

## INDEPENDENT AUDITOR'S REPORT

To the Quotaholder of  
FINTITAN S.R.L. SOCIETÀ UNIPERSONALE

We have audited the accompanying balance sheet of Fintitan S.r.l. as of December 31, 2007 and the related statements of income and cash flows for the year then ended (hereinafter "financial statements"). These financial statements are the responsibility of Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. Our report has not been issued in terms of the law, due to the fact that the engagement pursuant to article 2409-bis and successive articles of the Italian Civil Code, has been assigned by Fintitan S.r.l. to other parties.

The above mentioned financial statements have been prepared for purposes of consolidation in conformity with Titan Group policies for consolidation, comprising group accounting principles and disclosures, as detailed in the explanatory notes to the financial statements.

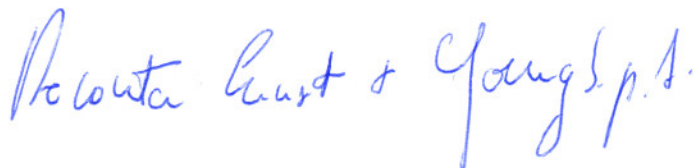
We conducted our audit in accordance with auditing standards generally accepted in Italy. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence 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 statements presentation. We believe that our audit provides a reasonable basis for our opinion.

The financial statements present the amounts of the prior year for comparative purposes. For the opinion on the special-purpose financial statements of the prior year, which are presented for comparative purposes, reference should be made to the report dated January 24, 2007, issued by us.

In our opinion, the financial statements of Fintitan S.r.l. referred to above present fairly, in all material respects, for purposes of consolidation, the financial position of Fintitan S.r.l. as of December 31, 2007, and the results of its operations for the year then ended in conformity with Titan Group policies for consolidation comprising group accounting principles and disclosures as detailed in the explanatory notes to the financial statements.

This report is issued solely to enable Titan Cement Company S.A. to prepare its consolidated financial statements, and should not be used for any other purpose.

Treviso January 21, 2008



**Financial statement as of December 31, 2007**

**Balance Sheet**

(Euro)	Notes	December 31, 2007 IFRS	December 31, 2006 IFRS
<i>ASSETS</i>			
<b>Non-current assets</b>			
Tangible assets	(1)	219.588	80.642
Intangible assets	(2)	6.280	9.606
Investments in subsidiaries		0	0
Other non-current assets	(3)	12.494	12.150
deferred tax assets		985	758
<b>Totale non-current assets</b>		<b>239.347</b>	<b>103.156</b>
<b>Current assets</b>			
Inventories	(4)	730.807	659.151
Trade receivables	(5)	6.323.100	5.399.292
Other current assets	(6)	438.036	535.347
Receivables for current taxes	(7)	0	160.405
Cash and cash equivalents	(8)	574.815	130.147
<b>Total current assets</b>		<b>8.066.758</b>	<b>6.884.342</b>
<b>Total assets</b>		<b>8.306.105</b>	<b>6.987.499</b>
<i>LIABILITIES AND SHAREHOLDER'S EQUITY</i>			
Ordinary shares		109.200	109.200
Other reserves		26.486	25.453
Retained earnings		133.840	1.034
<b>Total Shareholder's Equity</b>	(9)	<b>269.526</b>	<b>135.686</b>
<b>Non-current liabilities</b>			
Provisions for risks and charges		0	0
Retirement benefit obligation	(10)	31.736	37.686
Long term amounts owed to banks		0	0
Other non-current liabilities		0	0
Deferred tax liabilities		0	0
<b>Totale non-current liabilities</b>		<b>31.736</b>	<b>37.686</b>
<b>Current liabilities</b>			
Short term amounts owed		0	0

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*All amounts are in Euro, unless otherwise stated*

to banks			
Trade payables	(11)	7.821.717	6.746.975
Other current liabilities	(12)	101.950	67.152
Current tax liabilities	(13)	81.176	0
<b>Total current liabilities</b>		<b>8.004.843</b>	<b>6.814.127</b>
<b>Total liabilities</b>		<b>8.036.579</b>	<b>6.851.812</b>
<b>Total liabilities and shareholder's Equity</b>		<b>8.306.105</b>	<b>6.987.499</b>

**Income Statement**

(Euro)	Notes	December 31, 2007	December 31, 2006
<b>Net Sales</b>	(14)	16.301.172	14.492.723
<b>Cost and expenses</b>			
Cost of sales	(15)	(14.003.130)	(12.804.658)
General and administrative expenses	(16)	(225.173)	(211.534)
Selling expenses	(17)	(1.793.412)	(1.495.162)
Extraordinary (expense) / income, net	(18)	(34.410)	54.154
<b>Total costs and expenses</b>		<b>(16.056.125)</b>	<b>(14.457.201)</b>
<b>Operating Profit</b>		<b>245.048</b>	<b>35.522</b>
Interest expenses, net		(1.391)	(5.626)
<b>Income before taxes</b>	(19)	<b>243.657</b>	<b>29.897</b>
Income taxes		(109.817)	(28.863)
<b>Net income for the period</b>	(20)	<b>133.840</b>	<b>1.034</b>

*Statement of cash flow*

(Euro)	December 31, 2007	December 31, 2006
Net profit for the year	133.840	1.033
Adjustment to reconcile net income to net cash provided by operating activity		
Amortization of intangible assets	3.327	3.407
Depreciation of tangible assets	47.384	30.427
Provision for retirement benefit	(5.950)	(2.911)
Other provision	-	-
<b>Changes in operating assets and liabilities</b>		
Inventories	(71.656)	(211.015)
Trade receivables	(923.808)	511.168
Other current assets	97.311	(7.002)
Receivables for current taxes	160.405	(160.405)
Trade payables	1.074.742	123.413
Other current liabilities	34.798	(124.497)
Current tax liabilities	81.176	(144.235)
Other non- current assets and liabilities	(572)	(1.099)
<b>Cash flow from operating activities</b>	<b>630.998</b>	<b>18.284</b>
Purchases of fixed assets	(186.330)	(61.755)
Purchases of intangible assets	-	(9.110)
<b>Cash flow from investing activities</b>	<b>(186.330)</b>	<b>(70.865)</b>
Short term amounts owed to banks	-	-
Dividends assigned to shareholders	-	(279.479)
<b>Cash flow from financing activities</b>	<b>-</b>	<b>(279.479)</b>
<b>Increase (decrease) in cash</b>	<b>444.668</b>	<b>(332.060)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>130.147</b>	<b>462.207</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>574.815</b>	<b>130.147</b>

Statement of changes in shareholder's equity

(Euro)	Capital Stock	Legal Reserve	Extraordina ry reserve	Income for the period	Total Shareholders Equity
<b>Balances at December, 31 2006</b>	109.200	21.840	3.613	1.034	<b>135.686</b>
Dividends assigned to shareholder's				-	(0)
Dividends assigned to extraordinary reserve			1.034	(1.034)	(0)
Income for the period ended December, 31 2007				133.840	<b>133.840</b>
<b>Balances at December, 31 2007</b>	<b>109.200</b>	<b>21.840</b>	<b>4.647</b>	<b>133.840</b>	<b>269.526</b>