	Real Estate	100,00%	100,00%	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
AMERICAS					
Stollberg do Brazil Ltda.	Brazil	Industrial Minerals	100,00%	100,00%	2004
Milos Island Resort Ltd. ⁽²⁾	B.V.I.	Real Estate	-	100,00%	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
Rolling Rock Minerals Inc. (see Note 5)	U.S.A.	Industrial Minerals	100,00%	-	2012
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
S&B Enterprise Management Consulting Co.Ltd ⁽³⁾	China	Industrial Minerals	100,00%	-	2012
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. These entities are under liquidation process.
2. As of February 17, 2012, Milos Island Resort Ltd was dissolved.
3. In May 2012, S&B Enterprise Management Consulting Co. Ltd. was established in China.
4. In September, 2012, the Company's subsidiary Isocon S.A. proceeded to the increase of its share capital by an amount of € 350, which was paid within the reporting period.

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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
			30/9/2012	31/12/2011	
EUROPE					
Orykton GmbH ⁽³⁾	Germany	Industrial Minerals	50,00%	50,00%	2005
Cebo International B.V.	Netherlands	Holding	50,00%	50,00%	2007
Cebo Holland B.V. ⁽¹⁾	Netherlands	Industrial Minerals	50,00%	50,00%	2007
Cebo Marine B.V. ⁽¹⁾	Netherlands	Industrial Minerals	50,00%	50,00%	2007
Cebo U.K. Ltd. ⁽¹⁾	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. ⁽²⁾	China	Industrial Minerals	48,32%	48,32%	2004
Pergem Mineral A.Ş.	Turkey	Industrial Minerals	50,00%	50,00%	2010
Organik Madencilik Ltd.	Turkey	Industrial Minerals	50,00%	50,00%	2011

Footnotes

- 1.Cebo Holland B.V., Cebo Marine B.V. and Cebo U.K. Ltd. are fully consolidated in their parent company financial statements, namely Cebo International B.V. (participation interest 100%).
- 2.Qing Dao Stollberg & Samil Co.Ltd. is fully consolidated in the parent company's financial statements, namely Stollberg & Samil Co. Ltd, (96,64% participation interest accordingly).
- 3.This entity is under liquidation process.

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
			30/9/2012	31/12/2011	
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

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. BUSINESS COMBINATIONS

On September 14, 2012, the Group acquired 100% of the shares and voting rights of US-based Rolling Rock Minerals Inc. group and its subsidiaries in the U.S.A., Canada and Mexico ("Rolling Rock"). Rolling Rock is engaged in the mining and processing of high quality wollastonite grades and tripoli for a diverse range of end-use markets. The cash consideration for the acquisition was USD 55,49 million on a debt-free basis, including closing customary cash and working capital adjustments. The acquisition was financed primarily through a USD 50 million Credit facility with a 5-year tenor arranged with a US bank (Note 17).

These interim condensed consolidated financial statements do not include the results of Rolling Rock. If the combination had taken place on January 1, 2012, sales of the Group would have been increased by approximately € 30,9 million, consolidated profit before taxes and net profit would have been increased by approximately € 3,6 million and € 2,2 million, respectively.

The fair value of the identifiable assets and liabilities of Rolling Rock, the purchase price allocation according to the provisions of IFRS 3 "Business Combinations" and the precise determination of goodwill is expected to be concluded within 2013.

The carrying value of assets and liabilities of Rolling Rock at the date of acquisition and the resulting provisional goodwill are summarized as follows:

Assets	Carrying value on acquisition
Property, plant and equipment	13.469
Other intangible assets	1.047
Deferred tax assets	1.267
Inventories	7.680
Trade receivables	6.106
Other current assets	798
Cash and cash equivalents	569
Total Assets	30.936
Liabilities	
Provision for staff leaving indemnities	6.801
Provision for environmental rehabilitation	1.869
Deferred Tax Liabilities	1.092
Trade Payables	623
Income Tax Liabilities	438
Other Current Liabilities	1.389
Total Liabilities	12.212
Net assets	18.724
Acquisition cost	42.917
Resulting Goodwill	24.193
Analysis of cash flows on acquisition	
Acquisition cost	42.917
Less: Net cash acquired	(569)
Net cash outflow of acquisition	42.348

The acquisition costs will amount to approximately € 2,4 million and will be invoiced within 2012. An amount of € 1,7 million is included in administrative expenses in the accompanying consolidated income statement and in the operating cash flows in the consolidated statement of cash flows.

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6. DISCONTINUING OPERATIONS

In November 2011, the Company had announced an initial agreement for the gradual disposal of its Bauxite operations in Greece to Aluminium S.A., a subsidiary of Mytilineos Holdings S.A. The initially agreed consideration of € 61.072 was to be confirmed upon completion of the financial, legal, tax and technical due diligence process.

On October 12, 2012, the Company announced that following an extended due diligence process, as well as negotiations between the two parties, it was not possible to conclude on an agreement for the above disposal.

Following the above announcement, the net assets of the Company's Bauxite operations in Greece and "Greek Helicon Bauxite S.A.", a subsidiary of the Company, cease to be classified as held for sale in the Group and Company statements of financial position of September 30, 2012. Furthermore, their results for the nine and the three month periods ended September 30, 2012 are reclassified as "Continuing operations" in the accompanying Group's and Company's income statements. In accordance with the provisions of IFRS 5 "Non-current assets held for sale and Discontinued operations", the carrying amount of the non-current assets which had been classified as held for sale includes, as of September 30, 2012, depreciation had these assets never been classified as held for sale. The depreciation charge included in the accompanying income statements amounts to € 7,8 million, out of which an amount of € 5,9 million corresponds to the nine month period ending September 30, 2012 and a remaining amount of € 1,9 million to the two month period from November 1 to December 31, 2011.

The results of the Company's Bauxite operations in Greece and "Greek Helicon Bauxite S.A." for the nine and the three month periods ended September 30, 2012 on a continuing basis, are analyzed as follows:

	The Group		The Company	
	1/1 - 30/09 2012	1/7 - 30/09 2012	1/1 - 30/09 2012	1/7 - 30/09 2012
Sales of goods	25.805	8.817	25.805	8.817
Cost of sales	(26.371)	(12.742)	(26.379)	(12.745)
Gross Loss	(566)	(3.925)	(574)	(3.928)
Administrative expenses	(141)	(22)	(81)	(14)
Selling expenses	(182)	(111)	(182)	(111)
Other income, net	493	(19)	500	(16)
Operating loss	(396)	(4.077)	(337)	(4.069)
Finance costs	(514)	(171)	(514)	(171)
Loss before tax	(910)	(4.248)	(851)	(4.240)

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6. DISCONTINUED OPERATIONS (continued)

The assets which were classified as held for sale and the associated liabilities of the disposal group were presented separately in the December 31, 2011, statement of financial position of the Group and the Company. The major classes of assets and liabilities of the disposal group at that reporting date are presented below:

	<u>The Group</u> <u>December 31</u> <u>2011</u>	<u>The Company</u> <u>December 31</u> <u>2011</u>
Non-current assets		
Property, plant and equipment	52.281	51.788
Other intangible assets	176	176
Investments in subsidiaries	-	4.232
Deferred tax assets	141	141
Other non-current assets	68	64
	<u>52.666</u>	<u>56.401</u>
Current assets		
Inventories	15.029	15.029
Trade receivables	3.667	3.667
Due from related parties	-	2
Other current assets	1.194	1.186
Cash and cash equivalents	29	1
	<u>19.919</u>	<u>19.885</u>
Total Assets	<u>72.585</u>	<u>76.286</u>
Non-current liabilities		
Provision for staff leaving indemr	1.966	1.966
Provision for environmental reha	7.583	7.336
Other provisions	1.526	1.377
Other non-current liabilities	402	-
	<u>11.477</u>	<u>10.679</u>
Current liabilities		
Trade payables	7.295	7.282
Due to related parties	-	1.075
Other current liabilities	5.260	5.204
	<u>12.555</u>	<u>13.561</u>
Total liabilities	<u>24.032</u>	<u>24.240</u>

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7. SALES

Sales in the financial statements consist of products sold in the following markets:

	The Group			
	1/1-30/09	1/1-30/09	1/7-30/9	1/7-30/9
	2012	2011	2012	2011
Metallurgy	126.594	125.658	42.840	43.293
Foundry	93.054	90.103	27.529	28.276
Construction	80.284	75.491	27.496	25.984
Specialties	52.291	51.523	17.272	16.155
Other	1.712	1.365	772	619
	353.935	344.140	115.909	114.327
	The Company			
	1/1-30/09	1/1-30/09	1/7-30/9	1/7-30/9
	2012	2011	2012	2011
Metallurgy	37.901	37.409	14.805	14.974
Construction	33.054	31.704	11.079	10.140
Foundry	21.952	26.882	5.957	8.952
Specialties	11.916	9.818	3.257	2.436
Other	2.111	1.373	908	570
	106.934	107.186	36.006	37.072

8. FINANCE INCOME

Finance income in the financial statements is analyzed as follows:

	The Group			
	1/1-30/09	1/1-30/09	1/7-30/9	1/7-30/9
	2012	2011	2012	2011
Interest income	181	184	52	72
Gains from settlement of derivatives on oil	107	285	-	84
Other	19	-	-	-
Total finance income	307	469	52	156
	The Company			
	1/1-30/09	1/1-30/09	1/7-30/9	1/7-30/9
	2012	2011	2012	2011
Gains from settlement of derivatives on oil	107	285	-	84
Foreign exchange gains, net	34	-	21	-
Interest income	12	30	3	15
Total finance income	153	315	24	99

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9. FINANCE COSTS

Finance costs in the financial statements are analyzed as follows:

	The Group			
	<u>1/1-30/09</u> <u>2012</u>	<u>1/1-30/09</u> <u>2011</u>	<u>1/7-30/9</u> <u>2012</u>	<u>1/7-30/9</u> <u>2011</u>
Interest expense on long term loans and borrowings	5.328	3.928	2.898	1.410
Interest expense on short term borrowings	2.436	682	769	442
Bank charges	1.215	404	354	103
Finance cost of environmental rehabilitation provision	744	666	248	222
Finance cost of staff leaving indemnities provision	681	657	227	219
Foreign exchange losses, net	452	3	150	(483)
Amortization of loan expenses	144	73	52	24
	<u>11.000</u>	<u>6.413</u>	<u>4.698</u>	<u>1.937</u>
	The Company			
	<u>1/1-30/09</u> <u>2012</u>	<u>1/1-30/09</u> <u>2011</u>	<u>1/7-30/9</u> <u>2012</u>	<u>1/7-30/9</u> <u>2011</u>
Interest expense on long term loans and borrowings	4.208	3.091	2.171	1.126
Interest expense on short term borrowings	2.291	591	703	401
Finance cost of environmental rehabilitation provision	711	635	238	212
Bank charges	705	164	103	32
Finance cost of staff leaving indemnities provision	337	334	111	111
Amortization of loan expenses	139	37	46	13
Foreign exchange losses, net	-	54	-	(179)
	<u>8.391</u>	<u>4.906</u>	<u>3.372</u>	<u>1.716</u>

10. INCOME TAX (CURRENT AND DEFERRED)

Income tax included in the income statements is analyzed as follows:

	The Group			
	<u>1/1-30/09</u> <u>2012</u>	<u>1/1-30/09</u> <u>2011</u>	<u>1/7-30/9</u> <u>2012</u>	<u>1/7-30/9</u> <u>2011</u>
Current income tax	9.528	8.797	2.155	2.978
Deferred income tax	727	1.093	(917)	201
Total Income Tax	<u>10.255</u>	<u>9.890</u>	<u>1.238</u>	<u>3.179</u>
	The Company			
	<u>1/1-30/09</u> <u>2012</u>	<u>1/1-30/09</u> <u>2011</u>	<u>1/7-30/9</u> <u>2012</u>	<u>1/7-30/9</u> <u>2011</u>
Current income tax	138	449	22	87
Deferred income tax	290	866	(791)	441
Total Income Tax	<u>428</u>	<u>1.315</u>	<u>(769)</u>	<u>528</u>

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10. 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 A.D.		Bulgaria	2007-2011
S&B Industrial Minerals S.A.R.L.	(1)	France	2006-2011
S&B Industrial Minerals GmbH		Germany	2010-2011
S&B Holding GmbH		Germany	2010-2011
SLS Baustoffe GmbH		Germany	2010-2011
Orykton GmbH		Germany	2010-2011
Askana Ltd.		Georgia	2003-2011
S&B Industrial Minerals S.A.	(2)	Greece	2010-2011
Isocon S.A.		Greece	2007-2011
Greek Helicon Bauxites S.A.		Greece	2010-2011
Cape Trahilas One S.A.	(4)	Greece	2010-2011
Cape Trahilas Two S.A.		Greece	2010-2011
Cape Trahilas Three S.A.		Greece	2010-2011
S&B Industrial Minerals Spain S.L.u.		Spain	2006-2011
Sarda Perlite S.r.l.	(3)	Italy	2007-2011
Sibimin Overseas Ltd.		Cyprus	2006-2011
Cape Trahilas Enterprises Ltd.		Cyprus	2007-2011
Cape Trahilas One Ltd.	(5)	Cyprus	-
Cape Trahilas Two Ltd.	(5)	Cyprus	-
Cebo International B.V.		Netherlands	2010-2011
Cebo Holland B.V.		Netherlands	2010-2011
Cebo Marine B.V.		Netherlands	2010-2011
Cebo U.K. Ltd.		G. Britain	2010-2011
S&B Industrial Minerals Kft.		Hungary	2006-2011
S&B Industrial Minerals SP Z.O.O.		Poland	2008-2011
AMERICAS			
S&B Industrial Minerals North America Inc.		U.S.A.	2009-2011
Stollberg Inc.		U.S.A.	2009-2011
Stollberg do Brazil Ltda		Brazil	2005-2011
ASIA			
S&B Industrial Minerals (Henan) Co. Ltd.		China	2010-2011
S&B Jilin Wollastonite Co. Ltd.		China	2005-2011
S&B Industrial Minerals (Tianjin) Co. Ltd.		China	2006-2011
Panshi Huanyu Wollastonite Co. Ltd.		China	2007-2011
Qing Dao Stollberg & Samil Co.Ltd.		China	2008-2011
S&B Endustriyel Mineraller A.Ş.		Turkey	2005-2011
Pabalk Maden A.Ş.		Turkey	2005-2011
Pergem Mineral A.Ş.		Turkey	2010-2011
Organik Madencilik Ltd.		Turkey	2011
Stollberg India Pvt. Ltd.		India	2011
Stollberg & Samil Co. Ltd.		Korea	2004-2011
AFRICA			
Naimex S.A.R.L.		Morocco	2006-2011
S&B Ind. Min. Morocco S.A.R.L.		Morocco	2008-2011

Footnotes:

- (1) Unaudited tax years for S&B Industrial Minerals S.A.R.L. are 2009-2011. However, this period extends back to 2006 due to the merger with Denain Anzin Metallurgie S.A.S. These entities are currently under audit from tax authorities for the year 2008.
- (2) For the fiscal year ended December 31, 2011, the Company has been audited by its statutory auditors in accordance to the law 3842/2010, as implemented by law 1159/2011.
- (3) The entity is currently under audit from tax authorities.
- (4) The entity has been dissolved but according to Greek legislation has not settled its unaudited tax years.
- (5) These entities were audited from tax authorities for the years 2007-2011, with no tax liabilities arising.

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11. EXISTING LIENS

Under a Pledge and Security Agreement dated as of September 14, 2012, the Group US-based companies S&B Industrial Minerals North America Inc., Stollberg Inc. and "Rolling Rock" granted a security interest on various tangible, intangible and working capital assets to "Manufacturers and Traders Trust Company (M&T)" as a collateral for the repayment of USD 50 mil Senior Secured Credit Facilities (Note 17).

Furthermore, a mortgage of € 1,1 million has been granted over the property, plant and equipment of S&B Industrial Minerals A.D. (Note 12).

12. 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 € 1.726 and € 1.726 as of September 30, 2012 and December 31, 2011, respectively, (€ 1.701 and € 1.701 as of September 30, 2012, and December 31, 2011, 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 but will be committed for trial to the Administrative Court of Syros, following the recent reform on court jurisdiction.

By a letter dated September 29, 2010, the Secretariat of the International Commercial Chamber (I.C.C.) informed the Company that it 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, alleged that the Company 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 claimed the amount of € 4,8 million for late deliveries penalties, for the period September 2009 to May 15, 2011, and € 2,2 million for alleged damages for the same period. On March 9, 2012, the International Court of Arbitration of the I.C.C. issued its decision, which held that the Company is liable in damages of € 2,2 million to Kerneos S.A.. Regarding the late deliveries penalties, the decision held that the relevant clause of the contract is applicable without awarding any specific amount to the claimant. Furthermore, the Court rejected the claim for such penalties with respect to shipments of 2009 and invited the Company to provide additional clarifications for the period from January 1, 2010 to May 15, 2011 in relation to its supportive argument that was submitted in the arbitration process which argued that the claimed penalties for delivery delays are excessive and need to be adjusted to proportionate reasonable levels. Finally, Kerneos S.A. reserved its right to file additional claim for alleged damages and late deliveries penalties for the period May 15, 2011 to December 31, 2011. Based on the International Court of Arbitration of the I.C.C decision, the amount of awarded damages of € 2,2 million was charged in December 31, 2011 income statement and paid in April 2012.

On June 29, 2012, Kerneos S.A. filed an additional claim for a total amount of € 6,3 million, for alleged damages, late deliveries penalties and interest surcharges for the period May 15, 2011 to December 31, 2011. The International Court of Arbitration is expected to rule on this claim and on the contradictory views of the counterparties in due course.

Based on the above facts and developments, Group's management estimates that the amount of € 1,3 million provided in the statement of financial position is sufficient to cover for any amounts

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12. PENDING LITIGATION AND ARBITRATION (continued)

awarded in the future and thus, no further amounts are charged in the September 30, 2012, income statement.

In December 2003, S&B Group acquired S&B Industrial Minerals A.D. (at the time named Bentonit A.D.) from its former owners who had acquired the entity in 1998 through a privatization process. On the basis of the privatization agreement, its former owners undertook, vis-a-vis the Bulgarian Privatization Agency (B.P.A.), certain obligations which were not met in full and thus certain liabilities were developed. However, from the time of its acquisition, the Group was never informed of these liabilities, because S&B Industrial Minerals A.D. could not, as a legal party, be held liable for the breach of the Privatization Agreements as these were limited to the previous owners. After the 2006 legislative changes in Bulgaria, B.P.A. has been entitled to hold liable the privatized entities themselves, in the case that the acquirers in the privatized process had not honored their obligations. As a result of these changes, B.P.A. set a mortgage in 2007 on the assets of S&B Industrial Minerals A.D. for an amount of € 1,1 million for which no notification was sent to the entity in the absence of such a legal requirement. In November 2011, S&B Industrial Minerals A.D. was notified for the initiation of a forceful execution of this mortgage to foreclose part of its assets in order to enforce payment of an amount equal to € 600 plus legal interest. The forceful execution of the mortgage has been temporarily suspended. Notwithstanding the above suspension S&B Industrial Minerals A.D. has taken appropriate legal measures and has formally requested the Economic Investment Bank to intervene in the legal proceedings with its capacity as a guarantor of the acquisition transaction in 2003. If for any reason, the Group is forced to pay any amount, legal recourse actions will be initiated for compensation against the sellers in the acquisition transaction in 2003, as well as the guarantor, Economic Investment Bank. Due to the complexity of the case and the arbitration recourse actions that may be initiated against the sellers and the guarantor, the Group's management has sustainable reasons to believe that there will not be any net financial damage for the Group.

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.

13. RELATED PARTY TRANSACTIONS

Transactions with related parties are made at arms' length and mainly relate to operating and partly to investing activities. Outstanding balances are unsecured, interest free and are settled in cash within the timeframe agreed. The guarantees provided by S&B to its subsidiaries as of September 30, 2012 and December 31, 2011 are analyzed in Note 15. 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.

S&B Industrial Minerals S.A.
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS
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13. 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	
	September 30 2012	December 31 2011	September 30 2012	December 31 2011
<u>Associates</u>				
Laviosa Promasa S.A.	419	-	-	-
Xinyang Athenian Mining Co. Ltd	130	131	2.063	1.517
Laviosa Chimica Mineraria S.p.A.	80	3	-	-
	629	134	2.063	1.517
<u>Jointly controlled entities</u>				
Pergem Mineral A.Ş.	644	193	-	-
Cebo International B.V.	141	221	485	43
Stollberg & Samil Co. Ltd.	39	47	22	108
	824	461	507	151
<u>Other related parties</u>				
Halliburton Affiliates L.L.C.	764	781	57	313
Bulent Iper & Orca Kirker	-	-	637	-
Motodynamics S.A., Group of companies	38	38	-	-
ORYMIL S.A.	34	33	-	931
Perlite Hellas S.A.	-	-	212	430
Rescon India Private Ltd.	-	-	70	200
Other	23	17	-	6
	859	869	976	1.880
	2.312	1.464	3.546	3.548
	The Group			
	Revenues		Expenses	
	1/1-30/09 2012	1/1-30/09 2011	1/1-30/09 2012	1/1-30/09 2011
<u>Associates</u>				
Laviosa Promasa S.A.	1.955	1.825	-	120
Laviosa Chimica Mineraria S.p.A.	666	51	-	-
Xinyang Athenian Mining Co. Ltd.	-	-	2.155	1.018
	2.621	1.876	2.155	1.138
<u>Jointly controlled entities</u>				
Cebo International B.V.	1.167	1.085	285	442
Stollberg & Samil Co. Ltd	76	5	155	106
Other	11	-	-	-
	1.254	1.090	440	548
<u>Other related parties</u>				
Halliburton Affiliates L.L.C.	5.828	4.403	492	632
Rescon India Private Ltd.	-	-	656	1.086
Perlite Hellas S.A.	-	-	282	1.530
Other	48	11	81	65
	5.876	4.414	1.511	3.313
	9.751	7.380	4.106	4.999

S&B Industrial Minerals S.A.
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(Amounts in thousand Euro, unless otherwise stated)

13. 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	
	September 30 2012	December 31 2011	September 30 2012	December 31 2011
Direct subsidiaries				
Isocon S.A.	1.110	1.682	-	6
S&B Holding GmbH	191	-	-	-
Sarda Perlite S.r.l.	90	-	480	830
Greek Helicon Bauxite S.A.	3	-	999	-
Sibimin Overseas Ltd.	-	5	-	-
	1.394	1.687	1.479	836
Indirect subsidiaries				
S&B Endustriyel Mineraller A.S.	831	172	-	-
S&B Industrial Minerals Spain S.L.u.	208	-	-	-
S&B Industrial Minerals A.D.	13	-	303	455
S&B Industrial Minerals (Henan) Co.Ltd	12	12	6	6
S&B Industrial Minerals GmbH	-	-	16.393	9.222
S&B Industrial Minerals North America Inc.	-	41	2.787	-
S&B Industrial Minerals S.A.R.L.	-	797	1.005	-
Other	6	-	-	-
	1.070	1.022	20.494	9.683
Associates				
Laviosa Promasa S.A.	419	-	-	-
Laviosa Chimica Mineraria S.p.A.	80	3	-	-
	499	3	-	-
Other related parties				
Cebo International B.V.	282	443	900	-
Motodynamics S.A., Group of companies	38	38	-	1
ORYMIL S.A.	34	33	-	931
Other	21	17	1	4
	375	531	901	936
	3.338	3.243	22.874	11.455

The amounts of € 16.393 due to S&B Industrial Minerals GmbH, € 2.787 due to S&B Industrial Minerals North America Inc. and € 1.005 due to S&B Industrial Minerals S.A.R.L. relate to advance payments for industrial minerals purchases.

Following the decision of the 2010 Shareholders' General Assembly, within 2012 the Company proceeded to the acquisition of the remaining part of the defined land in Milos island for an amount of € 467 from ORYMIL S.A..

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

	The Company			
	Revenues		Expenses	
	1/1-30/09 2012	1/1-30/09 2011	1/1-30/09 2012	1/1-30/09 2011
<u>Direct subsidiaries</u>				
Isocon S.A.	977	1.201	-	-
S&B Holding GmbH	191	303	-	-
Sarda Perlite S.r.l.	110	110	385	447
Sibimin Overseas Ltd.	-	19	-	-
Greek Helicon Bauxite S.A.	6	6	8	319
	1.284	1.639	393	766
<u>Indirect subsidiaries</u>				
S&B Industrial Minerals GmbH	15.476	16.398	2.033	58
S&B Industrial Minerals North America Inc.	11.880	12.897	-	-
S&B Industrial Minerals S.A.R.L.	2.652	4.825	-	-
S&B Endustriyel Mineraller A.S.	1.186	1.145	-	-
S&B Industrial Minerals Spain S.L.u.	403	618	-	-
Stollberg Inc.	180	174	-	-
S&B Industrial Minerals A.D.	32	4	77	170
Other	6	9	-	-
	31.815	36.070	2.110	228
<u>Associates</u>				
Laviosa Promasa S.A.	2.177	1.983	-	-
Laviosa Chimica Mineraria S.p.A.	731	280	-	-
	2.908	2.263	-	-
<u>Other related parties</u>				
Cebo International B.V.	2.169	2.100	-	-
Other	8	11	80	64
	2.177	2.111	80	64
	38.184	42.083	2.583	1.058

Compensation of key management personnel

Transactions and compensation of key management personnel and Board members of the Group for the nine month period ended September 30, 2012 amounted to € 4.240 (€ 3.944 for the nine month period ended September 30, 2011). Balances due to key management and Board members as of September 30, 2012 amounted to € 1.381 (€ 1.272 as of December 31, 2011).

Finally, transactions and compensation of key management and Board members of the Company for the nine month period ended September 30, 2012 amounted to € 3.883 (€ 3.758 for the nine month period ended September 30, 2011). Balances due to key management and Board members as of September 30, 2012 amounted to € 1.315 (€ 1.228 as of December 31, 2011).

14. CAPITAL EXPENDITURE

The Group realized capital expenditure for the nine month periods ended September 30, 2012 and 2011 of € 22,9 million and € 28,9 million, respectively, while the Company realized capital expenditure of € 15,7 million and € 21,5 million, respectively.

15. CONTINGENCIES - COMMITMENTS

On September 30, 2012 and December 31, 2011 the Group has issued letters of guarantee for a total amount of € 9,1 million and € 6,8 million, respectively, while the Company has issued letters of guarantee for a total amount of € 3,7 million and € 4,0 million, respectively, relating mainly to mining rights and licenses. Further to the above, the Company as of September 30, 2012 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 € 40,7 million (€ 53,7 million as of December 31, 2011).

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16. OPERATING SEGMENT INFORMATION

Effective from 2012, the Group's organizational structure changed from divisions based on the nature of the industrial mineral applications to geographic regions where it engages in production, processing and distribution activities, in order to better manage complexity and diversity across its geographic spread and support further growth prospects. Under this new structure, the Group has four reportable profit generating segments (Regions), which are independently managed, plus the Corporate segment. This external segment reporting is based on the Group's internal 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's reportable operating segments are summarized as follows:

- **South Europe Region** incorporates Group entities operating in Greece, Bulgaria, Cyprus, Georgia, Italy, Morocco, Spain and Turkey.
- **North Europe Region** incorporates Group entities operating in Germany, France, Holland, Hungary and Poland.
- **Americas Region** incorporates Group entities operating in USA, Brazil, Mexico and Canada.
- **Asia & Pacific Region** incorporates Group entities operating in China, India and Korea.
- **Corporate segment** incorporates all corporate functions.

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 and 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 segments' 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.

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16. OPERATING SEGMENT INFORMATION (continued)

The following tables present sales and results regarding the Group's operating segments for the nine month periods ended September 30, 2012 and 2011, respectively. Please note that comparative figures have been reclassified to reflect the new Group's organizational structure:

	1/1-30/09/2012				
	Sales			Results	
	Third party	Inter-segment	Total sales	Profit / (loss) before tax	EBITDA
South Europe	94.574	30.730	125.304	16.705	31.983
North Europe	162.948	2.710	165.658	23.135	27.923
Americas	76.036	72	76.108	9.589	11.839
Asia & Pacific	20.377	1.787	22.164	2.792	3.661
Corporate	-	-	-	(26.472)	(17.053)
Eliminations	-	(35.299)	(35.299)	377	377
Total Group	353.935	-	353.935	26.126	58.730
	1/1-30/09/2011				
	Sales			Results	
	Third party	Inter-segment	Total sales	Profit / (loss) before tax	EBITDA
South Europe	93.924	34.968	128.892	19.598	33.413
North Europe	163.681	957	164.638	20.300	25.243
Americas	67.726	17	67.743	4.904	7.015
Asia & Pacific	18.809	3.389	22.198	2.823	3.572
Corporate	-	-	-	(19.280)	(14.484)
Eliminations	-	(39.331)	(39.331)	(320)	(320)
Total Group	344.140	-	344.140	28.025	54.439

The following table present segment assets of the Group's operating segments as of September 30, 2012 and December 31, 2011. Please note that comparative figures have been reclassified to reflect the new Group's organizational structure:

	September 30 2012	December 31 2011
South Europe	285.972	200.441
North Europe	186.027	181.471
Americas	107.550	51.597
Asia & Pacific	26.045	21.562
Corporate	52.474	51.061
Eliminations	(26.221)	(15.935)
	631.847	490.197
<i>Assets held for sale</i>	-	72.585
Total assets of the Group	631.847	562.782

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.

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17. PROCEEDS AND REPAYMENTS OF BANK LOANS

In June 2012, the Company concluded an agreement for common bond issue of L. 3156/2003 of € 110 million, drawn down in June 2012. The above bond loan is of four years tenor bearing floating interest rate based on Euribor plus spread, repayable in seven (7) variable installments. The Company used the aforementioned loan for refinancing maturing loans.

In June 2012, the Group concluded an agreement of Term Loan Facility of € 40 million, drawn down in June 2012. The above loan is of three years tenor bearing floating interest rate based on Euribor plus spread, repayable in six (6) variable installments. The Group used the aforementioned loan facility for refinancing maturing loans.

Within June 2012, the Group repaid € 159 million of interest bearing loans, out of which € 114 million related to the Company's bond loans and € 45 million to the Group's syndicated loans.

In September 2012, the Group concluded a Credit agreement of USD 50 million for financing the acquisition of Rolling Rock and for working capital purposes. The above credit agreement includes the following:

- A Term Loan of USD 30 million, drawn down in September 2012. The above loan is of five years tenor bearing floating interest rate based on Libor plus spread, gradually repayable until maturity.
- A Revolving Credit Facility of USD 20 million, from which USD 14 million was drawn down in September 2012. The above facility is of 3 years tenor bearing floating interest rate based on Libor plus spread, repayable on maturity.

The terms of the above loans contain financial covenants including requirements to maintain minimum ratios of net borrowings to EBITDA, EBITDA to net interest expense and net borrowings to net worth.

With respect to the above loans, the table below presents the future payments as of September 30, 2012:

	<u>The Group</u>	<u>The Company</u>
Within one year	10.387	6.000
1-5 years	172.643	104.000
	183.029	110.000
Loan expenses	(1.457)	(1.094)
	181.573	108.906

Within September 2012, the Group repaid € 1 million of interest bearing loan, related to the Group's loans.

18. CURRENT PERIOD SIGNIFICANT EVENTS

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

On April 11, 2012, the Board of Directors of the Company proposed and the Shareholders' General Assembly (AGM) held on June 27, 2012, 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 cash. The amount of the capital reduction was paid to the Company's shareholders on August 2, 2012.

Following the above transactions as of September 30, 2012, the Company's share capital amounted to € 51.110.687 divided into 51.110.687 common registered shares of nominal value € 1,00 each.

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19. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There are no significant events to be reported.

20. 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		
	September 30	December 31	Δ%
	2012	2011	
1 € = USD	1,2930	1,2939	0%
1 € = GBP	0,7981	0,8353	-4%
1 € = BGN	1,9558	1,9558	0%
1 € = HUF	284,89	314,58	-9%
1 € = TRY	2,320	2,443	-5%
1 € = CNY	8,1885	8,1588	0%
1 € = GEL	2,1331	2,1740	-2%
1 € = KRW	1.444,28	1.494,10	-3%
1 € = BRL	2,6109	2,4342	7%
1 € = INR	68,348	68,713	-1%
1 € = MAD	11,1066	11,1351	0%
1 € = PLN	4,1038	4,4580	-8%
	COMPREHENSIVE INCOME		
	Average rate	Average rate	Δ%
	nine month	nine month	
	2012	2011	
1 € = USD	1,2808	1,4065	-9%
1 € = GBP	0,8120	0,8714	-7%
1 € = BGN	1,9558	1,9558	0%
1 € = HUF	291,25	271,38	7%
1 € = TRY	2,309	2,292	1%
1 € = CNY	8,0926	9,1378	-11%
1 € = GEL	2,112	2,382	-11%
1 € = KRW	1.459,47	1.541,01	-5%
1 € = BRL	2,4578	2,2979	7%
1 € = INR	68,062	63,645	7%
1 € = MAD	11,0975	11,2595	-1%
1 € = PLN	4,2089	4,0211	5%

B. ADDITIONAL INFORMATION



S&B Industrial Minerals S.A.

Company's No 110/06/06/11 in the register of Societas Anonymas - Andrea Metaxa 15 - 145 04 Kifissia
FINANCIAL DATA AND INFORMATION FOR THE PERIOD 1 JANUARY 2012 - 30 SEPTEMBER 2012
(In accordance with 4507/28.04.2009 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.

Board of Directors approval date of financial statements: November 13, 2012

Company's website: www.sandb.com

	STATEMENT OF FINANCIAL POSITION		COMPANY	
	30/9/2012	31/12/2011	30/9/2012	31/12/2011
ASSETS				
Property, Plant & Equipment	221,937	154,430	114,800	62,292
Investment properties	18,654	18,880	18,654	18,880
Intangible assets	128,970	102,593	25,326	25,132
Other non-current assets	26,949	24,739	147,891	143,069
Inventories	101,819	73,469	39,667	18,362
Trade receivables	91,868	49,557	9,291	4,855
Other current assets	29,260	20,292	22,677	18,501
Cash and cash equivalents	45,050	48,158	5,249	2,323
Available for sale financial assets	140	90	140	90
Assets held for sale	-	72,595	-	72,595
TOTAL ASSETS	831,847	582,736	383,486	387,548
EQUITY AND LIABILITIES				
Share capital	51,111	51,111	51,111	51,111
Share premium	14,222	27,400	14,222	27,400
Other equity components	187,451	171,142	89,602	93,056
Total equity attributable to owners of the Company (a)	252,784	249,253	155,133	171,517
Minority interests (b)	834	858	-	-
Total equity (c)=(a)+(b)	253,618	250,111	155,133	171,517
Long-term interest-bearing loans and borrowings	171,186	98,378	102,886	98,378
Provisions/Other non-current liabilities	63,915	41,738	29,313	11,509
Short-term borrowings	55,866	111,279	49,350	65,898
Other current liabilities	87,482	88,844	52,783	27,998
Liabilities associated with the assets classified as held for sale	-	24,022	-	24,240
Total liabilities (d)	378,429	312,671	228,353	196,423
TOTAL EQUITY AND LIABILITIES (d)+(c)	831,847	582,736	383,486	387,548

	STATEMENT OF COMPREHENSIVE INCOME			
	1/1/2012-30/9/2012	1/1/2011-31/12/2011	1/1/2012-30/9/2012	1/1/2011-31/12/2011
Sales	353,935	344,140	115,909	114,327
Other profit	87,538	84,796	24,454	28,640
Profit before income tax	441,473	428,936	140,363	142,967
Financial and investment results	36,810	33,969	6,028	12,757
Profit before tax	478,283	462,905	146,391	155,724
Net profit (A)	15,871	18,136	144	7,797
Attributable to:				
- Owners of the company	15,965	18,173	105	7,772
- Non-controlling interests	-94	-37	90	25
Other comprehensive income/(loss) for the period (B)	87	-3,480	-2,195	1,298
Total other comprehensive income/(loss) for the period (A)+(B)	15,958	14,656	-2,051	9,095
Attributable to:				
- Owners of the company	16,022	14,684	-2,086	8,970
- Non-controlling interests	-64	-28	35	25
Net earnings per share - basic (in €)	0.3124	0.3556	0.0021	0.1521
Profit before income tax, financial and investment results, depreciation and amortization	587,900	54,430	17,435	19,820

	CONDENSED STATEMENT OF CHANGES IN EQUITY		COMPANY	
	30/9/2012	30/9/2011	30/9/2012	30/9/2011
Equity at beginning of the period (1/1/2012 and 1/1/2011 respectively)	248,811	242,858	171,117	186,700
Total comprehensive income/(loss) for the period	15,958	14,645	-3,589	-793
Dividend distribution	-70	-74	-	-
Share capital increase	12,778	12,778	12,778	12,778
Share capital decrease	-	-671	-	-671
Share premium return	-12,778	-12,778	-12,778	-12,778
Share premium decrease	-12,778	-15,529	-12,778	-15,529
Purchase of treasury shares	-	-6	-	-6
Cancellation of treasury shares	-	3,222	-	3,222
Non-controlling interest share increase in capital when in consolidated entities	140	-	-	-
Share based payment	983	-239	983	-239
Other movements	-78	-	-	-
Equity at period end (30/9/2012 and 30/9/2011 respectively)	253,618	244,588	155,133	171,517

	COMPANY			
	1/1/2012-30/9/2012	1/1/2011-31/12/2011	1/1/2012-30/9/2012	1/1/2011-31/12/2011
Sales	106,934	107,186	36,006	37,072
Other profit	23,555	27,473	3,950	10,832
Profit/(loss) before income tax, financial and investment results	130,489	134,659	40,000	47,904
Financial and investment results	5,101	5,898	-2,311	3,006
Profit/(loss) before tax	135,590	140,557	37,689	50,910
Net profit/(loss) (A)	-3,823	489	-4,799	1,781
Attributable to:				
- Owners of the company	-3,025	480	-4,790	1,781
- Non-controlling interests	-798	-	-	-
Other comprehensive income/(loss) for the period (B)	-3,600	-793	-4,470	169
Total other comprehensive income/(loss) for the period (A)+(B)	-7,423	-304	-9,269	-130
Attributable to:				
- Owners of the company	-6,500	-793	-4,862	169
- Non-controlling interests	-923	-	-	-
Net (loss)/earnings per share - basic (in €)	-0.0592	0.0094	-0.0938	0.0545
Profit before income tax, financial and investment results, depreciation and amortization	187,500	17,583	6,616	8,069

- ADDITIONAL DATA AND INFORMATION**
- Companies included in the consolidated financial statements together with country of establishment, participation interest and method of consolidation for the nine month period ended September 30, 2012, are presented in note 4 of the nine month financial report.
 - The fiscal years that are unrelated by the tax authorities for the Company and the Group's subsidiaries are presented in Note 10 of the nine month financial report.
 - Number of employees at the end of the reporting period: Group 2,095 (30.9.2011: 1,995) and 636 for the Company (30.9.2011: 657).
 - Related party transactions for the first nine months of 2012 and balances with related parties as of September 30, 2012 according to I.A.S. 24 are as follows:

	GROUP	COMPANY
a) Revenues	9,751	38,194
b) Expenses	4,198	2,583
c) Receivables from related parties	2,312	3,338
d) Payables to related parties	3,548	22,674
e) Key management personnel compensations	4,240	3,883
f) Receivables from key management personnel	0	0
g) Payables to key management personnel	1,361	1,315
 - Other comprehensive income/loss for the first nine months of 2012 is as follows:

	GROUP	COMPANY
Translation of foreign operations		
- Subsidiaries	536	0
- Associates	87	0
Valuation of available-for-sale financial assets	50	50
Income tax relating to the valuation of available-for-sale financial assets	-10	-10
Valuation of derivatives	-792	-792
Income tax relating to the valuation of derivatives	148	148
 - Provisions of the Group and the Company as of 30.9.2012 are as follows:

	GROUP	COMPANY
a) Provision for litigation and arbitration	1,726	1,701
b) Provision for uncollectible trade receivables	1,859	200
c) Other provisions	3,480	1,081
 - Under a Pledge and Security Agreement dated as of September 14, 2012, the Group US-based companies S&B Industrial Minerals North America Inc., Stollberg Inc., and "Trotting Rock" granted a security interest on various tangible, intangible and working capital assets to Manufacturers and Traders Trust Company ("MTI") as a collateral for the repayment of USD 50 million Senior Secured Credit Facility. Furthermore, an amount of € 1.1 million has been granted over the property, plant and equipment of S&B Industrial Minerals A.O. (note 11 of the nine month financial report).
 - In this note all amounts are expressed in Euro: On April 11, 2012, the Board of Directors of the Company proposed and the Shareholders' General Assembly (AGM) held on June 27, 2012, 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 cash. The amount of the capital reduction was paid to the Company's shareholders on August 2, 2012. Following the above transactions as of September 30, 2012, the Company's share capital amounted to € 51,110,887 divided into 51,110,887 common registered shares of nominal value € 1.00 each (note 16 of the nine month financial report).
 - On March 9, 2012, the International Court of Arbitration of the International Commercial Chamber issued its decision on the claim of Oncores S.A. against the Company by which it awarded an amount of € 2.2 million for damages with which was charged in December 31, 2011 income statement and paid in April 2012. Except for this case, within the normal course of business of the Company and the Group there are pending lawsuits, applications and appeals (note 12 of the nine month financial report).
 - In November 2011, the Company had announced an initial agreement for the gradual disposal of 16 Bauleit operations in Greece to Akimilion S.A., a subsidiary of Mytilineos Holdings S.A. The liability agreed consideration of € 61,072 was to be confirmed upon completion of the financial, legal, tax and technical due diligence process. On October 12, 2012, the Company announced that following an extended due diligence process, as well as negotiations between the two parties, it was not possible to conclude an agreement for the above disposal. Following the above announcement, the net assets of the Company's Bauleit operations in Greece and "Greek Helicon Bauleit S.A.", a subsidiary of the net assets to be classified as held for sale in the Group and Company statements of financial position of September 30, 2012. Furthermore, full results for the nine and the three month periods ended September 30, 2012 are reclassified as "discontinued operations" in the accompanying Group's and Company's income statements. In accordance with the provisions of FR 5 "Non-current assets held for sale and discontinued

	CASH FLOW STATEMENT		COMPANY	
	1/1-30/9/2012	1/1-30/9/2011	1/1-30/9/2012	1/1-30/9/2011
Adjusted Method				
Cash flows from operating activities				
Profit/(loss) before tax	26,128	28,025	-3,536	1,736
Adjustments for:				
- Depreciation and amortization	21,984	20,628	13,688	11,975
- Grants amortization	-73	-158	-37	-110
- Provisions, net	1,233	3,974	1,738	2,796
- Finance income	-307	-469	-159	-315
- Finance costs	11,000	6,413	8,391	4,006
- Investment income (net of foreign taxes)	-	-	-500	-85
- Share of profit of associates	-1,040	-531	-	-
- Gain/(loss) from disposal of property, plant and equipment	45	4	-4	26
	58,880	57,888	20,200	20,544
(Increase) / Decrease in:				
- Inventories	-4,419	-10,264	-5,238	-5,758
- Trade receivables	-1,829	-3,588	-78	2,396
- Due from related parties	-846	-252	-8	278
- Other assets	-5,955	-8,217	-4,846	-8,208
Increase / (Decrease) in:				
- Trade payables	-5,820	4,827	-3,363	2,916
- Due to related parties	-1	329	10,348	2,361
- Other liabilities	3,635	2,472	438	1,861
Staff loaning indemnities paid	-854	-4,385	-310	-3,773
Payments for environmental rehabilitation	-1,209	-594	-927	-923
Income tax paid	-7,960	-3,075	-927	-967
Net cash flows from operating activities (A)	34,180	25,762	16,251	13,374
Cash flows from investing activities				
- Capital expenditure	-22,914	-38,898	-15,650	-21,594
- Business combinations and investments in consolidated entities	-42,348	-100	-210	-
- Non-controlling interest share increase in capitalization in consolidated entities	140	-	-	-
- Dividends received	216	388	236	428
- Interest and other finance income received	200	183	12	26
- Proceeds from the settlement of derivatives	107	271	117	21
- Proceeds from disposal of property, plant and equipment	77	17	5	1
Net cash flows used in investing activities (B)	-64,522	-38,130	-18,800	-20,869
Cash flows from financing activities				
- Capital raised in share offerings	-12,769	-12,767	-12,768	-12,327
- Purchase of treasury shares	-	-6	-	-6
- Net increase of short-term borrowings	26,176	13,209	24,652	13,101
- Proceeds from long-term borrowings	184,029	20,000	10,000	20,000
- Repayment of long-term borrowings	-160,000	-15,000	-14,000	-7,500
- Dividends paid to equityholders of the Company, net of taxes	-	-	-	-
- Dividends paid to non-controlling interests	-70	-70	-	-
- Payments for the settlement of derivatives	-	-4	-	-4
- Interest and other finance costs paid	-3,240	-4,542	-5,708	-3,365
Net cash flows from financing activities (C)	29,117	818	2,077	8,651
Net foreign exchange differences on cash flows (D)	32	283	3	54
Net (decrease)/increase in cash and cash equivalents (B)+(C)+(D)	-1,193	1,694	2,351	1,861
Increase in restricted cash	-	190	-	50
Cash and cash equivalents at the beginning of the period	46,187	42,724	2,924	2,588
- Net foreign exchange differences on cash and cash equivalents at the beginning of the period	53	-330	-	-
Cash and cash equivalents at period end	45,050	44,774	5,249	2,643

- operations", the carrying amount of the non-current assets which had been classified as held for sale included, as of September 30, 2012, depreciation had been classified as held for sale. The depreciation charge included in the accompanying income statements amounts to € 7.8 million, out of which an amount of € 5.9 million corresponds to the nine month period ending September 30, 2012 and a remaining amount of € 1.9 million to the two month period from November 1 to December 31, 2011 (note 8 of the nine month financial report).
- On September 14, 2012, the Group acquired 100% of the share and voting rights of US-based Rolling Rock Minerals Inc. group and its subsidiaries in the U.S.A., Canada and Mexico ("Rolling Rock") (note 5 of the nine month financial report).
- As of 17th February 2012, Miras Island Resort Ltd was dissolved. In May 2012, S&B Enterprise Management Consulting Co. Ltd. was established in Greece while in September, 2012, the Company's subsidiary Incores S.A. proceeded to the increase of its share capital by an amount of € 350, which was paid within the reporting period (note 4 of the nine month financial report).

Dated: November 13, 2012

THE CHAIRMAN OF THE BOARD OF DIRECTORS

THE CHIEF EXECUTIVE OFFICER

THE CHIEF FINANCIAL OFFICER

THE CONTROLLER SOUTH EUROPE

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