East Cement Trade Limited

Report and financial statements
31 December 2006

Contents

East Cement Trade Limited

Board of Directors and other officers

Board of Directors

Arta Antoniou
Spyroulla Papaeracleous
Stelios Triantafyllides
Stamatis Douzinas
Eric Meuriot (appointed 31 January 2006)

Company Secretary

A.T.S. Services Limited
2-4 Arch. Makarios III Avenue
Capital Center, 9th floor
CY-1505 Nicosia
Cyprus

Registered office

2-4 Arch. Makarios III Avenue
Capital Center, 9th floor
CY-1505 Nicosia
Cyprus

East Cement Trade Limited

Report of the Board of Directors

1 The Board of Directors presents its report together with the audited financial statements of the Company for the year ended 31 December 2006.

Principal activities

2 The Company's principal activities, which are unchanged from last year, are those of an investment holding company, the trade in cement and the investing and trading in shares including but not limited to any form of dividend and interest earning shares, bonds, deposits and loans. During the year the Company had no income from cement activities.

Review of developments, position and performance of the Company's business

3 As at 31 December 2006 the Company had a loss for the year of €2,548,064 compared to loss for the year 2005 of €80,077. The increase in loss was mainly from the one off gain on sale of plant and equipment of €404,850 in 2005, the impairment losses of €2,266,361 in 2006 (Notes 10 and 11) and the finance costs of €90,499 compared to the gain of €165,454 in 2005.

Principal risks and uncertainties

4 The Company's principal risks and uncertainties are stated in Note 3.

Results

5 The Company's results for the year are set out on page 6. The loss for the year is carried forward.

Share capital

6 There were no changes in the share capital of the Company.

Board of Directors

7 The members of the Board of Directors at 31 December 2006 and at the date of this report are shown on page 1. All of them were members of the Board throughout the year 2006, except Messrs Eric Meurist who was appointed on 31 January 2006, in replacement of Messrs Samer Berekdar, who retired on 31 January 2006.

8 In accordance with the Company's Articles of Association all Directors will continue in office.

Report of the Board of Directors (continued)

Board of Directors (continued)

9 There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

Events after the balance sheet date

10 There were no material events which occurred after the end of the financial year.

Branches

11 The Company did not operate through any branches during the year.

Auditors

12 The auditors of the Company, Messrs Ernst & Young were appointed during the year 2006 in replacement of PricewaterhouseCoopers Limited. Messrs, Ernst & Young, have signified their willingness to continue in office. A resolution for reappointing them and authorising the Directors to set their remuneration will be proposed at the Annual General Meeting of the Company.

By Order of the Board

Stelios Triantafyllides
Director

Nicosia
28 February 2007

ERNST & YOUNG

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Independent Auditor's Report to the Members of East Cement Trade Limited

Report on the Financial Statements

We have audited the financial statements of East Cement Trade Limited (the "Company") on pages 6 to 20, which comprise the balance sheet as at 31 December 2006, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Board of Directors' Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and the requirements of the Cyprus Companies Law, Cap 113. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to the Company's members, as a body, in accordance with Section 156 of the Companies Law, Cap. 113. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of East Cement Trade Limited as of 31 December 2006, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU and International Financial Reporting Standards as issued by the IASB and the requirements of the Cyprus Companies Law, Cap 113.

Report on Other Legal Requirements

Pursuant to the requirements of the Companies Law, Cap. 113, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company.
- The Company's financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors on pages 2 to 3 is consistent with the financial statements.

Ernst & Young

Ernst & Young
Chartered Accountants

Nicosia
28 February 2007

East Cement Trade Limited

Income Statement
for the year ended 31 December 2006

	Note	**2006**	2005
		€	€
Other Income	5	**36,521**	24,801
Gain on disposal of property, plant and equipment	9	**-**	404,850
Amortisation of commission prepayment	12	**(58,255)**	(173,869)
Administrative expenses-net		**(165,832)**	(499,216)
Impairment losses	10,11	**(2,266,361)**	-
Operating loss		**(2,453,927)**	(243,434)
Finance (costs)/ income	6	**(90,499)**	165,454
Loss before tax		**(2,544,426)**	(77,980)
Tax	7	**(3,638)**	(2,097)
Loss for the year		**(2,548,064)**	(80,077)

The notes on pages 10 to 20 are an integral part of these financial statements.

East Cement Trade Limited

Balance sheet
at 31 December 2006

	Note	2006 €	2005 €
Assets			
Non-current assets			
Investments in associates	10	**2,013**	508,355
Intangible assets	11	**-**	1,920,015
		2,013	2,428,370
Current assets			
Other receivables	12	**140,909**	218,955
Cash and cash equivalents	13	**715,260**	796,888
		856,169	1,015,843
Total assets		**858,182**	3,444,213
Equity and liabilities			
Capital and reserves			
Share capital	14	**10,101**	10,101
Share premium	14	**6,606,693**	6,606,693
Accumulated losses		**(5,766,835)**	(3,218,771)
		849,959	3,398,023
Current liabilities			
Other payables	15	**8,223**	46,190
Total liabilities		**8,223**	46,190
Total equity and liabilities		**858,182**	3,444,213

On 28 February 2007 the Board of Directors of East Cement Trade Limited authorised these financial statements for issue.

Stelios Triantafyllides, Director

Arta Antoniou, Director

The notes on pages 10 to 20 are an integral part of these financial statements.

East Cement Trade Limited

Statement of changes in equity
for the year ended 31 December 2006

	Note	Share capital €	Share Premium (1) €	Accumulated Losses (2) €	Total €
Balance at 1 January 2005		10,101	6,606,693	(3,138,694)	3,478,100
Loss for the year		-	-	(80,077)	(80,077)
Balance at 31 December 2005/1 January 2006		10,101	6,606,693	(3,218,771)	3,398,023
Loss for the year		-	-	(2,548,064)	(2,548,064)
Balance at 31 December 2006		10,101	6,606,693	(5,766,835)	849,959

(1) The share premium is not distributable by way of dividend. It can be used mainly for the issue of bonus shares to the shareholders.

(2) As from 1 January 2003, companies which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, during the two years after the end of the year of assessment to which the profits refer, will be deemed to have distributed this amount of dividend. Special contribution for defence at 15% will be payable on such deemed dividend to the extent that the shareholders (individuals and companies) at the end of the period of two years from the end of the year of assessment to which the profit refer are Cyprus tax residents. The amount of this deemed dividend distribution is reduced by any actual dividend paid out of the profits of the relevant year at any time. This special contribution for defence is paid by the Company for the account of the shareholders. For the year 2004, there is no special contribution for the defence on deemed dividend distribution.

The notes on pages 10 to 20 are an integral part of these financial statements.

East Cement Trade Limited

Cash flow statement
for the year ended 31 December 2006

	Note	**2006**	2005
		€	€
Cash flows from operating activities			
Loss before tax		**(2,544,426)**	(77,980)
Adjustments for:			
Amortisation of intangible assets	11	**159,996**	239,988
Interest expense	6	**-**	37
Gain on disposal of fixed asset		**-**	(404,850)
Impairment loss		**2,266,361**	-
		(118,069)	(242,795)
Changes in working capital:			
Other receivables		**78,046**	159,345
Other payables		**(37,967)**	35,805
Cash used in operations		**(77,990)**	(47,645)
Tax paid		**(3,638)**	(2,750)
Net cash used in operating activities		**(81,628)**	(50,395)
Cash flows from investing activities			
Proceeds from disposal of fixed asset	9	**-**	738,370
Net cash from investing activities		**-**	738,370
Cash flows from financing activities			
Interest paid		**-**	(37)
Net cash used in financing activities		**-**	(37)
Net (decrease)/ increase in cash and bank balances		**(81,628)**	687,938
Cash and bank balances at the beginning of the year		**796,888**	108,950
Net cash and bank balances at the end of the year	13	**715,260**	796,888

The notes on pages 10 to 20 are an integral of these financial statements.

Notes to the financial statements

1 General Information

Country of incorporation

The Company is incorporated and domiciled in Cyprus as a private limited liability company in accordance with the provisions of the Companies Law, Cap. 113. Its registered office is at 2-4 Arch. Makarios III Avenue, Capital Centre, 9th floor, CY-1065, Nicosia, Cyprus.

Principal activities

The Company's principal activities are those of an investment holding company, the trade in cement and the investing and trading in shares including but not limited to any form of dividend and interest earning shares, bonds, deposits and loans. During the year the Company had no income from cement activities.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented in these financial statements unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB). The financial statements comply with both these reporting frameworks because at the time of their preparation all applicable IFRSs issued by the IASB have been adopted by the EU through the endorsement procedure established by the European Commission. In addition, the financial statements have been prepared in accordance with the requirements of the Cyprus Companies Law, Cap.113.

Standards, interpretations and amendments to published standards that are not yet effective

Certain new standards, interpretations and amendments to existing standards have been published that are not yet effective for the current reporting period and which the Company has not early adopted, as follows:

Issued by the IASB and adopted by the EU

IFRS 7, Financial Instruments: Disclosures, and a complementary amendment to IAS 1, Presentation of Financial Statements – Capital Disclosures
IFRIC 7, Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies

2 Summary of significant accounting policies (continued)

Basis of preparation (continued)

IFRIC 8, Scope of IFRS 2
IFRIC 9, Reassessment of Embedded Derivatives

Issued by the IASB but not yet adopted by the EU

IFRS 8, Operating Segments
IFRIC 10, Interim Financial Reporting and Impairment
IFRIC 11, IFRS 2-Group and Treasury Share Transactions
IFRIC 12, Service Concession Arrangements

The above are expected to have no impact on the Company's financial statements, other than the presentation of additional disclosures concerning financial instruments under IFRS7 and management of capital under the amendment to IAS1 in the 2007 financial statements.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised

(a) Interest income

Interest income is recognised as the interest accrues (taking into account the effective yield on the asset).

Foreign currency translation

(1) Functional and presentation currency

Items included in the Company's financial statements are measured and presented in Euro (€) for the following reasons:

- The majority of assets and liabilities and majority of transaction of the Company were, and in the future are expected to be, denominated, executed and settled in €.
- Due to the nature of the Company's business, key economic and operational decisions are based in €.
- The functional currency of the ultimate parent company, Titan Cement S.A. which significantly influences the Company's key economic and operational decisions is the €.

2 Summary of significant accounting policies (continued)

(2) Transactions and balances

Foreign currency transactions are translated into the functional 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 at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Tax

Current tax liabilities and assets for the current and prior periods are measured at the amount expected to be paid to or recovered from the taxation authorities using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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.

Deferred tax on investments in subsidiaries does not arise, as the profit on sale of securities is not taxable.

Plant and equipment

All plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of plant and equipment. Depreciation on plant and equipment is calculated using the straight-line method to allocate the cost of each asset or its revalued amount, over its estimated useful life. The annual depreciation rates are:

Vessels	15%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Expenditure for repairs and maintenance of plant and equipment is charged to the income statement of the year in which they were incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits

2 Summary of significant accounting policies (continued)

Plant and equipment (continued)

associated with the item will flow to the Company and the cost of the item can be measured reliably.

Gains and losses on disposal of plant and equipment are determined by comparing proceeds with carrying amount and these are included in the income statement. When revalued assets are sold, the amounts included in the fair value reserves are transferred to retained earnings.

Intangible assets

Intangible assets represent expenditure to acquire trademarks, know how and customer lists which is capitalised. Intangible assets are tested annually for impairment and carried at cost less accumulated amortisation, less any accumulated impairment losses. Intangible assets are amortised using the straight-line method over their useful lives which is estimated to be 15 years.

Impairment of assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the income statement for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

Investments in associates

Investments in associates are stated at cost less any impairment in value. The carrying values of investments in associates are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Impairment losses are recognised in the income statement. The investment in associates are not accounted for using the equity method as the Company’s parent, Titan Cement SA and Lafarge SA produce consolidated financial statements for public use that comply with IFRSs.

2 Summary of significant accounting policies (continued)

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Share Capital

The share capital is recognised at its nominal value. The difference between the fair value received by the Company and the nominal value of the issued share capital is transferred to the share premium reserve.

Cash and cash equivalents

Cash and short term deposits in the balance sheet comprise cash at banks and at hand and short term deposits with an original maturity of three months or less.

For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Comparatives

Where necessary, comparative figures are adjusted to conform with changes in presentation in the current year.

3 Financial risk management

(a) Financial risk factors

The Company is exposed to currency risk arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

3 Financial Risk Management (continued)

(a) Financial risk factors (continued)

(i) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. At the year-end the Company had certain cash balances and prepayments denominated in US dollars. As at 31 December US denominated balances were €941,999 (2005: €208,798). The Company's policy is not to enter into any currency hedging transactions. The foreign exchange losses recognised in the income statement were €90,499 in 2006 and gain of €165,491 in 2005 (Note 6).

(b) Fair value estimation

The fair values of financial assets and liabilities are not materially different from their carrying values at the balance sheet date.

4 Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Estimated impairment of intangible assets

The Company tests annually whether intangible assets have suffered any impairment, in accordance with the accounting policy stated in Note 2. The recoverable amount of cash-generating units has been determined based on value-in-use calculations.

(ii) Income taxes

The Company operates in the Cypriot tax jurisdiction. The Company must interpret and apply existing legislation to transactions from its activities with third parties and related parties. Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from

4 Critical accounting estimates and judgements (continued)

(a) Critical accounting estimates and assumptions (continued)

(ii) Income taxes (continued)

the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

In Management's opinion, the Company is in substantial compliance with the tax laws governing its operations. However the risk remains that the relevant authorities could take differing positions with regard to interpretative issues and the effect could be significant.

The Company met the tax filing in Cyprus. To the best of Management's knowledge, no breaches of tax law have occurred. Thus, the Company has not recorded any provision for potential impact of any such breaches as at 31 December 2006 or as at 31 December 2005.

5 Other Income

	2006	2005
	€	€
Interest income:		
Bank balances	**36,378**	21,263
Other income	**143**	3,538
	36,521	24,801

6 Finance (costs) / income

	2006	2005
	€	€
Interest expense:		
Overdue taxation	**-**	(37)
Net foreign exchange transaction (losses)/ gains	**(90,499)**	165,491
	(90,499)	165,454

7 Tax

	2006	2005
	€	€
Current tax:		
Defence contribution	**3,638**	2,097

The Company is subject to corporation tax on its taxable profits at the rate of 10%. As at 31 December 2006 the Company has no liability for income tax due to tax losses suffered. At 31 December 2006 the Company had tax losses carried forward of CY£585,516 (2005:CY£592,712) which can be carried forward and be utilized against future taxable profits with no time limitation.

7 Tax (continued)

No deferred tax asset has been recognised in the financial statements of the Company, in respect of the tax losses carried forward.

Under certain conditions interest may be subject to defence contribution at the rate of 10%. In such cases 50% of the same interest will be exempt from corporation tax thus having an effective tax burden of approximately 15%. In certain cases dividends received from abroad may be subject to defence contribution at the rate of 15%.

8 Expenses by nature

	2006 €	2005 €
Amortisation of intangible assets	**159,996**	239,998
Accounting and administrative expenses	**9,129**	9,649
Auditors remuneration	**7,900**	7,018
Legal fees	**3,276**	2,606
Sundry expenses	**1,157**	39,134
Ship management expenses	**(15,626)**	200,811
Amortisation of prepayment costs	**58,255**	173,869
Impairment charge	**2,266,361**	-
Total administrative expenses, amortisation of prepayment costs and impairment charge	**2,490,448**	673,085

9 Plant and equipment

	Vessel Total 2005 €
Cost	
At 1 January 2005	**504,845**
Disposals (1)	**(504,845)**
At 31 December 2005	**-**
Depreciation	
At 1 January 2005	**171,325**
Disposal	**(171,325)**
At 31 December 2005	**-**
Net book amount	
At 31 December 2005	**-**

(1) The vessel which was maintained by the Company was used primarily for the activities of the Company's subsidiaries. The vessel was disposed off during the year 2005 at a gain of €404,850 – proceeds from disposal €728,840.

10 Investments in an associates

	%	Country of incorporation	Activities	2006 €	2005 €
Four M Titan Silo Company LLC-at cost	50	Egypt	Cement distribution center	**506,342**	506,342
Misreen Titan Cement Distribution Company-at cost	49	Egypt	Cement distribution center	**2,013**	2,013
				508,355	508.355
Impairment loss				**(506.342)**	-
				2,013	508,355

The Directors of the Company have reduced the value of the investment in Four M Titan Silo Company LLC, to NIL, as the associate is at a net liability position with no expectations of recovery.

11 Intangible assets

	2006 €	2005 €
Cost		
At 1 January	**2,400,013**	2,400,013
Amortisation and impairment		
At 1 January	**479,998**	240,000
Amortisation charge	**159,996**	239,998
Impairment charge	**1,760,019**	-
At 31 December	**2,400,013**	479,998
Net book amount		
At 31 December	**-**	1,920,015

In December 2002, the Company exchanged an indebtedness to it by a third party of €2,400,013 for certain intangible assets, principally:

(a) the trademark ‘Al Misrieen Cement MCM’ registered in the Trademarks and Industrial Property Department of the Ministry of Supplies and Internal Trade of Egypt.
(b) the right to use the business name ‘Al Misrieen’; and
(c) the customer list of certain third party and knowhow of cement trading in Egypt.

As from 1 January 2003, the Company started amortising the intangible asset by €10,000 per month over a 20 year period. As from 1 January 2005, the Company changed the useful life of the intangible assets to 15 years based on their current estimations for the use of the intangible assets. During the year 2006, an impairment review of the intangible was held and its value was reduced to €NIL.

12 Other receivables

	2006	2005
	€	€
Prepayments (1)	**138,302**	208,798
Other receivables	**2,607**	10,157
	140,909	218,955

(1) Prepayment represents advances of US$425,000 in December 2002 under a commission agreement with Misrieen for utilisation of the “Al Misrieen” brand for the production of cement. The prepayment is for a period of 7 years and no return of funds will be made at the end of the 7 years period, even if no production of cement takes place. Based on these terms of the agreement, the Company decided to proceed with the amortisation of the prepayments, due to the fact that the production has not started yet. The amortisation for the year includes the amortisation for 2006, being US$60,714 (€58,255), whereas the amortization for the year 2005 includes the amortization for 2003, 2004 and 2005 being US$182,160 (€173,869). The prepayments are amortised by US$5,060 per month.

13 Cash and cash equivalents

For the purposes of the cash flow statement cash and cash equivalents comprise the following:

	2006	2005
	€	€
Cash at bank	**715,260**	796,888

14 Share capital and share premium

Issued and fully paid:

		2006		
	Number of shares	Share capital £	Share capital €	Share premium €
At 1 January and 31 December 2006	5 836	5,836	10,101	6,606,693

		2005		
	Number of shares	Share capital £	Share capital €	Share premium €
At 1 January and 31 December 2005	5 836	5,836	10,101	6,606,693

(1) The total authorised number of ordinary shares is 10 000 shares (2005: 10 000 shares) with a par value of C£1 per share. All issued shares are fully paid.

15 Other payables

	2006 €	2005 €
Payables to related parties (Note 16 (a))	**-**	34,624
Other payables	**8,223**	11,566
	8,223	46,190

16 Related party transactions

As from 17 December 2002, the Company is controlled by Lafarge Titan Egyptian Investments Limited, which owns 100% of the Company's shares.

Lafarge Titan Egyptian Investments Limited is jointly owned by and controlled by Financiere Lafarge SA, incorporated in France and by Iapetos Limited, incorporated in Cyprus, each holding 50% interest in the Company.

Financiere Lafarge SA is ultimately owned and controlled by Lafarge SA, incorporated in France. Iapetos Limited is ultimately owned and controlled by Titan Cement SA, incorporated in Greece.

For the purposes of these financial statements, parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions and as such include all companies which are ultimately controlled by a common management.

The following transactions were carried out with related parties.

(a) Year end balances arising from financing:

	Nature of transactions	**2006 €**	2005 €
Payables to related party			
Associate company (Note 15)	Trading	-	34,624

17 Events after the balance sheet date

There were no material events which occurred after the end of the financial year.

18 Commitments and Contingencies

There were no significant commitments and contingent liabilities at the balance sheet date.