**BENI SUEF CEMENT COMPANY & CO.
"MISRIEEN TITAN FOR TRADING
AND DISTRIBUTION COMPANY"
(A LIMITED PARTNERSHIP)**

**FINANCIAL STATEMENTS
AND AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2005**

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**BENI SUEF CEMENT COMPANY & CO.
"MISRIEEN TITAN FOR TRADING
AND DISTRIBUTION COMPANY"
(A LIMITED PARTNERSHIP)**

For the Year Ended December 31, 2005

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Auditor's Report

To: The Partners of Beni Suef Cement Company & Co. "Misrieen Titan for Trading and Distribution Company" (A Limited Partnership)
Giza - Egypt

We have audited the accompanying balance sheet of Beni Suef Cement Company & Co. "Misrieen Titan for Trading and Distribution Company", (A Limited Partnership) as of December 31, 2005 and the related statements of income, changes in partners' equity, and cash flows for the year then ended. 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 have obtained all the information we deemed necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

In our opinion the financial statements, referred to above, present fairly in all material respects the financial position of the Company as of December 31, 2005 and of the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Without qualifying our opinion, we draw attention to Note 12 in the financial statements which indicates that the Company incurred a net loss of LE 350,329 during the year ended December 31, 2005, and as of that date, the Company's current liabilities exceeded its current assets by LE 773,984. In addition, the accumulated losses at the balance sheet date exceeded the paid up capital. As of the balance sheet date, the Company is not engaged in any contract, and no contracts are currently anticipated. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

Tarek Farid Mansour
R.A.A. 7384
Mansour & Co. PricewaterhouseCoopers

January 22, 2006
Cairo

BENI SUEF COMPANY CEMENT & CO.
"MISRIEEN TITAN FOR TRADING AND DISTRIBUTION COMPANY"
(A LIMITED PARTNERSHIP)

Balance Sheet - At December 31, 2005

(all amounts in Egyptian Pounds)

	Note	2005	2004
Non-current Assets			
Property and equipment, net	4	11,701	18,027
Total Non-current Assets		**11,701**	**18,027**
Current Assets			
Other debit balances	5	294,319	292,932
Cash and bank balances	6	33,392	56,622
Total Current Assets		**327,711**	**349,554**
Current Liabilities			
Accrued liabilities and other credit balances	7	106,181	80,227
Due to related parties	8	995,514	699,308
Total Current Liabilities		**1,101,695**	**779,535**
Working Capital (Deficit)		**(773,984)**	**(429,981)**
Total Invested Funds Deficiency		**(762,283)**	**(411,954)**
Represented in			
Partners' Equity (Net Capital Deficiency)			
Partners' capital	9	20,000	20,000
Accumulated loss		(782,283)	(431,954)
Net Capital Deficiency		**(762,283)**	**(411,954)**

The accompanying notes on pages 6 to 11 form an integral part of these financial statements.

Authorized on behalf of the Management:

Mr. Spiro Spathis

January 19, 2006
Auditor's report attached

BENI SUEF CEMENT COMPANY & CO.
"MISRIEEN TITAN FOR TRADING AND DISTRIBUTION COMPANY"
(A LIMITED PARTNERSHIP)

Statement of Income - For the Year Ended December 31, 2005

(all amounts in Egyptian Pounds)

	Note	2005	2004
General and administrative expenses	10	(333,652)	(274,427)
Provisions		(16,677)	-
Net loss for the year		**(350,329)**	**(274,427)**

The accompanying notes on pages 6 to 11 form an integral part of these financial statements.

BENI SUEF CEMENT COMPANY & CO.
"MISRIEEN TITAN FOR TRADING AND DISTRIBUTION COMPANY"
(A LIMITED PARTNERSHIP)

Statement of Changes in Partners' Equity - For the Year Ended December 31, 2005

(All amounts in Egyptian Pounds)

	Partners' Capital	Accumulated Loss	Total
Balance at January 1, 2004	**20,000**	**(157,527)**	**(137,527)**
Net loss for the year	-	(274,427)	**(274,427)**
Balance at December 31, 2004 and Jnauary 1, 2005	**20,000**	**(431,954)**	**(411,954)**
Net loss for the year	-	(350,329)	**(350,329)**
Balance at December 31, 2005	**20,000**	**(782,283)**	**(762,283)**

The accompanying notes on pages 6 to 11 form an integral part of these financial statements.

BENI SUEF CEMENT COMPANY & CO.
"MISRIEEN TITAN FOR TRADING AND DISTRIBUTION COMPANY"
(A LIMITED PARTNERSHIP)

Statement of Cash Flows - For the Year Ended December 31, 2005

(All amounts in Egyptian Pounds)

	Note	2005	2004
Cash flows from operating activities			
Net loss for the year		**(350,329)**	**(274,427)**
Adjustments for:			
Depreciation	4	6,326	9,226
Provision		16,677	-
		(327,326)	**(265,201)**
Changes in working capital			
Other debit balances		(1,387)	1,776
Accrued liabilities and other credit balances		9,277	(13,722)
Due to related parties		296,206	308,620
Net cash (used in) from operations		**(23,230)**	**31,473**
Cash flows from investing activities			
Purchase of property and equipment	4	-	(3,349)
Net cash (used in) investing activities		-	**(3,349)**
Net (decrease) increase in cash and cash equivalents		**(23,230)**	**28,124**
Cash and cash equivalents at the beginning of the year		56,622	28,498
Cash and cash equivalents at end of the year	6	**33,392**	**56,622**

The accompanying notes on pages 6 to 11 form an integral part of these financial statements.

1. General information

Beni Suef Cement Company & Co. "Misrieen Titan Trading and Distribution Company" is a limited partnership registered in Giza on July 8, 1997. The Company's location is Dokki, Giza, Egypt. The Company is mainly involved in trading and distribution of cement. The average number of employees at December 31, 2005 was 4 employees.

According to the contract dated December 16, 2004, some of the partners were replaced and the Company name was changed to Beni Suef Cement Company & Co. “Misrieen Titan for Trading and Distribution Company’ instead of Mohamed Mansour Hassan “Misrieen Titan for Trading and Distribution.

The Company has LE 20,000 of Partners’ capital. The current partners are Beni Suef Cement Company & Co, East Cement Trade Ltd. and Mrs. Ephthhia Sapthis having share percentages of 50%, 49% and 1% respectively.

These financial statements have been approved for issue by the Management on January 18, 2006. The General Assembly of Partners has the power to amend the financial statements after being issued.

2. Accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

A. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), previously known as International Accounting Standards (“IAS”). The financial statements have been prepared under the historical cost convention.

The preparation of these financial statements in accordance with the IFRS is for the purposes of the consolidated financial statements of the main partner, Beni Suef Cement Company. The Company issued another financial statements for the same period in accordance with the Egyptian Accounting Standards to file with the Egyptian authorities in accordance with local regulations.

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management’s best knowledge of current events and actions, actual results ultimately may differ from those estimates.

B. Foreign currencies

(1) Measurement currency
The financial statements are presented in Egyptian Pounds, which is the measurement currency of the Company.

(2) Transactions and balances

Foreign currency transactions are translated into the measurement currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income.

C. Property and equipment

All property and equipment are owned by the Company and are stated at historical cost less accumulated depreciation. Historical cost includes all costs associated with possessing the asset in a ready-for-use condition. Depreciation is calculated using the straight-line method over the assets estimated useful lives. Depreciation rates used are as follows:

Vehicles	20%
Office equipment	20%
Furniture	10 - 12.5%

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount of the asset and are included in income from operations.

Repairs and maintenance are charged to the statement of income during the financial Year in which they are incurred.

D. Impairment of long lived assets

Property and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level, for which there are separately identifiable cash flows.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or has decreased. Impairment losses are also reversed to release the impairment amount that is equal to the depreciation for the Year of the impaired balance. The reversals are recorded in income.

E. Leases

Leases are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

F. Cash and cash equivalents

Cash and bank balances are carried in the balance sheet at cost.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand, and cash at banks.

G. Deferred income tax

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

H. Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

The Company recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract.

I. Trade payables

Trade payables are generally carried at the value of goods or services received from others, whether invoiced or not. Where material, goods and services received and trade payables are initially recognised at the present value of expected cash outflows using the market rate of interest for similar borrowings. Thereafter, trade payables are carried at amortized cost.

3. Financial risk management

Financial risk factors
The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company.

The management identifies and evaluates financial risks, and especially liquidity risk.

Liquidity risk
Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through the partners.

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

4. Property and equipment

	Vehicles	Office Equipment	Furniture	2005 Total	2004 Total
Cost					
Balance at January 1	57,450	115,237	24,423	**197,110**	**193,761**
Additions	-	-	-	**-**	**3,349**
Balance at December 31	**57,450**	**115,237**	**24,423**	**197,110**	**197,110**
Accumulated depreciation					
Balance at January 1	57,450	105,680	15,953	**179,083**	**169,857**
Charge for the year	-	3,883	2,443	**6,326**	**9,226**
Balance at Deczember 31	**57,450**	**109,563**	**18,396**	**185,409**	**179,083**
Net book value at December 31	**-**	**5,674**	**6,027**	**11,701**	**18,027**

5. Other debit balances

	2005	2004
Tax withheld	274,171	274,171
Loans to employees	18,035	18,035
Other debit balances	1,613	226
Refundable deposits	500	500
Total	**294,319**	**292,932**

6. Cash and bank balances

	2005	2004
Cash on hand – Cairo office	32,537	56,403
Cash at banks	855	219
Total	**33,392**	**56,622**

7. Accrued liabilities and other credit balances

	2005	2004
Misrieen Construction Materials and Trading Company	49,022	49,022
Accrued expenses	43,468	18,625
Salaries tax	12,118	9,034
Social insurance	1,573	-
Withholding tax	-	3,546

(In the notes all amounts are shown in Egyptian Pounds unless otherwise stated)

Total	**106,181**	**80,227**

8. Due to related parties

	2005	2004
Beni Suef Cement Company	995,514	691,274
4M Titan Silo Company	-	8,034
Total	**995,514**	**699,308**

Beni Suef Cement Company, which owns a 50% partnership interest, makes monthly payments to the Company as a financial support. Total transfers made for the year ended December 31, 2005 amounted to LE 304,245 included as due to related parties.

9. Partners' capital

	2005	2004
Beni Suef Cement Company	10,000	10,000
East Cement Trade Ltd.	9,800	9,800
Mrs. Ephtyhia Spathis	200	200
Total	**20,000**	**20,000**

10. General and administrative expenses

	2005	2004
Salaries	211,192	156,366
Professional fees	25,000	27,500
Telephone and fax	22,799	15,842
Car expenses	22,198	27,639
Rent	15,600	15,600
Medical expenses	10,474	5,805
Travel cost	9,561	9,508
Miscellaneous expenses	6,777	6,322
Depreciation	6,326	9,227
Stamps and fees	3,367	-
Bank charges	358	373
Stationery	-	245
Total	**333,652**	**274,427**

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11. Taxes

Before January 1, 2005 the Company was not subject to the corporate income tax since it is a limited partnership and the due taxes are the responsibility of the partners in their personal tax returns.

Starting from January 1, 2005 the Company is subject to the corporate income tax according to the new tax law. No tax is provided as a loss has been incurred.

12. Going concern

Since inception, the Company has engaged in only one contract with Misrieen Construction Materials and Trading Company. This contract was for the trading and distribution of cement, and ceased March 2002.

The Company has been unsuccessful in obtaining a new contract. These circumstances indicate the existence of a material uncertainty as to the Company's ability to continue operations.

The Company incurred a net loss of LE 350,329 during the years ended December 31, 2005 and as of that date, the accumulated losses amount to LE 782,283 up to December 31, 2005 (2004: LE 431,954). In additions at the balance sheet date, the Company's current liabilities exceeded its current assets by LE 773,984 (2004: LE 429,981).

The Company's ability to continue as a going concern is mainly dependent on the financial support provided by the Company's partners.

These financial statements have been prepared under the going concern assumption. Therefore, no adjustments are made to the values and classifications of assets and liabilities at December 31, 2005 and 2004.

Beni Suef Cement Company, which owns a 50% partnership interest, makes monthly payments to the Company as a financial support. Total transfers made for the year ended December 31, 2005 amounted to LE 304,245 included as due to related parties.