



**S&B Industrial Minerals S.A.**

**Interim Financial Statements**

**for the three-month period ended March 31, 2013**

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 May 30, 2013. These are made publicly available on the company's website at [www.sandb.com](http://www.sandb.com) for at least 5 (five) years from the date of issue.

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# S&B Industrial Minerals S.A.

## INTERIM FINANCIAL STATEMENTS AS OF MARCH 31, 2013

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## **A1. INTERIM CONDENSED FINANCIAL STATEMENTS**

The accompanying interim condensed Financial Statements for the three month period ended March 31, 2013 have been approved by the Board of Directors of S&B Industrial Minerals S.A. on May 30, 2013.

**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**

**Nikolaos Ch. Ioakim**

**ID No AH042868**

**ID No AK061616**

**ID No AZ951354**

**A' Class License No  
0002714**

**S&B Industrial Minerals S.A.**  
**INTERIM CONSOLIDATED INCOME STATEMENT**  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2013**  
(Amounts in thousand Euro, except for earnings per share)

		<b>The Group</b>	
		<b>Re-presented*</b>	
<u>Note</u>	<u>1/1 - 31/03/2013</u>	<u>1/1 - 31/03/2012*</u>	
Sale of goods	7	106.233	105.366
Cost of sales		(79.130)	(78.471)
<b>Gross Profit</b>		<b>27.103</b>	<b>26.895</b>
Administrative expenses		(10.766)	(9.698)
Selling expenses		(6.937)	(6.337)
Other income		1.353	1.121
Other expenses		(114)	(64)
<b>Operating profit</b>		<b>10.639</b>	<b>11.917</b>
Finance income	8	403	125
Finance costs	9	(4.358)	(2.838)
Share of net profit of joint ventures		911	1.200
Share of net profit of associates		297	80
<b>Profit before tax</b>		<b>7.892</b>	<b>10.484</b>
Income tax expense	10	(2.361)	(3.437)
<b>Net profit</b>		<b>5.531</b>	<b>7.047</b>
<b>Attributable to:</b>			
Equity holders of the Company		5.591	7.110
Non-controlling interests		(60)	(63)
		<b>5.531</b>	<b>7.047</b>
<b>Earnings per share attributable to equity holders of the Company</b>			
Basic		0,1092	0,1391
Diluted		0,1074	0,1376
<b>Weighted average number of shares</b>			
Basic		51.197.862	51.110.687
Diluted		52.065.746	51.680.003

\*The amounts have been re-presented due to discontinuing operations (Note 6) and restated due to IFRS 11 (Note 5) and IAS 19 (Revised) (Note18).

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

**S&B Industrial Minerals S.A.**  
**INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2013**  
(Amounts in thousand Euro)

	<b>The Group</b>	
	<u>1/1 - 31/03/2013</u>	<u>Re-presented*</u> <u>1/1 - 31/03/2012*</u>
<b>Net profit</b>	<b>5.531</b>	<b>7.047</b>
<b>Other comprehensive income</b>		
<i>Other comprehensive income to be reclassified, to profit or loss in subsequent periods:</i>		
Translation of foreign operations:		
-Subsidiaries	2.060	(1.734)
-Joint Ventures & Associates	315	99
Valuation of available-for-sale financial assets	(70)	(4)
Income tax relating to the valuation of available- for-sale financial assets	18	1
Valuation of derivatives in a cash-flow hedge	128	(229)
Income tax relating to the valuation of derivatives	126	46
	<b>2.577</b>	<b>(1.821)</b>
<i>Other comprehensive income not to be reclassified, to profit or loss in subsequent periods:</i>		
Income tax effect	60	-
	<b>60</b>	<b>-</b>
<b>Other comprehensive income, net of tax</b>	<b>2.637</b>	<b>(1.821)</b>
<b>Total comprehensive income for the period, net of tax</b>	<b>8.168</b>	<b>5.226</b>
<b>Attributable to:</b>		
Equity holders of the Company	8.228	5.289
Non-controlling interests	(60)	(63)
	<b>8.168</b>	<b>5.226</b>

\*The amounts have been re-presented due to discontinuing operations (Note 6) and restated due to IFRS 11 (Note 5) and IAS 19 (Revised) (Note 18).  
The accompanying notes are an integral part of these interim condensed financial statements.

**S&B Industrial Minerals S.A.**  
**INTERIM SEPARATE INCOME STATEMENT**  
**FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2013**  
(Amounts in thousand Euro)

	<u>Note</u>	<u>The Company</u>	
		<u>1/1 - 31/03/2013</u>	<u>Re-presented*</u> <u>1/1 - 31/03/2012*</u>
Sales of goods	7	28.811	32.981
Cost of sales		(22.172)	(24.885)
<b>Gross Profit</b>		<b>6.639</b>	<b>8.096</b>
Administrative expenses		(5.389)	(5.324)
Selling expenses		(1.432)	(1.730)
Other income		921	1.244
Other expenses		(101)	(26)
<b>Operating profit</b>		<b>638</b>	<b>2.260</b>
Finance income	8	164	202
Finance costs	9	(3.164)	(2.240)
Investment income		95	-
<b>Profit / (loss) before tax</b>		<b>(2.267)</b>	<b>222</b>
Income tax expense	10	748	-
<b>Net profit / (loss)</b>		<b>(1.519)</b>	<b>222</b>

\*The amounts have been re-presented due to discontinuing operations (Note 6) and restated due to IAS 19 (Revised) (Note 18).

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 THREE MONTH PERIOD ENDED MARCH 31, 2013**  
(Amounts in thousand Euro)

	<u>The Company</u>	
	<u>1/1 - 31/03/2013</u>	<u>Re-presented*</u> <u>1/1 - 31/03/2012*</u>
<b>Net profit /(loss)</b>	<b>(1.519)</b>	<b>222</b>
<b>Other comprehensive income</b>		
<i>Other comprehensive income to be reclassified, to profit or loss in subsequent periods:</i>		
Valuation of available-for-sale financial assets	(70)	(4)
Income tax relating to the valuation of available-for-sale financial assets	18	1
Valuation of derivatives in a cash-flow hedge	128	(229)
Income tax relating to the valuation of derivatives	126	46
	<b>202</b>	<b>(186)</b>
<i>Other comprehensive income not to be reclassified, to profit or loss in subsequent periods:</i>		
Income tax effect	60	-
	<b>60</b>	<b>-</b>
<b>Other comprehensive income, net of tax</b>	<b>262</b>	<b>(186)</b>
<b>Total comprehensive loss for the period, net of tax</b>	<b>(1.257)</b>	<b>36</b>

\*The amounts have been re-presented due to discontinuing operations (Note 6) and restated due to IAS 19 (Revised) (Note 18).

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

**S&B Industrial Minerals S.A.**  
**INTERIM STATEMENTS OF FINANCIAL POSITION**  
**MARCH 31, 2012**  
(Amounts in thousand Euro)

	Note	The Group		The Company	
		March 31 2013	December 31 2012*	March 31 2013	December 31 2012*
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment		211.140	211.187	114.088	113.182
Investment properties		17.726	17.796	17.726	17.796
Goodwill		102.153	101.740	25.129	25.129
Other intangible assets		11.456	11.796	185	193
Investments in subsidiaries		-	-	133.780	133.780
Investments in Joint Ventures	5	35.053	36.985		
Investments in associates		10.692	10.503	4.198	4.198
Deferred tax assets		7.324	7.356	3.278	2.321
Available-for-sale financial assets		112	182	112	182
Non-current assets due from related parties	13	1.281	1.259	-	-
Other non-current assets		3.235	2.895	687	656
		<b>400.172</b>	<b>401.699</b>	<b>299.183</b>	<b>297.437</b>
<b>Current assets</b>					
Inventories		84.657	91.948	35.279	36.738
Trade receivables		59.394	47.737	9.616	11.245
Receivables from related parties	13	790	225	3.754	2.202
Income tax receivables		1.168	1.293	604	545
Other current assets		17.500	25.061	11.022	19.429
Cash and cash equivalents		53.085	35.009	6.625	4.565
		<b>216.594</b>	<b>201.273</b>	<b>66.900</b>	<b>74.724</b>
<b>Total Assets</b>		<b>616.766</b>	<b>602.972</b>	<b>366.083</b>	<b>372.161</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity attributable to owners of the Company</b>					
Share capital		51.198	51.198	51.198	51.198
Share premium		14.565	14.565	14.565	14.565
Share option plan reserve		2.580	2.408	2.580	2.408
Derivatives valuation reserve		(1.866)	(2.120)	(1.866)	(2.120)
Other reserves		73.751	73.842	87.882	87.874
Translation of foreign operations		1.112	(1.263)	-	-
Retained earnings		113.340	107.553	9.072	10.591
		<b>254.680</b>	<b>246.183</b>	<b>163.431</b>	<b>164.516</b>
Non-controlling interests		406	718	-	-
<b>Total equity</b>		<b>255.086</b>	<b>246.901</b>	<b>163.431</b>	<b>164.516</b>
<b>Non-current liabilities</b>					
Provision for staff leaving indemnities	18	30.592	29.961	9.036	8.918
Provision for environmental rehabilitation		15.030	15.013	10.518	10.626
Other provisions		2.956	3.226	1.238	1.216
Interest-bearing loans and borrowings		159.440	159.544	97.054	96.969
Deferred tax liabilities		13.623	14.334	-	-
Government grants		1.616	1.655	1.384	1.410
Other non-current liabilities		1.022	880	106	106
		<b>224.279</b>	<b>224.613</b>	<b>119.336</b>	<b>119.245</b>
<b>Current liabilities</b>					
Trade payables		34.817	39.965	9.593	10.291
Payables to related parties	13	2.808	4.684	1.751	15.946
Short-term borrowings		41.916	36.635	41.326	36.253
Current portion of long-term interest bearing loans and borrowings		22.733	21.516	12.000	12.000
Income tax liabilities		5.723	4.314	-	-
Dividends payable		48	23	11	16
Other current liabilities		29.356	24.321	18.635	13.894
		<b>137.401</b>	<b>131.458</b>	<b>83.316</b>	<b>88.400</b>
<b>Total equity and liabilities</b>		<b>616.766</b>	<b>602.972</b>	<b>366.083</b>	<b>372.161</b>

\*The amounts have been restated due to IFRS 11 (Note 5) and IAS 19 (Revised) (Note18).

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 THREE MONTH PERIOD ENDED MARCH 31, 2013**  
(Amounts in thousand Euro)

		<b>The Group</b>								
		<b>Attributable to Equity holders of the Company</b>								
<u>Note</u>	Share Capital	Share Premium	Share option plan reserve	Derivatives valuation reserve	Other reserves	Translation of foreign operations	Retained earnings	Total	Non-controlling interests	Total equity
<b>January 1, 2012, as originally issued</b>	<b>51.111</b>	<b>27.000</b>	<b>2.121</b>	<b>(1.645)</b>	<b>78.139</b>	<b>(613)</b>	<b>93.140</b>	<b>249.253</b>	<b>658</b>	<b>249.911</b>
- Transition to IAS 19 Revised	-	-	-	-	(1.887)	-	-	(1.887)	-	(1.887)
<b>January 1, 2012, as restated</b>	<b>51.111</b>	<b>27.000</b>	<b>2.121</b>	<b>(1.645)</b>	<b>76.252</b>	<b>(613)</b>	<b>93.140</b>	<b>247.366</b>	<b>658</b>	<b>248.024</b>
- Profit for the period*	-	-	-	-	-	-	7.110	7.110	(63)	7.047
- Other comprehensive loss for the period	-	-	-	(183)	(3)	(1.635)	-	(1.821)	-	(1.821)
- Total comprehensive income/ ( loss) for the period*	-	-	-	(183)	(3)	(1.635)	7.110	5.289	(63)	5.226
- Share based payment	-	-	138	-	-	-	-	138	-	138
-Transfers & other movements	-	-	-	-	330	-	(398)	(68)	-	(68)
<b>March 31, 2012</b>	<b>51.111</b>	<b>27.000</b>	<b>2.259</b>	<b>(1.828)</b>	<b>76.579</b>	<b>(2.248)</b>	<b>99.852</b>	<b>252.725</b>	<b>595</b>	<b>253.320</b>
<b>January 1, 2013*</b>	<b>51.198</b>	<b>14.565</b>	<b>2.408</b>	<b>(2.120)</b>	<b>73.842</b>	<b>(1.263)</b>	<b>107.553</b>	<b>246.183</b>	<b>718</b>	<b>246.901</b>
- Profit for the period	-	-	-	-	-	-	5.591	5.591	(60)	5.531
- Other comprehensive income/ ( loss) for the period	-	-	-	254	8	2.375	-	2.637	-	2.637
- Total comprehensive income/ ( loss) for the period	-	-	-	254	8	2.375	5.591	8.228	(60)	8.168
- Dividends distribution	-	-	-	-	(95)	-	-	(95)	-	(95)
- Dividends paid to non-controlling interests	-	-	-	-	-	-	-	-	(60)	(60)
- Share based payment	-	-	172	-	-	-	-	172	-	172
- Transfers	-	-	-	-	(4)	-	196	192	(192)	-
<b>March 31, 2013</b>	<b>51.198</b>	<b>14.565</b>	<b>2.580</b>	<b>(1.866)</b>	<b>73.751</b>	<b>1.112</b>	<b>113.340</b>	<b>254.680</b>	<b>406</b>	<b>255.086</b>

\*The amounts have been restated due to IAS 19 (Revised) (Note18).

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 THREE MONTH PERIOD ENDED MARCH 31, 2013**

(Amounts in thousand Euro)

<b>The Company</b>							
<u>Note</u>	Share Capital	Share Premium	Share option plan reserve	Derivatives valuation reserve	Other reserves	Retained earnings	Total
<b>January 1, 2012, as originally issued</b>	<b>51.111</b>	<b>27.000</b>	<b>2.121</b>	<b>(1.645)</b>	<b>90.219</b>	<b>2.311</b>	<b>171.117</b>
- Transition to IAS 19 Revised	18	-	-	-	(1.364)	-	<b>(1.364)</b>
<b>January 1, 2012, as restated</b>	<b>51.111</b>	<b>27.000</b>	<b>2.121</b>	<b>(1.645)</b>	<b>88.855</b>	<b>2.311</b>	<b>169.753</b>
- Profit for the period*	-	-	-	-	-	222	<b>222</b>
- Other comprehensive loss for the period	-	-	-	(183)	(3)	-	<b>(186)</b>
- Total comprehensive income / (loss) for the period*	-	-	-	<b>(183)</b>	<b>(3)</b>	<b>222</b>	<b>36</b>
- Share based payment	-	-	138	-	-	-	<b>138</b>
<b>March 31, 2012</b>	<b>51.111</b>	<b>27.000</b>	<b>2.259</b>	<b>(1.828)</b>	<b>88.852</b>	<b>2.533</b>	<b>169.927</b>
<b>January 1, 2013*</b>	<b>51.198</b>	<b>14.565</b>	<b>2.408</b>	<b>(2.120)</b>	<b>87.874</b>	<b>10.591</b>	<b>164.516</b>
- Loss for the period	-	-	-	-	-	(1.519)	<b>(1.519)</b>
- Other comprehensive loss for the period	-	-	-	254	8	-	<b>262</b>
- Total comprehensive income/ (loss) for the period	-	-	-	<b>254</b>	<b>8</b>	<b>(1.519)</b>	<b>(1.257)</b>
- Share based payment	-	-	172	-	-	-	<b>172</b>
<b>March 31, 2013</b>	<b>51.198</b>	<b>14.565</b>	<b>2.580</b>	<b>(1.866)</b>	<b>87.882</b>	<b>9.072</b>	<b>163.431</b>

\*The amounts have been restated due to IAS 19 (Revised) (Note18).

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 THREE MONTH PERIOD ENDED MARCH 31, 2013**  
(Amounts in thousand Euro)

	Note	The Group		The Company	
		1/1 - 31/03 2013	1/1 - 31/03 2012*	1/1 - 31/03 2013	1/1 - 31/03 2012*
<b>Cash flows from operating activities</b>					
<b>Profit before tax</b>		<b>7.892</b>	<b>10.484</b>	<b>(2.267)</b>	<b>222</b>
Adjustments for:					
- Depreciation and amortization		7.124	5.281	3.246	2.294
- Grants amortization		(38)	(27)	(27)	(15)
- Provisions, net		143	566	114	490
- Finance income	8	(403)	(125)	(164)	(202)
- Finance costs	9	4.358	2.838	3.164	2.240
- Investment income (net of foreign taxes)		-	-	(95)	-
- Share of profit from associates		(632)	(271)	-	-
- Share of profit from joint ventures		(1.387)	(1.668)	-	-
- Gain from the disposal of property, plant and equipment		(567)	(40)	-	-
		<b>16.490</b>	<b>17.038</b>	<b>3.971</b>	<b>5.029</b>
(Increase) / Decrease in:					
- Inventories		6.843	339	1.012	1.854
- Trade receivables		(11.735)	(5.652)	1.663	88
- Due from related parties		(694)	(544)	(1.457)	438
- Other assets		7.198	(4.140)	8.342	(3.985)
Increase / (Decrease) in:					
- Trade payables		(5.148)	(684)	(698)	(1.365)
- Due to related parties		(1.875)	(2.114)	(14.195)	316
- Other liabilities		3.678	4.295	3.228	3.026
Staff leaving indemnities paid		(222)	(274)	(49)	(104)
Payments for environmental rehabilitation		(387)	(166)	(368)	(136)
Income tax paid		(1.386)	(1.266)	(45)	(194)
<b>Net cash flows from operating activities</b>		<b>12.762</b>	<b>6.832</b>	<b>1.404</b>	<b>4.967</b>
<b>Cash flows from investing activities</b>					
- Capital expenditure		(4.987)	(7.332)	(3.428)	(5.242)
- Business combinations and investments in consolidated entities		(219)	-	-	-
- Dividends received from JVs & Associates		3.128	-	-	-
- Interest and other finance income received		288	18	40	1
- Proceeds from the settlement of derivatives		-	107	-	107
- Proceeds from the disposal of property, plant and equipment		1.750	70	-	-
<b>Net cash flows used in investing activities</b>		<b>(40)</b>	<b>(7.137)</b>	<b>(3.388)</b>	<b>(5.134)</b>
<b>Cash flows used in financing activities:</b>					
- Capital return to shareholders		-	(1)	-	(1)
- Net increase of short-term borrowings		5.282	1.261	5.073	474
- Dividends paid to the Equity holders of the Company, net of taxes		(5)	-	(5)	-
- Dividends paid to non-controlling interests		(31)	-	-	-
- Interest and other finance costs paid		(1.992)	(2.014)	(1.033)	(1.708)
<b>Net cash flows from / (used in) financing activities</b>		<b>3.254</b>	<b>(754)</b>	<b>4.035</b>	<b>(1.235)</b>
- Net foreign exchange difference on cash flows		1.547	(421)	9	94
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>17.523</b>	<b>(1.480)</b>	<b>2.060</b>	<b>(1.308)</b>
<b>Cash and cash equivalents at the beginning of the period</b>					
		<b>35.009</b>	<b>42.645</b>	<b>4.565</b>	<b>2.324</b>
- Net foreign exchange difference on cash and cash equivalents at the beginning of the period		553	(593)	-	-
<b>Cash and cash equivalents at period end</b>		<b>53.085</b>	<b>40.572</b>	<b>6.625</b>	<b>1.016</b>

\*The amounts have been and restated due to IFRS 11 (Note 5) and IAS 19 (Revised) (Note18).

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 MARCH 31, 2013**

(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 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 17).

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 at March 31, 2013 and 2012 the Group employed 1.888 and 1.954 employees, respectively, while the Company employed 621 and 645 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 IAS 34 “Interim Financial Reporting”.

The financial statements are prepared in accordance with the applicable provisions of Greek Corporate Law 2190/1920. No standards applied earlier from their effective date except for IFRS 10,11,12 and IAS 28 Revised . 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, 2012.

The financial statements for the three month period ended March 31, 2013 were approved by the Company’s Board of Directors on May 30, 2013.

**S&B Industrial Minerals S.A.**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2013**

(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, 2012, except for the adoption of the following new and amended IFRS and IFRIC interpretations which became effective for annual accounting periods beginning January 1, 2013:

- **IFRS 10 Consolidated Financial Statements, IAS 27 Separate Financial Statements:** For companies which apply IFRS as adopted by the EU, the standards become effective for annual periods beginning on or after January 1, 2014, yet the Group elected early adoption. The standards have no impact on the financial position and performance of the Group and the Company.
- **IFRS 11 Joint Arrangements:** For companies which apply IFRS as adopted by the EU, this standard is effective for annual periods beginning on or after January 1, 2014, yet the Group elected early adoption. IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities – Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for Jointly Controlled Entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a Joint Venture must be accounted for using the equity method. Under the standard, the JCEs of the Group meet the definition of Joint Ventures and therefore are consolidated using the equity method effective from January 1, 2013. The impact of the standard on the financial position and performance of the Group is presented in detail in Note 5.
- **IFRS 12 Disclosures of Interests in Other Entities:** For companies which apply IFRS as adopted by the EU, the standard is effective for annual periods beginning on or after 1 January 2014, yet the Group elected early adoption. The standard affects disclosures only and has no impact on the financial position and performance of the Group. The required additional disclosures by the Standard will be included in the financial statements ending December 31, 2013 and not are in the accompanying interim condensed financial statements.
- **Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12):** The IASB issued amendments to IFRS 10 Consolidated Financial Statements, IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities. The amendments change the transition guidance to provide further relief from full retrospective application. The date of initial application in IFRS 10 is defined as ‘the beginning of the annual reporting period in which IFRS 10 is applied for the first time’. The assessment of whether control exists is made at ‘the date of initial application’ rather than at the beginning of the comparative period. If the control assessment is different between IFRS 10 and IAS 27/SIC-12, retrospective adjustments should be determined. However, if the control assessment is the same, no retrospective application is required. If more than one comparative period is presented, additional relief is given to require only one period to be restated. For the same reasons IASB has also amended IFRS 11 Joint Arrangements and IFRS 12 Disclosure of Interests in Other Entities to provide transition relief. Management assessed that no retrospective application of the standards is necessary.
- **IFRS 13 Fair Value Measurement:** The management of the Group assessed that the standard has no impact on the financial performance and position of the Group and the Company, as the Standard mainly requires additional disclosures which will be made fully in the financial statements ending December 31, 2013.
- **IFRS 7 Financial Instruments: Disclosures (Amended) - Offsetting Financial Assets and Financial Liabilities:** The management of the Group assessed that the standard has no impact on the financial performance and position of the Group and the Company.

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**3. PRINCIPAL ACCOUNTING POLICIES (continued)**

- **IAS 1 Financial Statement Presentation (Amended) - Presentation of Items of Other Comprehensive Income:** The amendment affects presentation only and had no impact on the financial position or performance of the Group and the Company. The amendments changed the grouping of items presented in Other Comprehensive Income (OCI). Items that will be reclassified (or recycled) to profit or loss at a future point in time (i.e. upon derecognition or settlement) are presented separately from items that will never be reclassified.
- **IAS 19 Employee Benefits (Revised):** The IASB issued numerous amendments to IAS 19. These range from fundamental changes such as removing the corridor mechanism, simple clarifications and re-wording. The impact of the amendment on the financial position and performance of the Group and the Company is presented in Note 18.
- **IAS 28 Investments in Associates and Joint Ventures (Revised):** For companies which apply IFRS as adopted by the EU, the standard is effective for annual periods beginning on or after January 1, 2014, yet the Group elected early adoption. The impact of the standard on the financial position and performance of the Group is presented in Note 5.
- **IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine:** The interpretation applies to waste removal (stripping costs) incurred in surface mining activity, during the production phase of the mine. The interpretation addresses the accounting for the benefit from the stripping activity. The Group had applied the accounting treatment proposed by the new interpretation in current and previous financial years.
- The IASB has issued the Annual Improvements to IFRSs - 2009 - 2011 Cycle, which contain amendments to its standards and the related Basis for Conclusions. The annual improvements project provides a mechanism for making necessary, but non-urgent, amendments to IFRS.
  - **IAS 1 Presentation of Financial Statements:** This improvement clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative period is the previous period.
  - **IAS 16 Property, Plant and Equipment:** This improvement clarifies that major spare parts and servicing equipment that meet the definition of property, plant and equipment are not inventory.
  - **IAS 32 Financial Instruments, Presentation:** This improvement clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with IAS 12 Income Taxes.
  - **IAS 34 Interim Financial Reporting:** The amendment aligns the disclosure requirements for total segment assets with total segment liabilities in interim financial statements. This clarification also ensures that interim disclosures are aligned with annual disclosures.

The following standards have been issued but are not yet effective:

- **IAS 32 Financial Instruments: Presentation (Amended) - Offsetting Financial Assets and Financial Liabilities:** The amendment is effective for annual periods beginning on or after 1 January 2014.
- **IFRS 9 Financial Instruments: Classification and Measurement:** The amendment is effective for annual periods beginning on or after 1 January 2015.
- **Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27):** The amendment is effective for annual periods beginning on or after 1 January 2014.
- **IFRIC Interpretation 21: Levies:** The amendment is effective for annual periods beginning on or after 1 January 2014.

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

**S&B Industrial Minerals S.A.**  
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**4. ENTITIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS**

**4.1 Consolidation under the full method**

The subsidiaries included in the consolidated financial statements are the following:

Entity	Country	Field of activity	% Participation		Year Established / Acquired
			31/3/2013	31/12/2012	
<b>EUROPE</b>					
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. <sup>(1)</sup>	Cyprus	Real Estate	100,00%	100,00%	2007
Cape Trahilas Two Ltd. <sup>(1)</sup>	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.	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
<b>AMERICAS</b>					
Stollberg do Brazil Ltda.	Brazil	Industrial Minerals	100,00%	100,00%	2004
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.	U.S.A.	Industrial Minerals	100,00%	100,00%	2012
NYCO Minerals Inc.	U.S.A.	Industrial Minerals	100,00%	100,00%	2012
American Tripoli Inc.	U.S.A.	Industrial Minerals	100,00%	100,00%	2012
NYCO Minerals Canada Inc.	Canada	Industrial Minerals	100,00%	100,00%	2012
Minera Roca Rodando S.de R.L. de C.V.	Mexico	Industrial Minerals	100,00%	100,00%	2012
Servicios Piedra Tumbante S.de R.L. de C.V.	Mexico	Industrial Minerals	100,00%	100,00%	2012
<b>ASIA</b>					
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.	China	Industrial Minerals	100,00%	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
<b>AFRICA</b>					
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

**Footnote**

1. These entities are in the process of being liquidated.

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

**4.2 Jointly controlled entities**

The jointly controlled entities included in the consolidated financial statements are the following:

Entity	Country	Field of activity	% Participation		Year Established / Acquired
			31/3/2013	31/12/2012	
<b>EUROPE</b>					
Orykton GmbH <sup>(3)</sup>	Germany	Industrial Minerals	50,00%	50,00%	2005
Cebo International B.V.	Netherlands	Holding	50,00%	50,00%	2007
Cebo Holland B.V. <sup>(1)</sup>	Netherlands	Industrial Minerals	50,00%	50,00%	2007
Cebo Marine B.V. <sup>(1)</sup>	Netherlands	Industrial Minerals	50,00%	50,00%	2007
Cebo U.K. Ltd. <sup>(1)</sup>	G.Britain	Industrial Minerals	50,00%	50,00%	2007
<b>ASIA &amp; PACIFIC</b>					
Stollberg & Samil Co. Ltd.	Korea	Industrial Minerals	50,00%	50,00%	2004
Qing Dao Stollberg & Samil Co.Ltd. <sup>(2)</sup>	China	Industrial Minerals	48,32%	48,32%	2004
Stollberg & Samil Indonesia PT. <sup>(2)</sup>	Indonesia	Industrial Minerals	50,00%	50,00%	2011
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 their company's financial statements, namely Stollberg & Samil Co. Ltd, (96,64% participation interest accordingly).
3. This entity is in the process of being liquidated.

**4.3 Associates**

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

Associate	Country	Field of activity	% Participation		Year Established / Acquired
			31/3/2013	31/12/2012	
Laviosa Chimica Mineraria S.p.A.	Italy	Industrial Minerals	35,00%	35,00%	1997
Laviosa Sanayi Ve Ticaret Ltd. <sup>(1)</sup>	Turkey	Industrial Minerals	35,00%	35,00%	2008
Laviosa Trimex Industries Ltd. <sup>(1)</sup>	India	Industrial Minerals	19,00%	19,00%	2009
Laviosa MPC SAS <sup>(1)</sup>	France	Industrial Minerals	28,00%	28,00%	2010
Minersarda S.p.A. <sup>(1)</sup>	Italy	Industrial Minerals	35,00%	35,00%	1993
Laviosa Promasa S.A. <sup>(2)</sup>	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. <sup>(3)</sup>	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. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES**

Under "IAS 31 Investment in Joint Ventures" (as applied until December 31, 2012), the Group's share of the assets, liabilities, revenue, income and expenses were accounted proportionately in the consolidated financial statements.

On January 1, 2013, the Group early adopted "IFRS 11 Joint Arrangements". Under IFRS 11, the jointly controlled entities of the Group meet the definition of joint ventures for which the option of proportionate consolidation is removed. Therefore, effective from January 1, 2013, jointly controlled entities are consolidated using the equity method according to IAS 28 (Revised).

The impact from applying IFRS 11 on the comparable consolidated income statement, statement of financial position and cash flow statement is presented below:

	<b>1/1 - 31/03/2012</b>
Sale of goods	(11.207)
Cost of sales	8.353
<b>Gross Profit</b>	<b>(2.854)</b>
Administrative expenses	461
Selling expenses	852
Other income	(8)
<b>Operating profit</b>	<b>(1.549)</b>
Finance income	(30)
Finance costs	37
Share of net profit from joint ventures	1.200
Share of net profit from associates	(66)
<b>Profit before tax</b>	<b>(408)</b>
Income tax expense	408
<b>Net profit</b>	<b>-</b>
<b>Attributable to:</b>	
Equity holders of the Company	3
Non-controlling interests	(3)
	<b>-</b>

	<b>December 31 2012</b>
Increase in Non-current Assets	13.562
Decrease in Current Assets	(24.334)
Decrease in Non-Current Liabilities	3.124
Decrease in Current Liabilities	7.648
<b>Net Impact on Equity</b>	<b>-</b>

	<b>1/1 - 31/03/2012</b>
Increase in inflows from operating activities	996
Decrease in outflows used in investing activities	391
Increase in outflows used in financing activities	(965)
Change in foreign exchange differences on cash flows and on cash and cash equivalents	197
<b>Net cash inflow</b>	<b>619</b>

**S&B Industrial Minerals S.A.**  
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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. 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 of "Greek Helicon Bauxite S.A.", a subsidiary of the Company, ceased to be classified as held for sale in the Company and Group statements of financial position of December 31, 2012 and their results were represented as "Continuing operations" in the comparable accompanying Company and Group's income statements for the three month period ended March 31, 2012.

The results of the Company's Bauxite operations in Greece and "Greek Helicon Bauxite S.A." for the three month period ended March 31, 2012, which have been originally presented on a discontinuing basis and have been subsequently re-presented under continuing operations due to cessation of the transaction, are analyzed as follows:

	<u>The Group</u>	<u>The Company</u>
Sales of goods	9.001	9.001
Cost of sales	<u>(7.625)</u>	<u>(7.628)</u>
<b>Gross Profit</b>	<b>1.376</b>	<b>1.373</b>
Administrative expenses	(52)	(35)
Selling expenses	(36)	(36)
Other income	288	290
Other expenses	<u>(3)</u>	<u>(3)</u>
<b>Operating profit</b>	<b>1.573</b>	<b>1.589</b>
Finance costs	<u>(171)</u>	<u>(170)</u>
<b>Net profit</b>	<b>1.402</b>	<b>1.419</b>

In their meetings held on December 18, 2012, and December 28, 2012, respectively, the Boards of Directors of the Company and Greek Helicon Bauxites S.A. ("subsidiary"), a 100% subsidiary of the Company, approved the spin-off of the Company's bauxite operations in Greece and its contribution to Greek Helicon Bauxites S.A.. The transaction is in the process of authorization from the pertinent authorities. This transaction is an internal rearrangement to serve the rationalization of the Group structure and will not have any impact on consolidated financial statements.

There will be no change in the Company's cash flows as the financial and treasury management of the subsidiary will be monitored by the Company's management. Furthermore, cash required for the operations of the subsidiary and cash provided by the operations of the subsidiary are to be monitored/held by the Company and will be transferred through intercompany accounts. The subsidiary will have minimum independent financial activities, mainly to facilitate day to day transactions and no loan agreements are to be novated to the subsidiary. Finally, capital expenditure of the subsidiary will be monitored and authorized by the management at Group level. Based on the above, the aforementioned transaction does not meet the criteria of IFRS 5 "Non-current assets held for sale and Discontinued operations" for the Company financial statements.

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**7. SALES**

Sales in the financial statements are analysed per market segments served from the Group:

	The Group		The Company	
	1/1-31/03	Re-presented	1/1-31/03	Re-presented
	2013	1/1-31/03 2012	2013	1/1-31/03 2012
Metallurgy	33.721	37.306	8.740	11.296
Construction	17.374	16.923	8.720	9.052
Foundry	29.484	32.373	7.749	7.414
Specialties	25.236	18.468	3.075	4.804
Other	418	296	527	415
<b>Total sales</b>	<b>106.233</b>	<b>105.366</b>	<b>28.811</b>	<b>32.981</b>

**8. FINANCE INCOME**

Finance income presented in the financial statements is analyzed as follows:

	The Group		The Company	
	1/1-31/03	1/1-31/03	1/1-31/03	1/1-31/03
	2013	2012	2013	2012
Gains from valuation of I.R.S.	115	-	115	-
Interest income	80	18	40	1
Gains from settlement of derivatives on oil	-	107	-	107
Foreign exchange gains, net	208	-	9	94
<b>Total finance income</b>	<b>403</b>	<b>125</b>	<b>164</b>	<b>202</b>

**9. FINANCE COSTS**

Finance costs presented in the financial statements are analyzed as follows:

	The Group		The Company	
	1/1-31/03	Re-presented	1/1-31/03	Re-presented
	2013	1/1-31/03 2012	2013	1/1-31/03 2012
Interest expense on long term loans and borrowings	2.915	1.511	2.047	1.298
Interest expense on short term borrowings	708	392	685	361
Finance cost of environmental rehabilitation provision	301	248	241	237
Finance cost of staff leaving indemnities provision	217	227	64	112
Bank charges	110	285	42	226
Amortization of loan expenses	107	6	85	6
Foreign exchange losses, net	-	169	-	-
<b>Total finance costs</b>	<b>4.358</b>	<b>2.838</b>	<b>3.164</b>	<b>2.240</b>

**10. INCOME TAX (CURRENT AND DEFERRED)**

Income tax (current and deferred) presented in the financial statements is analyzed as follows:

	The Group		The Company	
	1/1-31/03	1/1-31/03	1/1-31/03	1/1-31/03
	2013	2012	2013	2012
Current income tax	2.935	3.446	6	-
Deferred income tax	(574)	(9)	(754)	-
<b>Total Income Tax</b>	<b>2.361</b>	<b>3.437</b>	<b>(748)</b>	<b>0</b>

Footnote:

1. Effective from January 1, 2013 the nominal rate in Greece for income taxes changed from 20% to 26%

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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
<b>EUROPE</b>			
S&B Industrial Minerals A.D.		Bulgaria	2007-2012
S&B Industrial Minerals S.A.R.L.	(1)	France	2006-2012
S&B Industrial Minerals GmbH		Germany	2010-2012
S&B Holding GmbH		Germany	2010-2012
SLS Baustoffe GmbH		Germany	2010-2012
Askana Ltd.		Georgia	2003-2012
S&B Industrial Minerals S.A.	(2)	Greece	2010, 2012
Isocon S.A.	(6)	Greece	2007-2012
Greek Helicon Bauxites S.A.	(6)	Greece	2010-2012
Cape Trahilas One S.A.	(4)	Greece	2010-2011
Cape Trahilas Two S.A.		Greece	2010-2012
Cape Trahilas Three S.A.		Greece	2010-2012
S&B Industrial Minerals Spain S.L.u.		Spain	2007-2012
Sarda Perlite S.r.l.	(3)	Italy	2008-2012
Sibimin Overseas Ltd.		Cyprus	2006-2012
Cape Trahilas Enterprises Ltd.		Cyprus	2007-2012
Cape Trahilas One Ltd.		Cyprus	2012
Cape Trahilas Two Ltd.		Cyprus	2012
S&B Industrial Minerals Kft.		Hungary	2006-2012
S&B Industrial Minerals SP Z.O.O.		Poland	2008-2012
<b>AMERICAS</b>			
S&B Industrial Minerals North America Inc.		U.S.A.	2009-2012
Stollberg Inc.		U.S.A.	2009-2012
Stollberg do Brazil Ltda		Brazil	2005-2012
Rolling Rock Minerals Inc.	(5)	U.S.A.	2009-2012
NYCO Minerals Inc.	(5)	U.S.A.	2009-2012
American Tripoli Inc.	(5)	U.S.A.	2009-2012
NYCO Minerals Canada Inc.	(5)	Canada	2009-2012
Minera Roca Rodando S.de R.L. de C.V.	(5)	Mexico	2008-2012
Servicios Piedra Tumbante S.de R.L. de C.V.	(5)	Mexico	2008-2012
<b>ASIA</b>			
S&B Industrial Minerals (Henan) Co. Ltd.		China	2010-2012
S&B Jilin Wollastonite Co. Ltd.		China	2005-2012
S&B Industrial Minerals (Tianjin) Co. Ltd.		China	2006-2012
Panshi Huanyu Wollastonite Co. Ltd.		China	2007-2012
S&B Endustriyel Mineraller A.Ş.		Turkey	2005-2012
Pabalk Maden A.Ş.		Turkey	2005-2012
Stollberg India Pvt. Ltd.		India	2012
<b>AFRICA</b>			
Naimex S.A.R.L.		Morocco	2009-2012
S&B Ind. Min. Morocco S.A.R.L.		Morocco	2009-2012

**Footnotes:**

- (1) Unaudited tax years for this entity are 2009-2012. However, this period extends back to 2006 due to the merger with Denain Anzin Metallurgie S.A.S..
- (2) For the fiscal year ended December 31, 2011, a compliance report in accordance to the law 3842/2010, as implemented by law 1159/2011, was issued by its statutory auditors. For the fiscal year ended December 31, 2012, the Company is currently under audit under the aforementioned process.
- (3) The entity is currently under audit from tax authorities for the year 2008.
- (4) The entity was dissolved in 2011 but according to Greek legislation has not settled its unaudited tax years.
- (5) The potential tax liabilities that may arise for the pre-acquisition period are covered by the Seller, based on the Sales & Purchase Agreement.
- (6) For the fiscal year ended December 31, 2012, these entities are currently under audit by its statutory auditors in accordance to the law 3842/2010, as implemented by law 1159/2011.

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## **11. EXISTING LIENS**

Under a Pledge and Security Agreement dated as of September 14, 2012, the Group's US-based companies "S&B Industrial Minerals North America Inc.", "Stollberg Inc.", "NYCO Minerals Inc.", "American Tripoli Inc." and "Rolling Rock Inc." granted a security interest of € 24,1 mil. on their property, plant and equipment, € 14,4 mil. on their inventories and € 15 mil. on their trade receivables to "Manufacturers and Traders Trust Company (M&T)" as a collateral for the repayment of Senior Secured Credit Facilities.

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

No other liens exist on the Group and the Company.

## **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 € 260 and € 260 as of March 31, 2013 and December 31, 2012, respectively, (€ 235 and € 235 as of March 31, 2013 and December 31, 2012, 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 reform on court jurisdiction.

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. S&B Industrial Minerals A.D. also applied for the annulment of the mortgage on the merits. The application was rejected by the Court of First Instance and an appeal was filed before the Court of Appeal, which was accepted by the Court of Appeal. Following this development, the B.P.A. filed a cessation appeal on May 8, 2013. Notwithstanding the above suspension and the appeal on the merits 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

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**12. PENDING LITIGATION AND ARBITRATION(continued)**

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 at the year-end are unsecured, interest free and are settled in cash within the timeframe agreed. The guarantees provided by the Company to its subsidiaries as March 31, 2013 and December 31, 2012 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.

The following tables 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	
	March 31 2013	December 31 2012	March 31 2013	December 31 2012
<b><u>Associates</u></b>				
Xinyang Athenian Mining Co. Ltd	157	128	2.291	1.911
Laviosa Promasa S.A.	-	-	111	111
Laviosa Chimica Mineraria S.p.A.	12	7	20	-
	<b>169</b>	<b>135</b>	<b>2.422</b>	<b>2.022</b>
<b><u>Jointly controlled entities</u></b>				
Pergem Mineral A.Ş.	1.302	1.259	-	-
Cebo International B.V.	425	-	58	2.199
Organik Madencilik Ltd.	118	-	-	-
Stollberg & Samil Co. Ltd.	17	17	115	159
	<b>1.862</b>	<b>1.276</b>	<b>173</b>	<b>2.358</b>
<b><u>Other related parties</u></b>				
ORYMIL S.A.	-	33	-	-
Perlite Hellas S.A.	-	-	213	207
Rescon India Private Ltd.	-	-	-	94
Other	40	40	-	3
	<b>40</b>	<b>73</b>	<b>213</b>	<b>304</b>
	<b>2.071</b>	<b>1.484</b>	<b>2.808</b>	<b>4.684</b>

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**13. RELATED PARTY TRANSACTIONS (continued)**

	The Group			
	Revenues		Expenses	
	1/1-31/03 2013	1/1-31/03 2012	1/1-31/03 2013	1/1-31/03 2012
<b>Associates</b>				
Laviosa Promasa S.A.	494	499	-	-
Laviosa Chimica Mineraria S.p.A.	12	25	-	-
Xinyang Athenian Mining Co. Ltd.	-	-	1.136	-
	<b>506</b>	<b>524</b>	<b>1.136</b>	<b>-</b>
<b>Jointly controlled entities</b>				
Cebo International B.V.	764	616	81	185
Stollberg & Samil Co. Ltd	82	57	44	135
Other	18	7	-	-
	<b>864</b>	<b>680</b>	<b>125</b>	<b>320</b>
<b>Other related parties</b>				
Rescon India Private Ltd.	-	-	-	57
Perlite Hellas S.A.	-	-	55	89
Other	1	4	32	29
	<b>1</b>	<b>4</b>	<b>87</b>	<b>175</b>
	<b>1.371</b>	<b>1.208</b>	<b>1.348</b>	<b>495</b>

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	
	March 31 2013	December 31 2012	March 31 2013	December 31 2012
<b>Direct subsidiaries</b>				
Isocon S.A.	892	884	-	-
Greek Helicon Bauxite S.A.	-	2	969	972
Sarda Perlite S.r.l.	96	-	243	563
Sibimin Overseas Ltd.	-	5	-	-
	<b>988</b>	<b>891</b>	<b>1.212</b>	<b>1.535</b>
<b>Indirect subsidiaries</b>				
S&B Industrial Minerals North America Inc.	944	-	-	1.046
S&B Endustriyel Mineraller A.S.	858	1.008	-	-
S&B Industrial Minerals GmbH	237	-	-	11.816
S&B Industrial Minerals Spain S.L.u.	150	208	-	-
Stollberg Inc.	67	-	-	-
S&B Industrial Minerals A.D.	14	-	356	332
S&B Industrial Minerals (Henan) Co.Ltd	12	12	6	6
S&B Industrial Minerals S.A.R.L.	18	-	-	936
Cape Trahilas Three S.A.	2	-	46	-
Other	1	-	-	-
	<b>2.303</b>	<b>1.228</b>	<b>408</b>	<b>14.136</b>
<b>Associates</b>				
Laviosa Promasa S.A.	-	-	111	111
Laviosa Chimica Mineraria S.p.A.	12	8	20	-
	<b>12</b>	<b>8</b>	<b>131</b>	<b>111</b>
<b>Other related parties</b>				
Cebo International B.V.	411	-	-	162
Motodynamics S.A., Group of companies	39	-	-	-
Other	1	75	-	2
	<b>451</b>	<b>75</b>	<b>-</b>	<b>164</b>
	<b>3.754</b>	<b>2.202</b>	<b>1.751</b>	<b>15.946</b>

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**13. RELATED PARTY TRANSACTIONS (continued)**

For the year ended December 31 2012, the amounts of € 6.816 (out of € 11.816) due to S&B Industrial Minerals GmbH, € 1.046 due to S&B Industrial Minerals North America Inc. and € 936 due to S&B Industrial Minerals S.A.R.L. related to advance payments for industrial minerals purchases.

	The Company			
	Revenues		Expenses	
	1/1-31/03	1/1-31/03	1/1-31/03	1/1-31/03
	2013	2012	2013	2012
<b>Direct subsidiaries</b>				
Isocon S.A.	219	261	-	-
Sarda Perlite S.r.l.	94	-	100	150
S&B Holding GmbH	-	96	-	-
Greek Helicon Bauxite S.A.	2	-	1	-
	<b>315</b>	<b>357</b>	<b>101</b>	<b>150</b>
<b>Indirect subsidiaries</b>				
S&B Industrial Minerals GmbH	5.054	6.599	-	22
S&B Industrial Minerals North America Inc.	1.929	3.906	-	-
S&B Industrial Minerals S.A.R.L.	1.415	990	-	-
S&B Endustriyel Mineraller A.S.	181	372	-	-
S&B Industrial Minerals Spain S.L.u.	149	195	-	-
Stollberg Inc.	67	62	-	-
S&B Industrial Minerals A.D.	17	-	24	-
Other	2	6	46	26
	<b>8.814</b>	<b>12.130</b>	<b>70</b>	<b>48</b>
<b>Associates</b>				
Laviosa Promasa S.A.	494	499	-	-
Laviosa Chimica Mineraria S.p.A.	12	25	-	-
	<b>506</b>	<b>524</b>	-	-
<b>Other related parties</b>				
Cebo International B.V.	749	605	-	-
Other	1	4	30	28
	<b>750</b>	<b>609</b>	<b>30</b>	<b>28</b>
	<b>10.385</b>	<b>13.620</b>	<b>201</b>	<b>226</b>

Transactions and compensation of key management personnel and Board members for the three month period ended March 31, 2013 amounted to € 1.339 (€ 1.131 for the three month period ended March 31, 2012). Balances due to key management personnel and Board members as of March 31, 2013 amounted to € 337 (€ 1.009 as of December 31, 2012).

Finally, transactions and compensation of key management and Board members of the Company for the three month period ended March 31, 2013 amounted to € 1.127 (€ 1.075 for the three month period ended March 31, 2012). Balances due to key management personnel and Board members as of March 31, 2013 amounted to € 298 (€ 936 as of December 31, 2012).

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**14. CAPITAL EXPENDITURE**

For the three month periods ended March 31, 2013 and 2012, the Group realized capital expenditure of € 5 million and € 7,3 million (as adjusted for Note 5), respectively, (the Company realized € 3,4 million and € 5,2 million, respectively).

**15. CONTINGENCIES - COMMITMENTS**

On March 31, 2013 and December 31, 2012 the Group has issued letters of guarantee for a total amount of € 7,5 million and € 9,3 million, respectively, while the Company has issued letters of guarantee for a total amount of € 3,7 million and € 4,5 million, respectively, relating mainly to mining rights and licenses. Further to the above, the Company as of March 31, 2013 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 € 40,6 million (approximately € 40,6 million as of December 31, 2012).

**16. INTEREST BEARING LOANS AND BORROWINGS**

The maturity profile of the long-term interest bearing loans and borrowings as of March 31, 2013, is as follows:

Interest-bearing loans	The Group			Total
	Up to 1 year	1-5 years	Loan expenses	
31.03.2013	22.733	160.628	(1.188)	<b>182.173</b>
31.12.2012	21.516	160.833	(1.289)	<b>181.060</b>
Interest-bearing loans	The Company			Total
	Up to 1 year	1-5 years	Loan expenses	
31.03.2013	12.000	98.000	(946)	<b>109.054</b>
31.12.2012	12.000	98.000	(1.031)	<b>108.969</b>

**17. OPERATING SEGMENT INFORMATION**

The Group's organizational structure is based on 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 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, Indonesia and Korea.

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**17. OPERATING SEGMENTS (continued)**

- **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.

The following tables present sales and results regarding the Group’s operating segments for the three month periods ended March 31, 2013 and 2012, respectively:

	1/1-31/03/2013					
	Sales			Results		
	Third party	Inter-segment	Total sales	Profit / (loss) before tax	Depreciation & Net finance costs	EBITDA
South Europe	26.432	8.195	34.627	4.658	4.245	8.903
North Europe	42.797	88	42.885	6.949	1.700	8.649
Americas	33.863	35	33.898	4.012	1.580	5.592
Asia & Pacific	3.141	54	3.195	433	406	839
Corporate	-	-	-	(8.371)	3.469	(4.902)
Eliminations	-	(8.372)	(8.372)	211	-	211
<b>Total Group</b>	<b>106.233</b>	<b>-</b>	<b>106.233</b>	<b>7.892</b>	<b>11.400</b>	<b>19.292</b>
	<b>Re-presented</b>					
	1/1-31/03/2012					
	Sales			Results		
	Third party	Inter-segment	Total sales	Profit / (loss) before tax	Depreciation & Net finance costs	EBITDA
South Europe	27.829	11.331	39.160	5.663	3.172	8.835
North Europe	47.489	180	47.669	7.764	1.882	9.646
Americas	26.585	35	26.620	3.717	698	4.415
Asia & Pacific	3.463	627	4.090	920	335	1.255
Corporate	-	-	-	(7.675)	2.288	(5.387)
Eliminations	-	(12.173)	(12.173)	95	-	95
<b>Total Group</b>	<b>105.366</b>	<b>-</b>	<b>105.366</b>	<b>10.484</b>	<b>8.375</b>	<b>18.859</b>

It is noted that comparative EBITDA figures for the three months period ended March 31, 2012, have been adjusted for the Group’s share in the depreciation amounts of associates, as further explained in Note 20.

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**17. OPERATING SEGMENTS (continued)**

The following table present segment assets of the Group's operating segments as of March 31, 2013 and December 31, 2012:

	<b>March 31 2013</b>	<b>December 31 2012</b>
South Europe	265.304	273.107
North Europe	160.669	175.480
Americas	107.723	104.285
Asia & Pacific	25.180	22.607
Corporate	63.274	45.395
Eliminations	(5.384)	(17.902)
	<b>616.766</b>	<b>602.972</b>

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.

**18. PROVISION FOR STAFF LEAVING INDEMNITIES**

On January 1, 2013, the Group adopted IAS 19 Revised, which has been applied retrospectively. As a result, the comparative statements of financial position for the year ended December 31, 2012 and income statements for the three months period ended March 31, 2012, of the Group and the Company were adjusted for Unvested past service costs and Actuarial gains or losses as follows:

**Unvested past service costs**

Under IAS 19 Revised, all past service costs are recognized at the earlier of when the amendment occurs and when the Group recognizes the related restructuring or termination costs. Until 2012, the Group's unvested past service costs were recognized as an expense on a straight line basis over the average period until the benefits become vested. Upon transition to IAS 19 Revised, past service costs are recognized immediately if the benefits have vested immediately following the introduction of, or changes to, a defined benefit plan. The impact of this change on the Group and Company statements of financial position as of December 31, 2012, and income statements for the three month period ended March 31, 2012 are presented below:

	<b>The Group</b>	<b>The Company</b>
Increase in the provision for staff leaving indemnities	(1.089)	(1.089)
Deferred tax impact	218	218
<b>Net Impact on equity as of January 1, 2012</b>	<b>(871)</b>	<b>(871)</b>
Decrease in the provision for staff leaving indemnities	950	950
Deferred tax impact	(190)	(190)
<b>Net Impact on equity as of January 1, 2013</b>	<b>760</b>	<b>760</b>
	<b>(111)</b>	<b>(111)</b>
	<b>The Group</b>	<b>The Company</b>
Decrease in Administrative expenses	62	62
<b>Increase in net profit</b>	<b>62</b>	<b>62</b>
<b>Attributable to:</b>		
Equity holders of the Company	62	
Non-controlling interests	-	

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**18. PROVISION FOR STAFF LEAVING INDEMNITIES (continued)**

**Actuarial Gains/ losses**

Under IAS 19 Revised, actuarial gains / losses are fully recognized in Other Comprehensive Income as they occur with no subsequent recycling to profit or loss. Until 2012, the Group followed the corridor approach for the recognition of the actuarial gains / losses which is removed under IAS 19 Revised. The impact of this change on the Group and Company statements of financial position as of December 31, 2012, are presented below:

	<u>The Group</u>	<u>The Company</u>
Increase in the provision for staff leaving indemnities	(1.395)	(616)
Deferred tax impact	379	123
<b>Net Impact on equity as of January 1, 2012</b>	<b><u>(1.016)</u></b>	<b><u>(493)</u></b>
(Increase) / decrease in the provision for staff leaving indemnities	(1.681)	703
Deferred tax impact	638	(141)
<b>Net Impact on equity as of January 1, 2013</b>	<b><u>(2.059)</u></b>	<b><u>562</u></b>
	<u>69</u>	

**19. CURRENT PERIOD SIGNIFICANT EVENTS**

On January 30, 2013, “Delphi Luxembourg Holdings S.A.R.L.” (“Offeror”), acting in concert with members of the major shareholding Kyriacopoulos family (“Family”) and entities controlled by them, launched a mandatory tender offer of L.3461/2006, as it stands in effect, and the Directive 2004/25/EC, for the acquisition of the Company’s shares not owned or controlled by the family (i.e. 38,74% of the Company’s share capital).

**20. PRIOR YEARS RECLASSIFICATIONS**

For better presentation and comparison purposes, the following amounts have been reclassified: (i) a long-term receivable due from related parties € 629 was reclassified from line “Receivables from related parties” to line “Non- current assets due from related parties” for the Group, for the year ended December 31, 2012, (ii) a foreign exchange gain of € 94 was reclassified from Note 9 “Finance Costs” to Note 8 “Finance Income” for the Company, for the three month period ended March 31, 2012.

Effective from January 1, 2013, the Group adjusted the calculation of “Earnings Before Interests Taxes Depreciation and Amortization” (“EBITDA”) to exclude the Group’s share in the associates and joint ventures depreciation amounts.

Moreover, effective from January 1, 2013, the lines “Share in net profit of Joint Ventures” and “Share in net profit of Associates”, in the consolidated income statement, reflect the Group’s share in after tax and non-controlling interests results of Joint ventures and Associates, respectively. Comparative amounts are also restated accordingly.

**21. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

On April 11, 2013, the Company was notified of the approval of the Information Memorandum by the Hellenic Capital Markets Commission and the start of the acceptance period, in relation to the mandatory tender offer launched by the Offeror. The acceptance period ended on May 9, 2013.

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**21. SIGNIFICANT EVENTS AFTER THE REPORTING DATE (continued)**

On April 19, 2013, the Board of directors of the Company (“Board”) issued its reasoned opinion on the above mentioned tender offer which was accompanied by a supporting report prepared by independent financial advisors. The reasoned opinion was subsequently submitted to the Hellenic Capital Markets Commission in accordance with L. 3461/2006.

On May 15, 2013, following completion of the settlement of the tender offer the Concerted Parties (the “Offeror” and the “Family”) jointly held directly and indirectly 49.935.445 Company shares representing approximately 97,53% of the Company’s share capital and voting rights.

On May 20, 2013, the Offeror submitted an application to the Hellenic Capital Market Commission for the exercise of the squeeze-out right in accordance with Law 3461/2006, in line with the process described in the Information Memorandum. The squeeze-out right is exercised for the remaining common registered shares of the Company (1.262.417 shares representing approximately 2,47% of the Company’s share capital and voting rights), in exchange for € 5,80 for each share in cash, which is equal to the consideration offered within the context of the Tender Offer.

**22. FOREIGN EXCHANGE RATES**

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

	<b>FINANCIAL POSITION</b>		
	<b>March 31</b>	<b>December 31</b>	<b>Δ%</b>
	<b>2013</b>	<b>2012</b>	
1 € = USD	1,2805	1,3194	-3%
1 € = GBP	0,8456	0,8161	4%
1 € = BGN	1,9558	1,9558	0%
1 € = HUF	304,42	292,30	4%
1 € = TRY	2,321	2,355	-1%
1 € = CNY	8,0383	8,3176	-3%
1 € = GEL	2,1263	2,1849	-3%
1 € = KRW	1.425,21	1.416,26	1%
1 € = BRL	2,5853	2,6954	-4%
1 € = INR	69,566	72,560	-4%
1 € = MAD	11,0791	11,1604	-1%
1 € = PLN	4,1804	4,0740	3%
1 € = MXN	15,8146	17,1845	-8%
	<b>COMPREHENSIVE INCOME</b>		
	<b>Average rate</b>	<b>Average rate</b>	<b>Δ%</b>
	<b>three month</b>	<b>three month</b>	
	<b>2013</b>	<b>2012</b>	
1 € = USD	1,3206	1,3108	1%
1 € = GBP	0,8511	0,8345	2%
1 € = BGN	1,9558	1,9558	0%
1 € = HUF	296,50	296,85	0%
1 € = TRY	2,358	2,356	0%
1 € = CNY	8,2901	8,2620	0%
1 € = GEL	2,1885	2,1769	1%
1 € = KRW	1.430,95	1.483,55	-4%
1 € = BRL	2,6367	2,3194	14%
1 € = INR	71,539	65,899	9%
1 € = MAD	11,1549	11,1439	0%
1 € = PLN	4,1558	4,2329	-2%
1 € = MXN	16,7042	-	-

**S&B Industrial Minerals S.A.**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2013**  
(Amounts in thousand Euro, unless otherwise stated)

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## **B. ADDITIONAL INFORMATION**

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# S&B Industrial Minerals S.A.

Company's number 229101000 of the General Electronic Commercial Registry (former Company's No 110/06/B/86/11 in the register of Societes Anonymes) Andrea Metaxa 15 - 145 64 Kifissia

## FINANCIAL DATA AND INFORMATION FOR THE PERIOD 1 JANUARY - 31 MARCH 2013

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

(Amounts in Euro thousand unless otherwise stated)

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

Company's website: www.sandb.com	STATEMENT OF FINANCIAL POSITION				STATEMENT OF COMPREHENSIVE INCOME			
	GROUP		COMPANY		GROUP		COMPANY	
	31.3.2013	31.12.2012(*)	31.3.2013	31.12.2012(*)	1-31.03.2013	1-31.03.2012(*)	1-31.03.2013	1-31.03.2012(*)
<b>ASSETS</b>								
Property, Plant & Equipment	211.140	211.187	114.088	113.182				
Investment properties	17.726	17.796	17.726	17.796				
Intangible assets	113.009	113.536	25.314	25.322				
Other non-current assets	57.585	58.998	141.943	140.955				
Inventories	84.657	91.948	35.279	36.738				
Trade receivables	59.394	47.737	9.616	11.245				
Other current assets	19.458	26.579	15.380	22.176				
Cash and cash equivalents	53.085	35.009	6.625	4.565				
Available for sale financial assets	112	182	112	182				
<b>TOTAL ASSETS</b>	<b>616.766</b>	<b>602.972</b>	<b>366.083</b>	<b>372.161</b>				
<b>EQUITY AND LIABILITIES</b>								
Share capital	51.198	51.198	51.198	51.198				
Share premium	14.565	14.565	14.565	14.565				
Other equity components	188.917	180.420	97.668	98.753				
Total equity attributable to owners of the Company (a)	254.680	246.183	163.431	164.516				
Minority interests (b)	406	718	-	-				
Total equity (c)=(a)+(b)	255.086	246.901	163.431	164.516				
Long-term interest-bearing loans and borrowings	159.440	159.544	97.054	96.969				
Provisions/Other non-current liabilities	64.839	65.969	22.292	22.276				
Short-term borrowings	64.649	58.151	53.226	46.253				
Other current liabilities	72.752	73.307	29.990	40.147				
Total liabilities (d)	361.680	356.071	202.652	207.645				
<b>TOTAL EQUITY AND LIABILITIES (c)+(d)</b>	<b>616.766</b>	<b>602.972</b>	<b>366.083</b>	<b>372.161</b>				

(\*) The amounts have been restated due to IFRS 11 (Note 5) and IAS 19 (Revised), (note 18 of the interim financial statements).

	CONDENSED STATEMENT OF CHANGES IN EQUITY			
	GROUP		COMPANY	
	31.3.2013	31.3.2012(*)	31.3.2013	31.3.2012(*)
<b>Equity at beginning of the period</b>				
(1/1/2013 and 1/1/2012 as originally issued)	246.901	249.911	164.516	171.117
Transition to IAS 19 Revised	-	-1.827	-	-1.364
<b>Equity at beginning of the period</b>	<b>246.901</b>	<b>248.084</b>	<b>164.516</b>	<b>169.753</b>
(1/1/2013 and 1/1/2012 as restated)				
Total comprehensive income/(loss) for the period	8.168	5.226	-1.257	36
Dividend distribution	-155	-	-	-
Share based payment	172	138	172	138
Transfers & other movements	-	-68	-	-
<b>Equity at period end (31/03/2013 and 31/3/2012 respectively)</b>	<b>255.086</b>	<b>253.320</b>	<b>163.431</b>	<b>169.927</b>

(\*) The amounts have been restated due to IAS 19 (Revised), (note 18 of the interim financial statements).

### ADDITIONAL DATA AND INFORMATION

- Companies included in the consolidated financial statements together with country of establishment, participation interest and method of consolidation for the three month period ended March 31, 2013, are presented in note 4 of the interim financial statements.
- The fiscal years that are unexpired by the tax authorities for the Company and the Group subsidiaries are presented in detail in note 10 of the interim financial statements.
- Number of employees at the end of the reporting period: Group 1.888 (31.03.2012: 1.954) and 621 for the Company (31.03.2012: 646).
- For better presentation and comparison purposes, the following amounts have been restated: (i) a long-term receivable due from related parties € 629 was reclassified from line "Receivables from related parties" to line "Non-current assets due from related parties" for the Group, for the year ended December 31, 2012, (ii) a foreign exchange gain of € 94 was reclassified from Note 9 "Finance Costs" to Note 8 "Finance Income" for the Company, for the three month period ended March 31, 2012. Effective from January 1, 2013, the Group adjusted the calculation of "Earnings before Interest Taxes Depreciation and Amortization" ("EBITDA") to exclude the Group's share in the associates and joint ventures depreciation amounts. Moreover, effective from January 1, 2013, the lines "Share in net profit of Joint Ventures" and "Share in net profit of Associates", in the consolidated income statement, reflect the Group's share in after tax and non-controlling interests results of Joint Ventures and Associates, respectively. Comparative amounts are also restated accordingly (note 20 of the interim financial statements).
- Related party transactions for the first three month of 2013 and balances with related parties as of March 31, 2013 according to I.A.S. 24 are as follows:

	Group	Company
a) Revenues	1.371	10.385
b) Expenses	1.348	201
c) Receivables from related parties	2.071	3.754
d) Payables to related parties	2.808	1.751
e) Key management personnel compensations	1.339	1.127
f) Receivables from key management personnel	0	0
g) Payables to key management personnel	337	298
8. Other comprehensive income for the fiscal year 1.1.2013 - 31.03.2013 is as follows:		
Translation of foreign operations:		
- Subsidiaries	2.960	0
- Joint ventures & associates	315	0
Valuation of available-for-sale financial assets	-70	-70
Income tax relating to the valuation of available-for-sale financial assets	18	18
Valuation of derivatives in a cash-flow hedge	128	128
Income tax relating to the valuation of derivatives	126	126
Income tax effect relating to other comprehensive income not to be reclassified, to profit or loss in subsequent periods	60	60
7. Provisions of the Group and the Company as of 31.03.2013 are as follows:		
	Group	Company
a) Provision for litigation and arbitration	260	235
b) Provision for unexpired tax years	2.164	200
c) Other provisions	2.696	1.003

- Under a Pledge and Security Agreement dated as of September 14, 2012, the Group's US-based companies "S&B Industrial Minerals North America Inc.", "Stollberg Inc.", "MCO Minerals Inc.", "American Tripoli Inc." and "Rolling Rock Inc." granted a security interest of € 24.1 mil. on their property, plant and equipment € 14.4 mil. on their inventories and € 15 mil. on their trade receivables to "Manufacturers and Traders Trust Company (M&T)" as a collateral for the repayment of Senior Secured Credit Facilities. Furthermore, a mortgage of € 1.1 million has been granted over the property, plant and equipment of S&B Industrial Minerals A.D. No other liens exist on the Group and the Company (note 11 of the interim financial statements).
- On March 31, 2013 and December 31, 2012 the Group has issued letters of guarantee for a total amount of € 7.5 million and € 9.3 million, respectively, while the Company has issued letters of guarantee for a total amount of € 3.7 million and € 4.5 million, respectively, relating mainly to mining rights and licenses. Further to the above, the Company as of March 31, 2013 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 € 40.6 million (approximately € 40.6 million as of December 31, 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 15 of the interim financial statements).
- 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 Mytilines Holdings S.A. 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 of "Greek Helicon Bauxite S.A.", a subsidiary of the Company, ceased to be classified as held for sale in the Company and Group statements of financial position of December 31, 2012 and their results were represented as "Continuing operations" in the comparable accompanying Company and Group's income statements for the three month period ended March 31, 2012. In their meetings held on December 18, 2012, and December 28, 2012, respectively, the Boards of Directors of the Company and Greek Helicon Bauxite S.A. ("subsidiary"), a 100% subsidiary of the Company, approved the spin-off of the Company's bauxite operations in Greece and its contribution to Greek Helicon Bauxite S.A. The transaction is in the process of authorization from the pertinent authorities. This transaction is an internal rearrangement to save the rationalization of the Group structure and will not have any impact on consolidated financial statements (note 6 of the interim financial statements).
- In December 2003, S&B Group acquired S&B Industrial Minerals A.D. (at the time named Barent A.D.) from its former owners who had acquired the entity in 1999 through a privatization process. On the basis of the privatization agreement, its former owners undertook, vis-à-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

Board of Directors approval date of financial statements: May 30, 2013	STATEMENT OF COMPREHENSIVE INCOME			
	GROUP		COMPANY	
	1-31.03.2013	1-31.03.2012(*)	1-31.03.2013	1-31.03.2012(*)
<b>Sales</b>	106.233	105.366	28.811	32.981
Gross profit	27.103	26.895	6.639	6.096
Profit before income tax, financial and investment results	11.947	13.197	638	2.260
Profit/(loss) before tax	7.892	10.484	-2.267	222
<b>Net profit/(loss) (A)</b>	<b>5.531</b>	<b>7.047</b>	<b>-1.519</b>	<b>222</b>
Attributable to:				
- Owners of the company	5.591	7.110	-1.519	222
- Non-controlling interests	-60	-63	-	-
<b>Other comprehensive income/(loss) for the year (B)</b>	<b>2.807</b>	<b>-1.821</b>	<b>262</b>	<b>-186</b>
<b>Total other comprehensive income/(loss) for the year (A) + (B)</b>	<b>8.338</b>	<b>5.226</b>	<b>-1.257</b>	<b>36</b>
Attributable to:				
- Owners of the company	8.228	5.289	-1.257	36
- Non-controlling interests	-60	-63	-	-
<b>Net earnings/(losses) per share - basic (in €)</b>	<b>0.1092</b>	<b>0.1361</b>	<b>-0.0297</b>	<b>0.0043</b>
Profit before income tax, financial and investment results, depreciation and amortization*	19.292	18.859	3.857	4.539

(\*) The amounts have been re-presented due to discontinuing operations (note 6) and restated due to IFRS 11 (note 5) and IAS 19 (Revised), (note 18 of the interim financial statements).

	CASH FLOW STATEMENT			
	GROUP		COMPANY	
	1-31.03.2013	1-31.03.2012(*)	1-31.03.2013	1-31.03.2012(*)
<b>Indirect Method</b>				
<b>Cash flows from operating activities</b>				
Profit/(loss) before tax	7.892	10.484	-2.267	222
Adjustments for:				
- Depreciation and amortization	7.124	5.281	3.246	2.294
- Grants amortization	-38	-27	-27	-15
- Provisions, net	114	566	114	490
- Finance income	-403	-125	-164	-164
- Finance costs	4.358	2.838	3.164	2.240
- Investment income (net of foreign taxes)	-	-	-95	-
- Share of profit of associates	-632	-271	-	-
- Share of profit from joint ventures	-1.387	-1.668	-	-
- Gain from disposal of property, plant and equipment	-567	-40	-	-
	<b>16.490</b>	<b>17.838</b>	<b>3.971</b>	<b>5.029</b>
(Increase) / Decrease in:				
- Available for sale	6.843	339	1.012	1.654
- Trade receivables	-11.735	-5.652	1.663	89
- Due from related parties	-694	-544	-1.457	438
- Other assets	7.198	-1.410	8.342	-3.985
Increase / (Decrease) in:				
- Trade payables	-5.148	-684	-698	-1.365
- Due to related parties	-1.875	-2.114	-14.195	316
- Other liabilities	3.678	4.295	3.228	3.026
Staff leasing indemnities paid	-222	-274	-49	-104
Payments for environment rehabilitation	-387	-166	-368	-136
Income tax paid	-1.386	-1.266	-45	-194
<b>Net cash flows from operating activities (a)</b>	<b>12.762</b>	<b>6.832</b>	<b>1.404</b>	<b>4.967</b>
<b>Cash flows from investing activities</b>				
- Capital expenditure	-4.987	-7.332	-3.428	-5.242
- Business combinations and investments in consolidated entities	-219	-	-	-
- Dividends received from JVs & Associates	3.128	-	-	-
- Interest and other finance income received	288	18	40	1
- Proceeds from the settlement of derivatives	-	107	-	107
- Proceeds from disposal of property, plant and equipment	1.750	70	-	-
<b>Net cash flows used in investing activities (b)</b>	<b>-40</b>	<b>-7.137</b>	<b>-3.388</b>	<b>-5.134</b>
<b>Cash flows from financing activities</b>				
- Capital return to shareholders	-	-1	-	-1
- Net increase of short-term borrowing	5.282	1.261	5.073	474
- Dividends paid to equity holders of the Company, net of taxes	-5	-	-5	-
- Dividends paid to non-controlling interests	-31	-	-	-
- Interest and other finance costs paid	-1.992	-2.014	-1.633	-1.708
<b>Net cash flows from/(used in) financing activities (c)</b>	<b>3.254</b>	<b>-754</b>	<b>4.895</b>	<b>-1.233</b>
- Net foreign exchange difference on cash flows (d)	1.547	-421	9	94
<b>Net increase/(decrease) in cash and cash equivalents (a) + (b) + (c) + (d)</b>	<b>17.523</b>	<b>-1.480</b>	<b>2.860</b>	<b>-1.308</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>35.009</b>	<b>42.845</b>	<b>4.565</b>	<b>2.324</b>
- Net foreign exchange difference on cash and cash equivalents at the beginning of the period	553	-593	-	-
<b>Cash and cash equivalents at period end</b>	<b>53.085</b>	<b>40.572</b>	<b>6.625</b>	<b>1.016</b>

(\*) The amounts have been restated due to IFRS 11 (note 5) and IAS 19 (Revised), (note 18 of the interim financial statements).

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 forcible 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 forcible execution of the mortgage has been temporarily suspended. S&B Industrial Minerals A.D. also applied for the annulment of the mortgage on the merits. The application was rejected by the Court of First Instance and an appeal was filed before the Court of Appeal, which was accepted by the Court of Appeal. Following this development, the B.P.A. filed a cessation appeal on May 6, 2013. Notwithstanding the above suspension and the appeal on the merits, 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 2008. 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 abolition 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 (note 12 of the interim financial statements).

12. On January 30, 2013, "Delphi Luxembourg Holdings S.A.R.L." ("Officer"), acting in concert with members of the major shareholder Kyfopoulos family ("Family") and entities controlled by them, launched a mandatory tender offer of L3461/2006, as it stands in effect, and the Directive 2004/25/EC, for the acquisition of the Company's shares not owned or controlled by the Family (i.e. 38.74% of the Company's share capital), (note 19 of the interim financial statements).

13. On April 11, 2013, the Company was notified of the approval of the Information Memorandum by the Hellenic Capital Markets Commission and the start of the acceptance period. In relation to the mandatory tender offer launched by the Officer. The acceptance period ended on May 9, 2013. On April 19, 2013, the Board of directors of the Company ("Board") issued its reasoned opinion on the above mentioned tender offer which was accompanied by a supporting report prepared by independent financial advisors. The reasoned opinion was subsequently submitted to the Hellenic Capital Markets Commission in accordance with L 3461/2006. On May 15, 2013, following completion of the settlement of the tender offer the Concerted Parties (the "Officer" and the "Family") jointly held directly and indirectly 48.93%-45 Company shares representing approximately 97.53% of the Company's share capital and voting rights. On May 20, 2013, the Officer submitted an application to the Hellenic Capital Market Commission for the exercise of the squeeze-out right in accordance with Law 3461/2006, in line with the process described in the Information Memorandum. The squeeze-out right is exercised for the remaining common registered shares of the Company (1.262.417 shares representing approximately 2.47% of the Company's share capital and voting rights), in exchange for € 5.80 million in cash, which is equal to the consideration offered within the context of the Tender Offer (note 20 of the interim financial statements).

(\*) The amounts have been restated due to IFRS 11 (note 5) and IAS 19 (Revised), (note 18 of the interim financial statements).

THE CHAIRMAN OF THE BOARD OF DIRECTORS

THE CHIEF EXECUTIVE OFFICER

THE CHIEF FINANCIAL OFFICER

THE CONTROLLER SOUTH EUROPE

ULYSSES P. KYRIACOPOULOS  
ID No. AH 042880

KRITON ST. ANAVLAVIS  
ID No. AK 061616

IOANNIS EMM. CHRISTODOULAKIS  
ID No. AZ 951354

NIKOLAOS CH. IOAKIM  
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