



# S&B Industrial Minerals S.A.

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

## FINANCIAL DATA AND INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2011

(In terms of article 135 of Law 2190, for companies publishing annual financial statements in accordance with IFRS/IAS)

(Amounts in Euro thousand unless otherwise stated)

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

**Company's website:** www.sandb.com  
**Supervising Authority:** Ministry of Development, Societe Anonyme and Credit Division  
**Board of Directors approval date of financial statements:** March 22, 2012  
**Certified Auditors Accountants:** PANOS PAPAIOGLOU, IOANNIS PSICHOOUNTAKIS  
**Auditing firm:** ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS ACCOUNTANTS S.A.  
**Type of auditors report:** Unqualified opinion

**Board of Directors:**  
**Chairman:** Ulysses Kyriacopoulos  
**Vice Chairman:** Kalypso-Maria Nomicos  
**Chief Executive Officer:** Kriton Leonidas Anavlavis  
**Non-Executive Members:** Florica P.Kyriakopoulos, Alain Walter Marie Vivine Speeckaert, Efthimios Vidalis  
**Independent Non-Executive Members:** Robert James Champion de Crespigny AC, Gabriel Hawawini, Raphael Moissis, Helen Papaconstantinou, Alexandros Sarrigeorgiou, Jan Carel Maarten Scheeffer

### STATEMENT OF FINANCIAL POSITION

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
<b>ASSETS</b>				
Property, Plant & Equipment	154.439	190.114	62.262	97.828
Investment properties	18.860	20.214	18.860	20.214
Intangible assets	102.593	105.185	25.132	25.325
Other non current assets	24.739	17.298	143.069	140.236
Inventories	73.469	77.056	18.362	26.908
Trade receivables	49.557	51.743	4.655	7.808
Other current assets	20.292	19.148	16.501	16.946
Cash and cash equivalents	46.158	42.724	2.323	1.208
Available for sale financial assets	90	189	90	189
Assets held for sale	72.585	-	76.286	-
<b>TOTAL ASSETS</b>	<b>562.782</b>	<b>523.671</b>	<b>367.540</b>	<b>336.662</b>
<b>EQUITY AND LIABILITIES</b>				
Share capital	51.111	51.782	51.111	51.782
Share premium	27.000	42.329	27.000	42.329
Other equity components	171.142	148.286	93.006	91.649
Total equity attributable to owners of the Company (a)	249.253	242.397	171.117	185.760
Minority interests (b)	658	561	-	-
Total equity (c) = (a) + (b)	249.911	242.958	171.117	185.760
Long-term interest-bearing loans and borrowings	66.978	119.858	66.978	74.929
Provisions/Other non current liabilities	41.738	52.783	11.509	22.482
Short-term borrowings	111.279	35.779	65.698	27.500
Other current liabilities	68.844	72.293	27.998	25.991
Liabilities associated with the assets classified as held for sale	24.032	-	24.240,00	-
Total liabilities (d)	312.871	280.713	196.423	150.902
<b>TOTAL EQUITY AND LIABILITIES (c) + (d)</b>	<b>562.782</b>	<b>523.671</b>	<b>367.540</b>	<b>336.662</b>

### CONDENSED STATEMENT OF CHANGES IN EQUITY

	GROUP		COMPANY	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
<b>Equity at beginning of the year (1/1/2011 and 1/1/2010 respectively)</b>	<b>242.958</b>	<b>231.027</b>	<b>185.760</b>	<b>198.010</b>
Total comprehensive income/(loss) for the year	19.859	17.598	-1.743	-6.878
Dividend distribution	-74	-5.054	-	-4.971
Share capital increase	12.778	-	12.778	-
Share capital decrease	-671	-	-671	-
Share capital return	-12.778	-	-12.778	-
Share premium decrease	-15.329	-	-15.329	-
Distribution of shares to personnel	-	302	-	302
Purchase of treasury shares	-6	-1.350	-6	-1.350
Cancellation of treasury shares	3.222	-	3.222	-
Increase/(decrease) of investment in subsidiaries	68	-212	-	-
Share based payment	-116	700	-116	700
Income tax relating to the future distribution of reserves from tax-exempted income	-	-53	-	-53
<b>Equity at year end (31/12/2011 and 31/12/2010 respectively)</b>	<b>249.911</b>	<b>242.958</b>	<b>171.117</b>	<b>185.760</b>

### ADDITIONAL DATA AND INFORMATION

- Companies included in the consolidated financial statements together with country of establishment, participation interest and method of consolidation for the fiscal year 2011 are presented in notes 3,20,21 of the annual financial report.
- The fiscal years that are unaudited by the tax authorities for the Company and the Group's subsidiaries are presented in detail in note 13 of the annual financial report.
- Number of employees at the end of the reporting year: Group 1.963 (31.12.2010: 1.983) and 656 for the Company (31.12.2010: 643).
- Certain amounts of previous fiscal year have been reclassified for better presentation and comparability purposes (note 41 of the annual financial report).
- Related party transactions for the fiscal year 2011 and balances with related parties as of December 31, 2011 according to I.A.S. 24 are as follows:

	Group	Company
a) Revenues	9.536	55.449
b) Expenses	6.243	843
c) Receivables from related parties	1.464	3.243
d) Payables to related parties	3.548	11.455
e) Key management personnel compensations	6.395	5.880
f) Receivables from key management personnel	0	0
g) Payables to key management personnel	1.272	1.228
- Other comprehensive loss for the fiscal year 1.1.2011 - 31.12.2011 is as follows:

	Group	Company
Translation of foreign operations:		
- Subsidiaries	1.132	0
- Associates	-567	0
Valuation of available-for-sale financial assets	-99	-99
Income tax relating to the valuation of available-for-sale financial assets	20	20
Valuation of derivatives	-1.455	-1.455
Income tax relating to the valuation of derivatives	273	273
- Provisions of the Group and the Company as of 31.12.2011 are as follows:

	Group	Company
a) Provision for litigation and arbitration	1.726	1.701
b) Provision for unaudited tax years	834	200
c) Other provisions	775	390
- No liens exist on the Group's and the Company's property, plant and equipment except for a mortgage of € 1,1 million on the property, plant and equipment of S&B Industrial Minerals AD (notes 16,39 of the annual financial report).
- On March 9, 2012, the International Court of Arbitration of the International Commercial Chamber issued its decision on the claim of Kermeos S.A against the Company by which it awarded an amount of € 2.2 million for damages which is charged in December 31, 2011 income statement. Except for this case, within the normal course of business of the Company and the Group there are pending lawsuits, applications and appeals (notes 39,42 of the annual financial report).
- (In this note all amounts are expressed in Euro):
  - On March 22, 2011 the Board of Directors of the Company proposed and the Shareholders' General Assembly (AGM) held on June 1, 2011 approved to increase the Company's share capital by the amount of € 12.777.671,75 through the capitalization of an equal amount of the "Share premium account" reserve by increasing the nominal value of each share from the current € 1,00 to € 1,25. The AGM also approved to subsequently decrease the share 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 July 25, 2011. Following the above transactions as of December 31, 2011 the Company's share capital amounted to € 51.110.687 divided into 51.110.687 common registered shares of nominal value € 1,00 each (note 27 of the annual financial report).
  - Due to the reported net loss for the Company, statutory minimum dividend declaration and payment for 2011 is not required, though the Board of Directors may propose an alternative reward to shareholders at a later time for 2011 (note 30 of the annual financial report).
  - Within 2011, the Company purchased 1.800 common treasury shares, at an average price of € 3,76 per share for an aggregate amount of € 6.761,03. As of June 22, 2011, the Company held 671.513 treasury shares at average price of € 4,8 per share, for a total amount of € 3.222.616,14. On June 1, 2011 the Shareholders' AGM resolved to decrease the total number of shares from 51.782.200 to 51.110.687 ordinary registered shares, by cancelling 671.513 treasury shares, which have been acquired during the period from June 6, 2008 until January 12, 2011. The aforementioned AGM decision was approved by the competent ministry on June 22, 2011.(note 27 of the annual financial report).
  - On November 8, 2011, we announced jointly with Mytilineos Holdings S.A. the attainment of an initial agreement for the gradual acquisition of S&B's bauxite operations in Greece by Mytilineos' fully owned subsidiary Aluminium S.A. The initially agreed price for this transaction is € 61,1 million and is to be confirmed upon completion of a financial, legal, tax and technical due diligence process. Upon the successful completion of the due diligence process, a detailed procedure, the terms and the relevant timeline for the gradual transfer of our bauxite operations to Aluminium S.A. will be set. The initial agreement foresees the contribution of the Group's bauxite activity in Greece by Delphi Distomon (D.D.), a fully-owned subsidiary of Aluminium S.A. engaged in bauxite production. At that stage, S&B will become a shareholder in the resulting structure (New D.D.). Thereafter, Aluminium S.A. will gradually acquire S&B's contributed share in D.D., such that, its own share in D.D. reaches 51% and thereafter will proceed to the acquisition of the remaining 49% share gradually over the following 30-month period. In accordance with the provisions of IFRS 5, at December 31, 2011 S&B's bauxite operations in Greece and "Greek Helicon Bauxite S.A.", a fully-owned subsidiary of the Parent Company, were classified as a discontinuing operation.
  - As of January 1st, 2011 Denain Anzin Metallurgies S.A.S. was merged into S&B Industrial Minerals S.A.R.L. In September 2011, Asian Minerals Ltd. was dissolved. Within 2011, the Group acquired the remaining 25% participation that ORYMIL S.A. (a related party) held in Cape Trachilas Enterprises Ltd. and its direct subsidiaries for a consideration of € 1. On December 31, 2011 Cape Trachilas One Ltd., Cape Trachilas Two Ltd., Cape Trachilas One S.A. and Milos Island Resort Ltd. are under dissolution process (note 3 of the annual financial report).

### STATEMENT OF COMPREHENSIVE INCOME

	GROUP			COMPANY		
	1.1 - 31.12.2011		Total	1.1 - 31.12.2010		Total
	Continuing operations	Discontinuing operations		Continuing operations	Discontinuing operations	
Sales	422.787	32.933	455.720	391.639	28.495	420.134
Gross profit/(loss)	109.066	2.034	111.100	102.998	-9.619	93.379
Profit/(loss) before income tax, financial and investment results	44.275	-3.785	40.490	38.694	-10.089	28.605
Profit/(loss) before tax	36.438	-4.478	31.960	32.530	-10.772	21.758
<b>Net profit (A)</b>	<b>25.159</b>	<b>-4.604</b>	<b>20.555</b>	<b>23.354</b>	<b>-10.479</b>	<b>12.875</b>
<b>Attributable to:</b>						
- Owners of the company	25.221	-4.604	20.617	23.612	-10.479	13.133
- Non-controlling interests	-62	-	-62	-258	-	-258
<b>Other comprehensive (loss)/income for the year (B)</b>	<b>-696</b>	<b>-</b>	<b>-696</b>	<b>4.723</b>	<b>-</b>	<b>4.723</b>
<b>Total other comprehensive income/(loss) for the year (A) + (B)</b>	<b>24.463</b>	<b>-4.604</b>	<b>19.859</b>	<b>28.077</b>	<b>-10.479</b>	<b>17.598</b>
<b>Attributable to:</b>						
- Owners of the company	24.516	-4.604	19.912	28.328	-10.479	17.849
- Non-controlling interests	-53	-	-53	-251	-	-251
Net earnings/(losses) per share - basic (in €)	0,4935	-0,0901	0,4034	0,4609	-0,2045	0,2564
Profit before income tax, financial and investment results, depreciation and amortization	63.318	4.248	67.566	57.925	1.892	59.817
Sales	111.097	32.935	144.032	106.736	28.502	135.238
Gross profit	35.004	1.883	36.887	33.995	-8.915	25.080
Profit/(loss) before income tax, financial and investment results	10.607	-3.884	6.723	8.308	-9.557	-1.249
Profit/(loss) before tax	5.252	-4.576	676	4.768	-10.238	-5.470
<b>Net Profit/(loss) (A)</b>	<b>4.220</b>	<b>-4.702</b>	<b>-482</b>	<b>3.475</b>	<b>-9.945</b>	<b>-6.470</b>
<b>Attributable to:</b>						
- Owners of the company	4.220	-4.702	-482	3.475	-9.945	-6.470
<b>Other comprehensive loss for the year (B)</b>	<b>-1.261</b>	<b>-</b>	<b>-1.261</b>	<b>-408</b>	<b>-</b>	<b>-408</b>
<b>Total other comprehensive income/(loss) for the year (A) + (B)</b>	<b>2.959</b>	<b>-4.702</b>	<b>-1.743</b>	<b>3.067</b>	<b>-9.945</b>	<b>-6.878</b>
<b>Attributable to:</b>						
- Owners of the company	2.959	-4.702	-1.743	3.067	-9.945	-6.878
Net earnings/(losses) per share - basic (in €)	0,0826	-0,0920	-0,0094	0,0678	-0,1941	-0,1263
Profit before income tax, financial and investment results, depreciation and amortization	18.212	4.149	22.361	15.692	1.518	17.210

### CASH FLOW STATEMENT

	GROUP		COMPANY	
	1.1 - 31.12.2011	1.1 - 31.12.2010	1.1 - 31.12.2011	1.1 - 31.12.2010
<b>Indirect Method</b>				
<b>Cash flows from operating activities</b>				
Profit before tax from continuing operations	36.438	32.530	5.252	4.768
Loss before tax from discontinuing operations	-4.478	-10.772	-4.576	-10.238
Profit / (loss) before tax	31.960	21.758	676	-5.470
Adjustments for:				
- Depreciation and amortization	19.195	19.415	7.695	7.530
- Grants amortization	-152	-184	-90	-146
- Provisions, net	2.374	5.864	-1.858	3.702
- Finance income	-594	-407	-373	-629
- Finance costs	8.674	6.571	6.416	4.382
- Investment income (net of foreign taxes)	-	-	-635	-205
- Share of profit of associates	-889	-994	-	-
- Impairment loss	2.880	-	1.080	-
- Gain from disposal of associates	-243	-	-	-
- Loss/(Gain) from disposal of property, plant and equipment	228	-23	20	-4
	<b>63.433</b>	<b>52.000</b>	<b>12.931</b>	<b>9.160</b>
(Increase) / Decrease in:				
- Inventories	-6.823	-8.243	-1.639	221
- Trade receivables	-3.974	-3.813	-1.991	71
- Due from related parties	-109	-95	698	6.406
- Other assets	-9.516	-7.066	-8.609	-6.667
Increase / (Decrease) in:				
- Trade payables	524	11.053	-2.019	3.253
- Due to related parties	1.531	153	10.159	330
- Other liabilities	-2.323	2.520	935	2.352
Staff leaving indemnities paid	-4.641	-2.464	-3.791	-832
Payments for environment rehabilitation	-343	-314	-242	-245
Income tax paid	-12.360	-6.931	-1.505	-3.422
Net cash flows from operating activities, discontinuing operations	12.380	6.740	12.522	6.358
<b>Net cash flows from operating activities (a)</b>	<b>37.779</b>	<b>43.540</b>	<b>17.449</b>	<b>16.985</b>
<b>Cash flows from investing activities</b>				
- Capital expenditure	-20.827	-14.884	-9.519	-7.321
- Business combinations and investments in consolidated entities	-101	-1.136	-	-7.500
- Proceeds from the sale of associate	243	550	-	550
- Dividends received	388	32	498	154
- Interest and other finance income received	261	407	36	197
- Proceeds from the settlement of derivatives	333	80	333	80
- Purchase of available for sale financial assets	-	-109	-	-109
- Government grants received	-	245	-	-
- Proceeds from disposal of property, plant and equipment	561	476	1	16
Net cash flows from investing activities, discontinuing operations	-20.238	-10.111	-20.238	-10.074
<b>Net cash flows used in investing activities (b)</b>	<b>-39.380</b>	<b>-24.450</b>	<b>-28.889</b>	<b>-24.007</b>
<b>Cash flows from financing activities</b>				
- Capital return to shareholders	-12.767	-	-12.767	-
- Purchase of treasury shares	-7	-1.350	-7	-1.350
- Net increase/(decrease) of short-term borrowing	18.523	-848	18.698	-
- Proceeds from long-term borrowing	20.000	-	20.000	-
- Repayment of long-term borrowing	-16.000	-15.000	-8.500	-7.500
- Dividends paid to equity holders of the Company, net of taxes	-9	-4.477	-9	-4.477
- Dividends paid to non-controlling interests	-70	-82	-	-
- Interest and other finance costs paid	-6.604	-4.942	-5.056	-3.494
Net cash flows from financing activities, discontinuing operations	-	-2	1	-
<b>Net cash flows from/(used in) financing activities (c)</b>	<b>3.066</b>	<b>-26.701</b>	<b>12.360</b>	<b>-16.821</b>
- Net foreign exchange difference on cash flows (d)	1.362	-86	6	432
<b>Net increase/(decrease) in cash and cash equivalents (a) + (b) + (c) + (d)</b>	<b>2.827</b>	<b>-7.697</b>	<b>926</b>	<b>-23.411</b>
In				