

FINANCIAL DATA AND INFORMATION FOR THE YEAR FROM 1 JANUARY 2015 TO 31 DECEMBER 2015

(published according to C.L.2190/20, article 135 for entities preparing annual financial statements, consolidated or not consolidated according to IAS)

The financial data and information presented below, aim to provide for a general overview of the financial position and the results of the Group and the Company HERACLES G.C.C. S.A. Therefore we suggest to readers, before proceeding to any investment decision or other transaction with the Group and the Company, to refer to the Company's website, where financial statements are published as well as the certified auditors' opinion, when it is necessary.

COMPANY'S INFORMATION

COMPANY'S NAME	: HERACLES GROUP OF COMPANIES
COMPANY'S REGISTERED ADDRESS	: 19,3 KLM MARKOPOULOU AV., 19002 PAIANIA, ATTICA
COMPANIES REG. NO.	: 224201000
QUALIFIED PREFECTURE	: MINISTRY OF DEVELOPMENT - DEPARTMENT OF SOCIETE ANONYME AND TRUST
BOARD OF DIRECTORS COMPOSITION	: 1. Panagiotis (Takis) Athanasopoulos - Chairman, 2. Jean Claude Block - Vice Chairman, 3. George Michos - Managing Director, 4. Pierre Deleplanque - Member 5. Neil Curtis - Member, 6. Andreas G. Andreopoulos - Member, 7. Aristotelis Kalipollitis - Member
ANNUAL FINANCIAL STATEMENTS APPROVAL DATE BY THE BOARD OF DIRECTORS	: 30 March 2016
CERTIFIED AUDITORS	: MICHALIS E. KARAVAS (REG. No SOEL: 13371) - ALEXIS M. CHATZIPAVLOU (REG. No SOEL: 42351)
AUDIT FIRM	: DELOITTE - HADJIPAVLOU, SOFIANOS & CAMBANIS S.A. (REG. No SOEL: E 120)
TYPE OF AUDIT OPINION	: UNQUALIFIED
COMPANY'S WEBSITE	: www.lafarge.gr

STATEMENT OF FINANCIAL POSITION

Amounts in thousands of Euro	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
ASSETS				
Tangible assets	276,412	296,827	252,011	270,571
Investment property	1,417	1,491	0	0
Intangible assets	31,277	31,494	402	346
Other non current receivables	62,837	57,538	97,661	152,822
Inventories	46,933	42,636	43,134	38,857
Trade and other receivables	67,438	61,453	83,641	49,735
Other current assets	793	858	627	616
Cash & cash equivalents	27,469	45,209	17,881	35,328
TOTAL ASSETS	514,576	537,506	495,357	548,275
EQUITY AND LIABILITIES				
Share capital	120,841	120,841	120,841	120,841
Other equity figures	134,232	150,548	183,945	219,640
Total Shareholders' equity (a)	255,073	271,389	304,786	340,481
Non-controlling interest (b)	(110)	(77)	0	0
Total Equity (c) = (a) + (b)	254,963	271,312	304,786	340,481
Long term bank loans	18,000	30,000	18,000	30,000
Provisions / Other non current liabilities	40,052	40,332	59,847	58,970
Short term bank loans	97,927	86,252	19,750	23,000
Other current liabilities	103,634	109,610	92,974	95,824
Total Liabilities (d)	259,613	266,194	190,571	207,794
TOTAL EQUITY AND LIABILITIES (c) + (d)	514,576	537,506	495,357	548,275

STATEMENT OF CHANGES IN EQUITY

Amounts in thousands of Euro	GROUP		COMPANY	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
Equity opening balance (1/1/2015 and 1/1/2014 respectively)	271,312	313,376	340,481	368,088
Total comprehensive income after tax	(15,542)	(41,125)	(35,695)	(27,262)
Other equity movements	(807)	(939)	0	(345)
Equity closing balance (31/12/2015 and 31/12/2014 respectively)	254,963	271,312	304,786	340,481

STATEMENT OF COMPREHENSIVE INCOME

Amounts in thousands of Euro	GROUP		COMPANY	
	1/1-31/12/2015	1/1-31/12/2014	1/1-31/12/2015	1/1-31/12/2014
Turnover (Sales)	247,164	236,485	218,330	208,764
Gross profit / (loss)	27,483	17,246	23,070	15,447
Earnings / (losses) before interest & tax	(14,293)	(40,847)	(38,307)	(30,558)
Profit / (loss) for the year before tax	(22,328)	(45,859)	(42,146)	(31,574)
Net profit / (loss) for the year after tax (a)	(18,448)	(40,713)	(37,711)	(26,372)
Attributable to:				
Company's shareholders	(18,426)	(40,695)	(37,711)	(26,372)
Non-controlling interest	(22)	(18)	0	0
Other comprehensive income after tax (b)	2,906	(412)	2,016	(890)
Total comprehensive income after tax (a) + (b)	(15,542)	(41,125)	(35,695)	(27,262)
Allocated to:				
Company's shareholders	(15,520)	(41,107)	(35,695)	(27,262)
Non-controlling interest	(22)	(18)	0	0
Earnings / (losses) per share after tax (in €)	(0.2595)	(0.5728)	(0.5305)	(0.3710)
Earnings / (losses) before interest, tax, depreciation and amortization	10,686	(13,737)	(16,069)	(6,231)

ADDITIONAL DATA AND INFORMATION

- The basic accounting principles used, are consistent to those followed in the 31 December 2014 published annual financial statements of the Group and Company. There are reclassifications to the already published accounts of the Group Income Statement, for presentation purposes, analysis of which is presented in note 31 of the annual financial statements.
- The LafargeHolcim Group with registered office in Switzerland, which holds, as at 31 December 2015, 93.61% of the issued share capital of HERACLES G.C.C., prepares consolidated financial statements including the financial statements of the Group, using the full consolidation method.
- The unaudited by tax authorities fiscal years of the Group companies are described in note 27 of the annual financial statements.
- In relation to the litigation issues that have or may have a material effect in the Group's and Company's financial position or activity the following are noted:
Various plots of land have been declared as forests, sea shores and archaeological sites and their ownership is disputed by the Greek State and various third parties.
The maximum risk, from these disputes, for the Group and the Company is estimated at €1,747 thousand and €1,724 thousand respectively. No provision has been made in the financial statements as, according to the assessments of the Company's Legal Department, it is unlikely that such risk will eventually occur.
As at 31 December 2015, there are pending lawsuits against the Group amounting to €112,533 thousand of which €99,046 thousand relate to pending lawsuits against the Company that are being handled legally and their outcome is uncertain. The maximum risk from the final decisions on the above cases is estimated at €32,402 thousand of which €27,519 thousand relate to the maximum risk from the final decisions on the Company's cases. No relative provision has been made in the financial statements, as, according to the assessments of the Company's Legal Department, it is unlikely that such risk will eventually occur.
Analysis of the progress of the pending litigation between the Company and the Greek State regarding the state aid granted in 1986 is presented in note 27 of the annual financial statements.
Furthermore, as at 31 December 2015, there are pending lawsuits against the Group amounting to €9,482 thousand of which €6,754 thousand relate to pending lawsuits against the Company that are being handled legally and their outcome will be probably negative. The maximum risk from the final decisions on the above cases is estimated at €5,434 thousand of which €5,090 thousand relate to the maximum risk from the final decisions on the Company's cases.
For these risks the Group has recognised "Provisions for pending litigations". The amounts of accumulated provisions for the Group and the Company are described in the table below:

Amounts in thousands of Euro	GROUP	COMPANY
Provisions for legal litigation	5,434	5,090
Provision for staff retirement	19,494	17,813
Other provisions	22,448	42,702
Total provisions	47,376	65,605
- The number of employees for the Group and the Company as at 31 December 2015 is 770 (31/12/2014: 839) and 611 (31/12/2014: 670) respectively.

STATEMENT OF CASH FLOWS

Indirect method Amounts in thousands of Euro	GROUP		COMPANY	
	1/1-31/12/2015	1/1-31/12/2014	1/1-31/12/2015	1/1-31/12/2014
Operating activities				
Profit / (loss) of the year before tax	(22,328)	(45,859)	(42,146)	(31,574)
Plus / less adjustments for:				
Depreciation	24,979	27,110	22,238	24,327
Impairment of tangible and intangible fixed assets	1,424	6,532	1,429	5,823
Provisions	(3,769)	(285)	28,409	646
Foreign exchange differences	(209)	19	(177)	21
Gain / (loss) from derivatives valuation	(51)	44	(51)	44
Income / (expenses), profit / (losses) from investing activities	118	(1,022)	(920)	(2,232)
Interest and related expenses	6,186	5,748	3,038	2,640
Plus/ less adjustments for changes in working capital accounts or relevant with operating activities:				
Decrease / (increase) in inventories	(3,470)	1,866	(3,501)	2,087
Decrease / (increase) in receivables	(7,083)	(5,334)	(6,074)	(2,692)
(Decrease) / increase in liabilities (excl. bank loans)	(2,560)	(1,005)	1,603	(386)
Less :				
Interest and related expenses paid	(5,603)	(4,877)	(2,725)	(1,950)
Taxes paid	(1,352)	(873)	(953)	(139)
Total inflow / (outflow) from operating activities (a)	(13,718)	(17,936)	170	(3,385)
Investing activities				
Acquisition of subsidiaries, affiliates, joint-ventures and other investments	0	0	0	(23,247)
Intercompany loans	0	0	0	(950)
Purchases of tangible and intangible fixed assets	(3,960)	(5,629)	(3,599)	(5,057)
Proceeds from disposals of tangible and intangible assets	281	490	193	276
Interest received	15	33	1,039	929
Total inflow / (outflow) from investing activities (b)	(3,664)	(5,106)	(2,367)	(28,049)
Financing activities				
Loan proceeds	45,900	79,000	18,000	53,500
Loan repayments	(46,225)	(38,425)	(33,250)	(9,500)
Payments of obligations under finance leases	(33)	(116)	0	(24)
Total inflow / (outflow) from financing activities (c)	(358)	40,459	(15,250)	43,976
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	(17,740)	17,417	(17,447)	12,542
Cash and cash equivalents at the beginning of the year	45,209	27,792	35,328	22,786
Cash and cash equivalents at the end of the year	27,469	45,209	17,881	35,328

- Transactions and balances between the Group and the Company and their related parties are disclosed below according to IAS 24:

Amounts in thousands of Euro	GROUP	COMPANY
Income	102,088	112,869
Expenses	45,586	60,840
Receivables	11,247	43,146
Payables	33,035	43,770
Salaries and expenses of general managers and BoD members	5,893	3,887
Receivables from general managers and BoD members	0	0
Payables to general managers and BoD members	0	0
- The amounts and nature of other comprehensive income after tax are as follows:

Amounts in thousands of Euro	GROUP	COMPANY		
	1/1 - 31/12/2015	1/1 - 31/12/2014	1/1 - 31/12/2015	1/1 - 31/12/2014
Actuarial gain / (loss) recognised directly in equity, net of deferred tax and respective change in rate effect	1,927	(1,217)	1,833	(1,018)
Profit / (loss) from derivative financial instruments recognised directly in equity, net of deferred tax	183	(217)	183	(217)
Other equity movements	796	1,022	0	345
Other comprehensive income after tax	2,906	(412)	2,016	(890)
- There are not any own shares held by the Group companies (treasury shares).
- Significant events after the reporting date of the financial statements: The Board of Directors of the Capital Market Commission, by virtue of its resolution 751/24.2.2016, approved the application of Lafarge Cementos regarding the exercise of the squeeze-out right for the acquisition of the ordinary shares of HERACLES G.C.C. and determined 10 March 2016 as the last trading date of the shares of the Company. On 18 March 2016 the registration of Lafarge Cementos in the Dematerialized Securities System as the new holder of the 4,216,145 shares of the Company, to which pertained the above-mentioned squeeze out right, was completed and consequently, Lafarge Cementos holds 71,082,707 shares of the Company in total, which represent 100% of the total paid-up share capital and voting rights of the Company. As a consequence the Company will proceed with the delisting of its shares from the Athens Stock Exchange. By virtue of the 9.3.2016 resolution of the General Meeting of Shareholders of Lafarge Beton, the capital of the company increased by €72,000 thousand with the issuance of 3,600,000 new shares, of nominal value €1 each and issue price €20 each. The share capital increase was totally covered by its parent company HERACLES G.C.C.. According to the Company's Management best knowledge, no other subsequent events after 31 December 2015 exist that may have a significant impact on the Group's and the Company's financial position.
- The trade name, the registered address, the consolidation method and the percentage of direct and indirect participation of the parent company in the consolidated companies are described in note 16 of the annual financial statements.
- Modifications of consolidation structure:
Compared to the previous year (1 January - 31 December 2014), the company A. HATZIKYRIAKOS SOC. NAV. is not included in Group consolidation since on 26/6/2015, based on a statement of the Ministry of Economy, Infrastructure, Shipping and Tourism, under protocol number 3151.1/486/08, its liquidation process was completed and it was deleted from the relevant Registry of Naval Companies. In addition, the company MARATHOS QUARRIES S.A. is not included in Group consolidation due to its merger through absorption by the Group company LAFARGE BETON S.A. by virtue of decision of the Direction of Development of Regional Section of Eastern Attica, with protocol number 3457/2015 on 17/7/2015.
A detailed analysis of the entities included in the consolidated financial statements is presented in note 16 of the annual financial statements.
- EKEPY S.A., STEGI OF THE GREEK INDUSTRY and UNICEN are not included in the consolidation, due to their immaterial impact as described in note 17 of the annual financial statements.
- There is no change in the consolidation method of the companies compared to the previous year (1 January - 31 December 2014).

Paiania, 30 March 2016

THE CHAIRMAN OF THE BOARD OF DIRECTORS
PANAGIOTIS (TAKIS) ATHANASOPOULOS
I.D. AB 779530

THE MANAGING DIRECTOR
GEORGE MICHOS
PASP. No. AN0142145

THE CHIEF FINANCIAL OFFICER
GREGORY LOVICH
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THE FINANCIAL SERVICES MANAGER
PANTELIS TOURNIS
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A' CLASS