POLIKOS MARITIME CO

Balance Sheet

		As at 31 December	
ASSETS	**Notes**	**2005**	**2004**
Property, plant and equipment	6	275.297,18	275.297,18
Non-current assets		**275.297,18**	**275.297,18**
Inventories	8	53.530,26	26.082,56
Receivables and prepayments	9	2.110.456,48	1.693.435,21
Cash and cash equivalents	10	2.295,92	3.280,10
Current assets		**2.166.282,66**	**1.722.797,87**
Total assets		**2.441.579,84**	**1.998.095,05**

LIABILITIES

Trade and other payables	11	193.202,75	161.188,39
Current liabilities		**193.202,75**	**161.188,39**
Total liabilities (a)		**193.202,75**	**161.188,39**
Share capital	15	283.670,00	283.670,00
Retained earnings		1.964.707,09	1.553.236,66
Total equity (b)		**2.248.377,09**	**1.836.906,66**
TOTAL EQUITY AND LIABILITIES (a+b)		**2.441.579,84**	**1.998.095,05**

These financial statements have been approved for puplishing from the Board of Directors on 25/01/2006

POLIKOS MARITIME CO

Income Statement

	Notes	As at 31 December	
		2005	**2004**
Turnover		4.220.558,80	3.507.475,28
Cost of sales		-2.148.512,23	-1.844.619,17
Gross profit		**2.072.046,57**	**1.662.856,11**
Other operating expenses		0,00	697,63
Administrative expenses		-110.200,00	-111.225,00
Earnings before interest, taxes and depreciation		**1.961.846,57**	**1.552.328,74**
Earnings before interest and taxes		**1.961.846,57**	**1.552.328,74**
Finance (cost) / income	3	-376,14	-234,99
Profit before taxes		**1.961.470,43**	**1.552.093,75**
Profit after taxes		**1.961.470,43**	**1.552.093,75**

Statement of Changes in Shareholders'

	Notes	Ordinary shares	Retained earnings	Total
Year ended 31 December 2004				
Opening balance		283.670,00	1.142,91	284.812,91
Net profit per income statement			1.552.093,75	1.552.093,75
Closing Balance at 31 Decenber 2004		283.670,00	1.553.236,66	1.836.906,66
Year ended 31 December 2005				
Opening balance		283.670,00	1.553.236,66	1.836.906,66
Net profit per income statement			1.961.470,43	1.961.470,43
Dividends			-1.550.000,00	-1.550.000,00
Closing Balance at 31 December 2005		283.670,00	1.964.707,09	2.248.377,09

POLIKOS MARITIME CO

Cash Flow Statement

	notes	Year ended 31 December 2005	2004
Cash flows from operating activities			
Cash generated from operations	16	1.549.391,87	997.591,22
Interest received		20,00	34,00
Net cash generated from operating activities		***1.549.411,87***	***997.625,22***
Cash flows from financing activities			
Interest paid		-396,05	-269,26
Dividend paid		-1.550.000,00	-998.000,00
Net cash flows from financing activities		***-1.550.396,05***	***-998.269,26***
Net increase/(decrease) in cash and cash equivalends and bank overdrafts		-984,18	-644,04
Cash and cash equivalents at beginning of the period		3.280,10	3.924,14
Cash and cash equivalents at end of the period	10	**2.295,92**	**3.280,10**

1. Accounting principles

General information

The maritime company POLIKOS is a ship owning company that was established according to law 959/1979 and is registered in the Naval Company Register of Piraeus of January 20th, 1988, serial number 1237 and is the proprietor of the cement carrying ship MV POLIKOS which is under the Greek flag and Piraeus register. The company is a subsidiary of TITAN Cement Co. S.A., a company listed on the Athens Stock Exchange.

Summary of significant accounting principles

The basic accounting principles adopted for the compilation of these financial statements are listed below:

A. Basis of compilation

The company has applied IFRS 1 that is mentioned in the adaptation of IFRS for the first time.

The principles listed below have been applied to all fiscal years cited.

The reconciliation of accounts and description of consequences of the conversion of Greek Statutory Statements to IFRS to the net equity and the net income of the company is cited in note 29.

The financial statements have been compiled according to historical cost.

B. Tangible assets

Tangible assets (the value of the ship) are recorded at their historical cost of acquisition, plus the cost of refitting and improvements after the deduction of accumulated depreciation.

The company does not calculate annual depreciation as the undepreciated value of the ship is approximately equivalent to its scrap value.

C. Inventories

Inventories of lubricants, fuels and eatables were calculated at acquisition price using the FIFO method. Other provisions, purchased within the fiscal year are considered to be consumables.

D. Receivables

Accounts receivable are acknowledges at their current value. When the company has objective indications that it will not collect the amounts owed to it, according to the limitations restrictions of each agreement, it formulates a provision for the write off of the receivable. The amount of the provision is recorded as expenditure in the Income Statement.

E. Cash and cash equivalents

The basic financial data of current assets are receivables and cash. Receivables from commercial activities appear at their nominal value. The Board of Directors regularly examines the ability to collect and initiates projections when deemed necessary. Receivables are written off of the financial results when considered doubtful.
According to the estimation of the board of the directors, provisions for doubtful receivables were not necessary.

F. Deferred Tax Assets

Provisions for deferred tax assets were not made because the company is not taxed according to its profit but according to the registered capacity of the ship.

G. Acknowledgement of income

The company's income originates from the chartering of the ship by the mother company "Titan Cement Co. S.A.".

H. Dividends

Dividends are recorded in the financial statements of the fiscal year in which the proposal for appropriation is made by the board of directors.

2. Finance Risk Management

A. Credit risk

The company faces no significant credit risks. Receivables from clients are from the mother company. The ship is also insured for complete loss in the amount of USD 2.500.000.

Notes to the financial statements

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2. Profit from operations

The following items have been included in arriving at profit from operations:

	2005	2004
Repairs and maintenance expenditure on property, plant and equipment	348.762,00	244.082,00
Costs of inventories recognized as an expense in Cost of Sales		
Raw materials	0,00	3.140,48
	0,00	3.140,48
Staff costs (Note 4)	903.271,00	853.332,00

3. Finance (costs) / income

	2005	2004
Interest income	20,00	34,00
Interest expense	-396,14	-268,99
Net financing (costs)/income	**-376,14**	**-234,99**

4. Staff costs

	2005	2004
Wages and salaries	805.271,00	768.832,00
Social security costs	98.000,00	84.500,00
Pension costs - defined benefit plans		
Other post employment benefits		
Total	**903.271,00**	**853.332,00**
Average number of employees:		
Office staff	18	18
Labourers		
Total	**18**	**18**

5. Income tax expense

the profit of the company is not taxable due to law 27/75

6. Property, plant and equipment

	Motor vehicles	Total
Year ended 31 December 2004		
Opening balance	275.297,18	275.297,18
Closing balace	275.297,18	275.297,18
At 31 December 2004		
Cost	3.395.353,46	3.395.353,46
Accumulated depreciation	3.120.056,28	3.120.056,28
Net book amount	275.297,18	275.297,18
Year ended 31 December 2005		
Opening balance	275.297,18	275.297,18
Closing balance	275.297,18	275.297,18
At 31 December 2005		
Cost	3.395.353,46	3.395.353,46
Accumulated depreciation	3.120.056,28	3.120.056,28
Net book amount	275.297,18	275.297,18

The Company has no pledges on its owned assets.

7. Non-current receivables

DOES NOT EXIST

8. Inventories

	2005	2004
Inventories		
Raw materials	53.530,26	26.082,56
	53.530,26	**26.082,56**

The Company has not pledged its inventories as collateral.

9. Receivables and prepayments

	2005	2004
Other trade receivables from related parties (Note 17)	2.108.960,49	1.685.237,28
Other receivables	1.495,99	8.197,93
	2.110.456,48	**1.693.435,21**

10. Cash and cash equivalents

	2005	2004
Cash at bank and in hand	263,50	154,91
Short-term bank deposits	2.032,42	3.125,19
	2.295,92	**3.280,10**

11. Trade and other payables

	2005	2004
Trade payables	83.654,29	100.421,29
Social security	15.093,16	4.141,58
Other taxes	94.455,30	56.625,52
	193.202,75	**161.188,39**

12. Deferred tax

The profit of the company is not taxable due to law N27/75

13. Retirement and termination benefit obligations

there is no actuarial study

14. Contingencies and Commitments
Contingencies

There are not subjudice decrees to the company that might have important effect to the financial statement of the company.

For the fiscal years 2001-2005 there is not taxation audit therefor these fiscal years have not been definitized yet.

15. Share capital

	Number of ordinary shares	Ordinary Shares	Total
At 1 January 2004	28.367	283.670	283.670
At 31 December 2004	28.367	283.670	283.670
At 31 December 2005	28.367	283.670	283.670

All issued shares are fully paid.

16. Cash generated from operations

	2005	**2004**
Net Profit for the year as per income statements	1.961.470,43	1.552.093,75
Adjustments for:		
Depreciation (Note 6)		
Interest income and net foreign exchange transaction gains	376,14	234,99
Changes in working capital:		
Decrease / (increase) in inventories	-27.447,70	3.140,48
Decrease / (increase) in trade and other receivables	-417.021,00	-320.163,00
(Decrease) / increase in trade and other payables	32.014,00	-237.715,00
Cash generated from operations	**1.549.391,87**	**997.591,22**

17.Intercompany transactions

The following is a summary of transactions that were carried out with related parties during the year:

		2005	2004
i) Sales of goods and services			
Sale of services to Titan S.A		4.220.558,80	3.507.475,28
		4.220.558,80	3.507.475,28
ii) Purchases of goods and services			
Purchase of services from subsidiaries		108.000,00	108.000,00
		108.000,00	108.000,00
iii) Year-end balances arising from purchases of goods and services			
Receivables from Titan S.A	(Note 9)	2.108.960,49	4.685.237,28

18. Reconciliation to International Financial Reporting Standards ("IFRS")

Reconciliation of Balance Sheet at 31 December 2004

	Greek GAAP	*Effect of transition to IFRS*	*IFRS*
ASSETS			
Property, plant and equipment	275.297,18		275.297,18
Non-current assets	**275.297,18**		**275.297,18**
Inventories	26.082,56		26.082,56
Receivables and prepayments	1.693.435,21		1.693.435,21
Cash and cash equivalents	3.280,10		3.280,10
Total current assets	**1.722.797,87**		**1.722.797,87**
TOTAL ASSETS	**1.998.095,05**		**1.998.095,05**
SHAREHOLDERS´EQUITY			
Trade and other payables	161.188,39		161.188,39
	161.188,39	**0,00**	**161.188,39**
Total liabilities(a)	**161.188,39**	**0,00**	**161.188,39**
Share capital	283.670,00		283.670,00
Fair value and other reserves	1.553.236,66		1.553.236,66
Share capital and reserves(b)	**1.836.906,66**	**0,00**	**1.836.906,66**
Total equity and liabilities(a+b)	**1.998.095,05**		**1.998.095,05**

18 Reconciliation to International Financial Reporting Standards ("IFRS") (continued)

Reconciliation of Income Statement for the year ended 31 December 2004

	Greek GAAP	*Effect of transition to IFRS*	*IFRS*
Turnover	3.507.475,28		3.507.475,28
Cost of sales	-1.844.619,17		-1.844.619,17
Gross profit	**1.662.856,11**	**0,00**	1.662.856,11
Other operating income/ (expense)	697,63		697,63
Administrative expenses	-111.225,00		-111.225,00
Earnings before interest, taxes and depreciation	**1.552.328,74**		**1.552.328,74**
Earnings before interest and taxes			
Finance costs - net	-234,99		-234,99
Profit before taxes	**1.552.093,75**		**1.552.093,75**
Profit after taxes	**1.552.093,75**		**1.552.093,75**

18. Reconciliation to International Financial Reporting Standards ("IFRS") (continued)

Reconciliation of Equity between Greek statutory financial statements and IFRS

As previously reported in Greek statutory financial statements at 31 December 2004	**1.836.906,66**
As restated to conform with the requirements of IFRS at 31 December 2004	**1.836.906,66**

18. Reconciliation to International Financial Reporting Stantards "IFRS"(continued)

Reconciliation of Profit after tax between Greek statutory financial statements and IFRS

As previously reported in Greek statutoty financial statements at 31 December 2004	**1.552.093,75**
As restarted to conform with the requirements of IFRS at 31 December 2004	**1.552.093,75**

19. Post balance sheet events

There are no events after 31 December 2005 considered to be material to the financial position of both the Grour and the Company.

(Translation from the original issued in the Greek Language)

REPORT OF THE AUDITORS

To the Shareholders
of Polikos N.E.

We have audited the accompanying financial statements of Polikos N.E. for the year ended 31 December, 2005. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, these financial statements give a true and fair view of the financial position of the Company as at 31 December, 2005 and of the results of its operations, changes in equity and cash flows for the year then ended in accordance with International Financial Reporting Standards.

19 January, 2006