

**ANTEA CEMENT Sh.A ALBANIA**

**FINANCIAL STATEMENTS  
FOR GROUP CONSOLIDATION REPORTING PURPOSES**

**For the year ended 31 December 2008**

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## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of  
Antea Cement Sh.A.

### Report on the Financial Statements

We have audited the accompanying financial statements of Antea Cement Sh.A. ("the Company"), which comprise the balance sheet as at December 31, 2008, 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.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. 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. We conducted our audit in accordance with the International Standards of 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 management, 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 present fairly, in all material respects, the financial position of the Company as of December 31, 2008, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Tirana February 2, 2009

*Ernst & Young*

Ernst & Young Certified Auditors Sh.p.k.,  
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INCOME STATEMENT

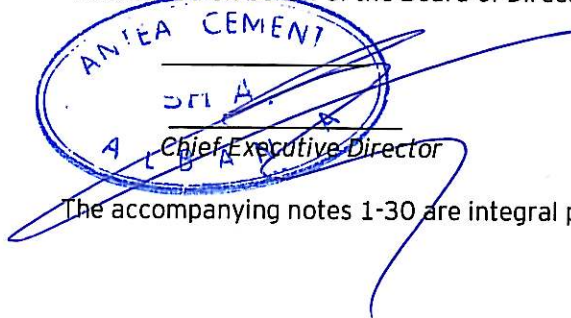
		Year ended 31 Dec 2008	Year ended 31,Dec 2007
	Notes	ALL'000	ALL'000
Sales	3a	3,081,702	-
Other revenue	3b	50,344	-
Cost of sales	3c	<u>(2,925,996)</u>	-
<b>Gross profit</b>		<b>206,050</b>	<b>-</b>
Other operating income	3d	272	-
Other operating expenses	3e	(30,165)	-
Provision for bad debts	3f	(15,489)	-
Selling and marketing expenses	3g	(153,103)	-
Administrative expenses	3h	(207,270)	(55,135)
Depreciation	5	<u>(2,670)</u>	<u>(52)</u>
<b>Loss from operating activities</b>		<b>(202,375)</b>	<b>(55,187)</b>
Finance revenue	3i	44,384	8,109
Finance cost	3i	<u>(93,703)</u>	<u>(4,324)</u>
<b>Net loss before income tax</b>		<b>(251,694)</b>	<b>(51,402)</b>
Income tax expense	4	-	-
<b>Net loss for the year</b>		<b><u>(251,694)</u></b>	<b><u>(51,402)</u></b>

The accompanying notes 1-30 are integral part of these financial statements

BALANCE SHEET

		31.December 2008	31 December 2007
	Notes	ALL'000	ALL'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	10,251,926	453,351
Intangible assets		-	30,136
Investment in subsidiary	6	506,674	-
Other non-current assets	7	<u>2,919,513</u>	<u>2,056,864</u>
		<b>13,678,113</b>	<b>2,540,351</b>
<b>Current assets</b>			
Inventories	8	35,305	4,764
Trade and other receivables	9	2,221,322	38,113
Cash and cash equivalents	10	<u>2,785,393</u>	<u>930</u>
		<b>5,042,020</b>	<b>43,807</b>
<b>TOTAL ASSETS</b>		<u><b>18,720,133</b></u>	<u><b>2,584,158</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Share capital	11	7,686,510	273,750
Retained earnings		<u>(303,096)</u>	<u>(51,402)</u>
		<b>7,383,414</b>	<b>222,348</b>
<b>Non-current liabilities</b>			
Long term borrowings	13	6,016,161	2,119,234
<b>Current liabilities</b>			
Trade and other payables	12	5,320,558	218,585
Short term borrowings	12	<u>-</u>	<u>23,991</u>
		<b>5,320,558</b>	<b>242,576</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>18,720,133</b></u>	<u><b>2,584,158</b></u>

Authorized on behalf of the Board of Directors


  
 Chief Executive Director


  
 Financial Controller

The accompanying notes 1-30 are integral part of these financial statements

## CASH FLOW STATEMENT

	Note	31 Dec 2008	31 Dec 2007
		ALL'000	ALL'000
<b>Cash flows from operating activities</b>			
Net loss before income taxes		(251,694)	(51,402)
Adjustments for:			
Depreciation of PPE and write-offs		2,670	5,370
Interest income		(713)	-
Interest expense and bank charges		26,869	260
Provision for impairment of debtors charged to income statement		15,489	-
FX (Gains) / Losses		23,161	(4,045)
<b>Operating loss before working capital changes</b>		<b>(184,218)</b>	<b>(49,817)</b>
Increase in trade and other receivables		(2,212,081)	(27,254)
Increase in inventories		(30,541)	-
Provision for impairment of debtors charged to income statement		15,489	-
Increase in trade and other payables		1,734,594	153,675
<b>Net cash flows generated (used in)/ from operations</b>		<b>(676,757)</b>	<b>76,604</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(9,801,245)	(453,507)
Interest income received		713	-
Write off Research and Development		30,136	62
Increase / Decrease of Creditors Down		5,424,443	(2,056,864)
Payments / advances CAPEX			
Investments in Subsidiaries		(506,674)	-
Increase in long term receivables		(2,919,513)	-
<b>Net cash flows generated used in investing activities</b>		<b>(7,772,140)</b>	<b>(2,510,309)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issuance of share capital		7,412,760	271,750
Proceeds of borrowings		6,740,647	2,150,067
Repayments of borrowings		(2,885,848)	-
Interest paid		(26,868)	(260)
<b>Net cash flows (used in)/ from financing activities</b>		<b>(11,240,691)</b>	<b>2,421,557</b>
Net increase/(decrease) in cash and cash equivalents		2,791,794	(12,148)
Cash and cash equivalents at 1 January		930	13,129
Effects of exchange rate changes		(7,331)	-51
<b>Cash and cash equivalents at 31December</b>	10	<b>2,785,393</b>	<b>930</b>

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2007

	<u>Share capital</u> <i>ALL'000</i>	<u>Retained earnings</u> <i>ALL'000</i>	<u>Total</u> <i>ALL'000</i>
At 1 January 2007	2,000	-	2,000
Share capital increase	271,750	-	271,750
Net loss for the year	-	(51,402)	(51,402)
At 31 Decemeber.2007	<u>273,750</u>	<u>(51,402)</u>	<u>222,348</u>

For the year ended 31 December 2008

	<u>Share capital</u> <i>ALL'000</i>	<u>Retained earnings</u> <i>ALL'000</i>	<u>Total</u> <i>ALL'000</i>
At 1 January 2008	273,750	(51,402)	222,348
Share Capital increase	7,412,760	-	7,412,760
Net loss for the year	-	(251,694)	(251,694)
At 31December 2008	<u>7,686,510</u>	<u>(303,096)</u>	<u>7,383,414</u>

The accompanying notes 1-30 are integral part of these financial statements



**1. Corporate information**

Antea Cement Sh.A. - Tirana ("the Company") is incorporated in the Republic of Albania with the registered address at str. Durrresi, Bldg. "Lim-Em" section 4d 1<sup>st</sup> floor, Tirana.

The Company's main activity is production and trade with cement, bulk and packed in bags.

The Company is controlled by ALVACIM Ltd registered in Greece, which has 60% shareholding in the Company. The Company's ultimate parent is Titan Cement Company S.A. - Greece.

The number of employees as of 31 December 2008 was 36 (31 December 2007: 6).

**2. Summary of significant accounting policies**

The principal accounting policies adopted in the preparation of the financial statements are in accordance with Titan Group accounting and reporting requirements and are set out below. Titan Group is preparing its financial statements according to the International Financial Reporting Standards.

**a. Basis of preparation**

The financial statements have been prepared under the historical cost convention, except for investment in subsidiaries that have been measured at fair value. The presentation currency is Albania lek ("ALL") being also the functional currency and all values are rounded to the nearest thousand ('000 ALL) except when otherwise stated.

The financial statements have been prepared in accordance to the Group accounting policies which are based on the International Financial Reporting Standards.

The purpose of the financial statements is to be used in connection and preparation of consolidated financial statements of Titan Cement Company S.A.

The financial statements are the stand alone financial statements of the Company. The Company has one subsidiary, Albacemento Italia Shpk. During May 2008 Company has acquired 65% of shares of Alba Cemento Italia.

Some prior year balances were reclassified for presentation purposes.

***Changes in accounting policies and disclosures***

- **IFRIC 11, "IFRS 2 - Group and Treasury Share Transactions"**. IFRIC 11 requires arrangements whereby an employee is granted options to buy equity shares, to be accounted for as equity-settled schemes by an entity even if the entity chooses or is required to buy those equity shares from another party, or the shareholders of the entity provide the equity instruments granted. The interpretation also extends to the way in which subsidiaries, in their separate financial statements, account for such schemes when their employees receive rights to equity instruments of the parent. This Interpretation does not apply to the Company.

- **IFRIC 12, "Service Concession Arrangements"**. This Interpretation outlines an approach to account for contractual (service concession) arrangements arising from entities providing public services. It provides that the operator should not account for the infrastructure as property, plant and equipment, but recognise a financial asset and/or an intangible asset. IFRIC 12 is not relevant to the Company.
- **IFRIC 14, "IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction"**. IFRIC 14 provides guidance on how to assess the limit on the amount of surplus in a defined benefit scheme that can be recognised as an asset under IAS 19 Employee Benefits. It also explains how this limit, also referred to as the "asset ceiling test", may be influenced by a minimum funding requirement and aims to standardize current practice. This Interpretation does not apply to the Company.
- **IAS 23, "Borrowing Costs" (Revised)**, effective for annual periods beginning on or after 1 January 2009. The benchmark treatment in the existing standard of expensing all borrowing costs to the income statement is eliminated in the case of qualifying assets. All borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset must be capitalised. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. In accordance with the transitional requirements of the Standard, the Company has adopted this on a prospective basis. Accordingly, borrowing costs are capitalised on qualifying assets with a commencement date on or after 1 January 2008. During the twelve months to 31 December 2008, LEK 102.328.028 of borrowing costs have been capitalised on construction in progress.

***Standards issued but not yet effective***

- **IFRIC 13, "Customer Loyalty Programmes"**, effective for financial years beginning on or after 1 July 2008. This Interpretation requires customer loyalty award credits to be accounted for as a separate component of the sales transaction in which they are granted and therefore part of the fair value of the consideration received is allocated to the award credits and deferred over the period that the award credits are fulfilled. This interpretation will have no impact on the Company's financial statements as no such schemes currently exist.
- **IFRIC 15, "Agreements for the Construction of Real Estate"**, effective for financial years beginning on or after 1 January 2009 and is to be applied retrospectively. IFRIC 15 provides guidance on how to determine whether an agreement for the construction of real estate is within the scope of IAS 11 'Construction Contracts' or IAS 18 'Revenue' and, accordingly, when revenue from such construction should be recognised. IFRIC 15 will not have any impact on the financial statements because the company does not conduct real estate activity.
- **IFRIC 16, "Hedges of a Net Investment in a foreign operation"**, effective for financial years beginning on or after 1 October 2008 and is to be applied prospectively.

IFRIC 16 clarifies three main issues, namely:

- A presentation currency does not create an exposure to which an entity may apply hedge accounting. Consequently, a parent entity may designate as a hedged risk only the foreign exchange differences arising from a difference between its own functional currency and that of its foreign operation.
- Hedging instrument(s) may be held by any entity or entities within the group.
- While IAS 39, 'Financial Instruments: Recognition and Measurement', must be applied to determine the amount that needs to be reclassified to profit or loss from the foreign currency translation reserve in respect of the hedging instrument, IAS 21 'The Effects of Changes in Foreign Exchange Rates' must be applied in respect of the hedged item.

It is not expected to have a material impact on the company's financial statements.

- **IFRIC 17, "Distributions of Non-cash Assets to Owners"**, effective for annual periods beginning on or after 1 July, 2009. IFRIC 17 clarifies the following issues, namely:
  - a dividend payable should be recognised when the dividend is appropriately authorised and is no longer at the discretion of the entity;
  - an entity should measure the dividend payable at the fair value of the net assets to be distributed;
  - an entity should recognise the difference between the dividend paid and the carrying amount of the net assets distributed in profit or loss; and
  - an entity to provide additional disclosures if the net assets being held for distribution to owners meet the definition of a discontinued operation.

IFRIC 17 applies to pro rata distributions of non-cash assets except for common control transactions. It is to be applied prospectively and earlier application is permitted. The Company is in the process of assessing the impact of this interpretation.

- **IFRIC 18, "Transfers of Assets from Customers"**, effective for financial years beginning on or after 1 July 2009 and is to be applied prospectively. However, limited retrospective application is permitted. This Interpretation is of particular relevance for the utility sector as it clarifies the accounting for agreements where an entity receives an item of PP&E (or cash to construct such an item) from a customer and this equipment in turn is used to connect a customer to the network or to provide ongoing access to supply of goods/services. The Company is in the process of assessing the impact of this interpretation.
- **IFRS 2, "Share-based Payments" (Amended)**, effective for annual periods beginning on or after 1 January 2009. The amendment clarifies two issues. The definition of 'vesting condition', introducing the term 'non-vesting condition' for conditions other than service conditions and performance conditions. It also clarifies that the same accounting treatment applies to awards that are effectively cancelled by either the entity or the counterparty. The Company expects that this Interpretation will have no impact on its financial statements

- **IFRS 3, "Business Combinations" (Revised) and IAS 27, "Consolidated and Separate Financial Statements" (Amended)**, effective for annual periods beginning on or after 1 July 2009. A revised version of IFRS 3 Business Combinations and an amended version of IAS 27 Consolidated and Separate Financial Statements were issued by IASB on January 10, 2008. The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognising subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill). The amended IAS 27 requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by IFRS 3 (Revised) and IAS 27 (Amendment) must be applied prospectively and will affect future acquisitions and transactions with minority interests.
- **IFRS 8, "Operating Segments"**, effective for annual periods beginning on or after 1 January 2009. IFRS 8 replaces IAS 14 'Segment reporting'. IFRS 8 adopts a management approach to segment reporting. The information reported would be that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments. This information may be different from that reported in the balance sheet and income statement and entities will need to provide explanations and reconciliations of the differences. As the Company does not report any operating segment, this standard will have no impact on the Company.
- **IAS 1, "Presentation of Financial Statements" (Revised)**, effective for annual periods beginning on or after 1 January 2009. IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. Of the main revisions are the requirement that the statement of changes in equity includes only transactions with shareholders; the introduction of a new statement of comprehensive income that combines all items of income and expense recognised in profit or loss together with "other comprehensive income"; and the requirement to present restatements of financial statements or retrospective application of a new accounting policy as at the beginning of the earliest comparative period, i.e. a third column on the balance sheet. The Company will make the necessary changes to the presentation of its financial statements in 2009.
- **IAS 32 and IAS 1, "Puttable Financial Instruments" (Amended)**, effective for annual periods beginning on or after 1 January 2009. The amendment to IAS 32 requires certain puttable financial instruments and obligations arising on liquidation to be classified as equity if certain criteria are met. The amendment to IAS 1 requires disclosure of certain information relating to puttable instruments classified as equity. The Company does not expect these amendments to impact its financial statements.
- **IAS 39, "Financial Instruments: Recognition and Measurement" and IFRS 7 "Financial Instruments: Disclosures; Reclassification of Financial Assets"**, effective from 1 July 2008 and cannot be applied retrospectively to reporting

periods before the effective date. The amendment to IAS 39 permits an entity to reclassify non-derivative financial assets (other than those designated at fair value through profit or loss by the entity upon initial recognition) out of the fair value through profit or loss ("FVTPL") category in particular circumstances. The amendment also permits an entity to transfer from the available-for-sale category to the loans and receivables category a financial asset that would have met the definition of loans and receivables (if the financial asset had not been designated as available for sale), if the entity has the intention and ability to hold that financial asset for the foreseeable future. The amendments do not permit reclassification into FVTPL. The amendment to IFRS 7 relates to the disclosures required to financial assets that have been reclassified.

- **IFRS 5, "Non-current Assets Held for Sale and Discontinued Operations" (Amended)**, effective for annual periods beginning on or after 1 July 2009. The amendment clarifies that all of a subsidiary's assets and liabilities are classified as held for sale, under IFRS 5, even when the entity will retain a non-controlling interest in the subsidiary after the sale. To be applied prospectively from the date at which the company first applied IFRS 5. Therefore, any investments in subsidiaries classified as held for sale since IFRS 5 was applied will need to be re-evaluated. Early application is permitted. If early adopted, IAS 27 (as amended in January 2008) must also be adopted from that date.
- **IFRS 7, "Financial Instruments: Disclosures" (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment removes the reference to 'total interest income' as a component of finance costs.
- **IAS 1, "Presentation of Financial Statements" (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that assets and liabilities classified as held for trading in accordance with IAS 39 Financial Instruments: Recognition and Measurement are not automatically classified as current in the balance sheet. To be applied retrospectively. Early application is permitted.
- **IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors" (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that only implementation guidance that is an integral part of an IFRS is mandatory when selecting accounting policies.
- **IAS 10, "Events after the Reporting Period" (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that dividends declared after the end of the reporting period are not obligations.
- **IAS 16, "Property, Plant and Equipment" (Amended)**, effective for annual periods beginning on or after 1 January 2009.
  - Replaces the term 'net selling price' with 'fair value less costs to sell', regarding the recoverable amount, to be consistent with IFRS 5 and IAS 36 Impairment of Assets.
  - Items of property, plant & equipment held for rental that are routinely sold in the ordinary course of business after rental, are transferred to inventory when rental ceases and they are held for sale. Proceeds on sale are subsequently shown as revenue. IAS 7 Statement of cash flows is also revised, to require cash payments to manufacture or acquire such items to be classified as cash flows from operating activities. The cash receipts from rents and subsequent sales of such assets are also shown as cash flows from operating activities.

- **IAS 18, "Revenue" (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment replaces the term 'direct costs' with 'transaction costs' as defined in IAS 39.
- **IAS 19, "Employee Benefits" (Amended)**, effective for annual periods beginning on or after 1 January 2009.
  - Revises the definition of 'past service costs' to include reductions in benefits related to past services ('negative past service costs') and to exclude reductions in benefits related to future services that arise from plan amendments. Amendments to plans that result in a reduction in benefits related to future services are accounted for as a curtailment. To be applied prospectively - to changes to benefits occurring on or after 1 January 2009. Early application is permitted.
  - Revises the definition of 'return on plan assets' to exclude plan administration costs if they have already been included in the actuarial assumptions used to measure the defined benefit obligation. To be applied retrospectively. Early application is permitted.
  - Revises the definition of 'short-term' and 'other long term' employee benefits to focus on the point in time at which the liability is due to be settled. To be applied retrospectively. Early application is permitted.
  - Deletes the reference to the recognition of contingent liabilities to ensure consistency with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IAS 37 does not allow for the recognition of contingent liabilities. To be applied retrospectively. Early application is permitted.
- **IAS 20, "Accounting for Government Grants and Disclosure of Government Assistance" (Amended)**, effective for annual periods beginning on or after 1 January 2009. Loans granted with no or low interest rates will not be exempt from the requirement to impute interest. Interest is to be imputed on loans granted with below-market interest rates, thereby being consistent with IAS 39. The difference between the amount received and the discounted amount is accounted for as a government grant. To be applied prospectively - to government loans received on or after 1 January 2009. Early application is permitted. However, IFRS 1 First-time Adoption of IFRS has not been revised for first-time adoptees; hence they will be required to impute interest on all such loans outstanding at the date of transition.
- **IAS 27 "Consolidated and Separate Financial Statements" (Amended)**, effective for annual periods beginning on or after 1 January 2009. When a parent entity accounts for a subsidiary at fair value in accordance with IAS 39 in its separate financial statements, this treatment continues when the subsidiary is subsequently classified as held for sale. To be applied prospectively from the date at which the company first applied IFRS 5. Therefore, any subsidiaries classified as held for sale since IFRS 5 was adopted will need to be re-evaluated. Early application is permitted.

- **IAS 28, "Investment in Associates" (Amended)**, effective for annual periods beginning on or after 1 January 2009.
  - If an associate is accounted for at fair value in accordance with IAS 39 (as it is exempt from the requirements of IAS 28), only the requirement of IAS 28 to disclose the nature and extent of any significant restrictions on the ability of the associate to transfer funds to the entity in the form of cash or repayment of loans applies. To be applied retrospectively, although an entity is permitted to apply it prospectively. Early application is permitted. If early adopted, an entity must also adopt the amendment below, and the amendments to paragraph 3 of IFRS 7 Financial Instruments: Disclosures, paragraph 1 of IAS 31 Joint Ventures and paragraph 4 of IAS 32 Financial Instruments: Presentation at the same time.
  - An investment in an associate is a single asset for the purpose of conducting the impairment test - including any reversal of impairment. Therefore, any impairment is not separately allocated to the goodwill included in the investment balance. Any impairment is reversed if the recoverable amount of the associate increases. If early adopted, an entity must also adopt the amendment above, and the amendments to paragraph 3 of IFRS 7 Financial Instruments: Disclosures, paragraph 1 of IAS 31 Joint Ventures and paragraph 4 of IAS 32 Financial Instruments: Presentation at the same time.
- **IAS 29, "Financial Reporting in Hyperinflationary Economies" (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment revises the reference to the exception to measure assets and liabilities at historical cost, such that it notes property, plant and equipment as being an example, rather than implying that it is a definitive list. No specific transition requirements have been stated as it is a clarification of the references rather than a change.
- **IAS 31, "Interest in Joint ventures" (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that if a joint venture is accounted for at fair value, in accordance with IAS 39 (as it is exempt from the requirements of IAS 31), only the requirements of IAS 31 to disclose the commitments of the venturer and the joint venture, as well as summary financial information about the assets, liabilities, income and expenses will apply. Early application is permitted. If early adopted, an entity must also adopt the amendments to paragraph 3 of IFRS 7 Financial Instruments: Disclosures, IAS 28 Investments in Associates and paragraph 4 of IAS 32 Financial Instruments: Presentation at the same time.
- **IAS 34, "Interim Financial Reporting" (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that earnings per share is disclosed in interim financial reports if an entity is within the scope of IAS 33.
- **IAS 36, "Impairment of assets" (Amended)**, effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that when discounted cash flows are used to estimate 'fair value less costs to sell', the same disclosure is required as when discounted cash flows are used to estimate 'value in use'. To be applied retrospectively. Early application is permitted.

- **IAS 38, "Intangible Assets" (Amended)**, effective for annual periods beginning on or after 1 January 2009.
  - Expenditure on advertising and promotional activities is recognised as an expense when the entity either has the right to access the goods or has received the services. To be applied retrospectively. Early application is permitted.
  - Deletes references to there being rarely, if ever, persuasive evidence to support an amortisation method for finite life intangible assets that results in a lower amount of accumulated amortisation than under the straight-line method, thereby effectively allowing the use of the unit of production method. To be applied retrospectively. Early application is permitted.
  - A prepayment may only be recognised in the event that payment has been made in advance to obtaining right of access to goods or receipt of services.
  
- **IAS 39, "Financial instruments recognition and measurement" (Amended)**, effective for annual periods beginning on or after 1 January 2009.
  - Clarifies that changes in circumstances relating to derivatives - specifically derivatives designated or de-designated as hedging instruments after initial recognition - are not reclassifications. Thus, a derivative may be either removed from, or included in, the 'fair value through profit or loss' classification after initial recognition. Similarly, when financial assets are reclassified as a result of an insurance company changing its accounting policy in accordance with paragraph 45 of IFRS 4 Insurance Contracts, this is a change in circumstance, not a reclassification. To be applied retrospectively. Early application is permitted.
  - Removes the reference in IAS 39 to a 'segment' when determining whether an instrument qualifies as a hedge. To be applied retrospectively. Early application is permitted.
  - Requires use of the revised effective interest rate (rather than the original effective interest rate) when remeasuring a debt instrument on the cessation of fair value hedge accounting. To be applied retrospectively. Early application is permitted.
  
- **IAS 40, "Investment property" (Amended)**, effective for annual periods beginning on or after 1 January 2009.
  - Revises the scope (and the scope of IAS 16) such that property that is being constructed or developed for future use as an investment property is classified as investment property. If an entity is unable to determine the fair value of an investment property under construction, but expects to be able to determine its fair value on completion, the investment under construction will be measured at cost until such time as fair value can be determined or construction is complete. To be applied prospectively. Early application is permitted. An entity is permitted to apply the amendments to investment properties under construction from any date before 1 January 2009 provided that the fair values of investment properties under construction were determined at those dates.



- Revises the conditions for a voluntary change in accounting policy to be consistent with IAS 8.
- Clarifies that the carrying amount of investment property held under lease is the valuation obtained increased by any recognised liability.
- **IAS 41, "Agriculture" (Amended)**, effective for annual periods beginning on or after 1 January 2009.
  - Replaces the term 'point-of-sale costs' with 'costs to sell'. Revises the example of produce from trees in a plantation forest from 'logs' to 'felled trees'.
  - Removes the reference to the use of a pre-tax discount rate to determine fair value, thereby allowing use of either a pre-tax or post-tax discount rate depending on the valuation methodology used.
  - Removes the prohibition to take into account cash flows resulting from any additional transformations when estimating fair value. Rather, cash flows that are expected to be generated in the 'most relevant market' are taken into account. To be applied prospectively. Early application is permitted.

**b. Investments in subsidiary**

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. The cost of an acquisition is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

**c. Foreign currency translation**

Transactions denominated in foreign currencies are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Outstanding foreign currency monetary items at the balance sheet date are reported at the closing rate. Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded in the period, are recognised as income or expenses for the period in which they arise.

**d. Property, plant and equipment**

Plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Additions are recorded at cost. Cost represents the prices by suppliers together with all costs incurred in bringing new property, plant and equipment into use.

## **Antea Cement Sh.A - Tirana**

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 Dec.2008

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Items of property, plant and equipment that are retired or otherwise disposed of are eliminated from the balance sheet, along with the corresponding accumulated depreciation. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

Depreciation of property, plant and equipment is designed to write off the cost or valuation of property, plant and equipment on the straight-line basis over their estimated useful lives. The principal depreciation rates in use are:

Equipment	25%
Furniture and Fixtures	20%

Land is stated in the balance sheet at cost less impairment and is not depreciated as it is deemed to have an infinite life.

### **e. Inventories**

Inventories are valued at the lower of cost or net realizable value. Costs incurred in bringing each product to its present location and condition are accounted on the basis of purchase value of the goods and related overheads, cost being generally determined on the basis of a weighted average method.

Net realizable value is the estimated selling price in the ordinary course of the business, less estimated cost of completion and the estimated costs necessary to make the sale.

### **f. Trade receivables**

Trade receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the trade receivable is impaired.

The amount of the provision is the difference between the carrying amount and the recoverable amount, being the present value of expected cash flows, discounted at the market rate of interest for similar borrowers.

### **g. Cash and cash equivalents**

Cash and cash equivalents include cash in hand, the giro account and deposits held at call with banks with original maturities of three months or less. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

### **h. Share capital**

Ordinary shares are classified as equity.

**i. Taxation**

The computation and payment of the income tax is in accordance with the Income tax Law. The payment of the monthly tax is in advance. The final tax with tax rate of 10% (2007 10% is calculated on the profit from the income statement), corrected for certain positions in accordance with the legislation.

Deferred income 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 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.

**j. Provisions**

*General*

Provisions are recognised and calculated when the Company has a present legal or contractual obligation as a result of a past event, and when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

**k. Revenue**

Revenue comprises the invoiced value for the sale of goods and services net of value-added tax, discounts and after eliminating sales within the Company.

*Sales of goods*

Revenue from the sale of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer.

*Interest income*

Revenue relates to time deposits and is recognized as interest accrues.

**l. Financial instruments**

Financial assets and liabilities carried on the balance sheet include trade and other receivables and payables and cash and cash equivalents.

The accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies included in this note. Financial instruments are classified as assets, liabilities or equity in accordance with the substance of the related contractual arrangement.

Gains and losses relating to financial instruments classified as assets or liabilities are reported as income or expense, respectively. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realize the asset and settle the liability simultaneously.

Events after the balance sheet date, which provide evidence of conditions that exist as of the balance sheet date, are treated as adjustable events in these financial statements. Those that are indicative of conditions that arose after the balance sheet date have been treated as non-adjustable events.

**3. Revenue and expenses**

**a. Sales**

	Year ended 31 Dec 2008	Year ended 31 Dec 2007
	<i>ALL'000</i>	<i>ALL'000</i>
<i>Gross sales</i>		
Domestic market	3,081,702	-
	<u>3,081,702</u>	<u>-</u>
<i>Domestic market</i>		
Income from cement - third party	2,684,526	-
Income from cement - related party	397,176	-
	<u>3,081,702</u>	<u>-</u>

**b. Other revenue**

	Year ended 31 Dec 2008	Year ended 31 Dec 2007
	<i>ALL'000</i>	<i>ALL'000</i>
Third party freight	50,344	-
	<u>50,344</u>	<u>-</u>

**c. Cost of sales**

	Year ended 31.Dec 2008	Year ended 31 Dec 2007
	<i>ALL'000</i>	<i>ALL'000</i>
Transportation services	248,677	-
Distribution expenses	47,309	-
Unloading services	53,582	-
Custom expenses	112,677	-
Port expenses	45,935	-
Change of inventories	(35,128)	-
Purchase of cement	2,443,657	-
Other expenses	9,287	-
	<u>2,925,996</u>	<u>-</u>

**Antea Cement Sh.A - Tirana**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 Dec.2008**d. Other operating income**

	Year ended 31 Dec 2008 <i>ALL'000</i>	Year ended 31 Dec 2007 <i>ALL'000</i>
Other revenues from previous years	242	-
Other	30	-
	<u>272</u>	<u>-</u>

**e. Other operating expenses**

	Year ended 31 Dec. 2008 <i>ALL'000</i>	Year ended 31 Dec 2007 <i>ALL'000</i>
Start up cost	2,317	-
Research and Development	27,848	-
	<u>30,165</u>	<u>-</u>

**f. Provision for bad debts**

	Year ended 31 Dec. 2008 <i>ALL'000</i>	Year ended 31 Dec 2007 <i>ALL'000</i>
Provision for bad and doubtful debts	15,489	-
	<u>15,489</u>	<u>-</u>

The provision refers to the client "Copri Construction & Alb Building Shpk", which has liquidity problems, due to delayed payments by the State.

**g. Selling and marketing expenses**

	Year ended 31.Dec. 2008 <i>ALL'000</i>	Year ended 31. Dec. 2007 <i>ALL'000</i>
Rent	54,324	-
Sales commissions	98,779	-
	<u>153,103</u>	<u>-</u>

**Antea Cement Sh.A - Tirana**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 Dec.2008**h. Administrative expenses**

	Year ended 31 Dec 2008	Year ended 31 Dec 2007
	ALL'000	ALL'000
Gross salaries and wages	41,819	9,023
Car expenses	13,580	-
Promotion and advertisement	3,057	-
Travelling	11,488	3,803
Bills	8,423	2,297
Subscriptions	400	96
Accounting services	21,666	2,017
Legal fees	46,778	2,869
Rents	5,687	3,658
Donations	10,059	11,369
Other expenses	44,313	20,003
	<u>207,270</u>	<u>55,135</u>

**i. Finance income / cost**

	Year ended 31 Dec 2008	Year ended 31 Dec 2007
	ALL'000	ALL'000
<b>Finance Income</b>		
Interest income	713	-
Foreign exchange (gains)	43,671	8,109
Finance income	<u>44,384</u>	<u>8,109</u>
<b>Finance Cost</b>		
Bank charges	(26,869)	(260)
Foreign exchange (losses)	(66,834)	(4,064)
Finance cost	<u>(93,703)</u>	<u>(4,324)</u>

**4. Income tax**

The income tax comprises:

	Year ended 31 Dec 2008	Year ended 31 Dec 2007
	ALL'000	ALL'000
Current income tax	<u>-</u>	<u>-</u>

**Antea Cement Sh.A - Tirana**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 Dec.2008

A reconciliation of income tax expense applicable to profit from operating activities before income tax at the statutory income tax rate to Company's effective income tax rate for the period ended 31 December 2008 and 31 December 2007 is as follows:

	Year ended 31 Dec 2008 <u>ALL'000</u>	Year ended 31 Dec 2007 <u>ALL'000</u>
Net loss before income tax	<u>(251,694)</u>	<u>(51,401)</u>
At statutory income tax rate of 10% (2007: 10%)	(25,169)	(5,140)
Tax on expenditure not allowable for income tax purposes	<u>25,169</u>	<u>5,140</u>
	<u>-</u>	<u>-</u>

The Company's books and records for the fiscal year 2008 have not been audited for income tax. Consequently the Company's income tax obligations may not be considered finalized. Additional taxes and interest penalty that may be levied, if any, cannot at this stage be determined with any reasonable accuracy.

**5. Property, plant and equipment**

	<u>Land and Buildings</u> ALL'000	<u>Machinery &amp; Equipment</u> ALL'000	<u>Furniture &amp; Fixtures</u> ALL'000	<u>Construction in progress</u> ALL'000	<u>Total</u> ALL'000
<b>Cost</b>					
At 1 January 2008	-	-	634	452,769	453,403
Additions	<u>66,949</u>	<u>11,237</u>	<u>14,254</u>	<u>9,708,805</u>	<u>9,801,245</u>
At 31 December 2008	<u>66,949</u>	<u>11,237</u>	<u>14,888</u>	<u>10,161,574</u>	<u>10,254,648</u>
<b>Depreciation</b>					
At 1 January 2008	-	-	(52)	-	(52)
Charge for the period	<u>-</u>	<u>(919)</u>	<u>(1,751)</u>	<u>-</u>	<u>(2,670)</u>
At 31 Dec 2008	<u>-</u>	<u>(919)</u>	<u>(1,803)</u>	<u>-</u>	<u>(2,722)</u>
<b>Net book value at 31 Dec 2008</b>	<u>66,949</u>	<u>10,318</u>	<u>13,085</u>	<u>10,161,574</u>	<u>10,251,926</u>
<b>Net book value at 1 January 2008</b>	<u>-</u>	<u>-</u>	<u>582</u>	<u>452,769</u>	<u>453,351</u>

## Antea Cement Sh.A - Tirana

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 Dec.2008

	Land and Buildings ALL'000	Machinery & Equipment ALL'000	Furniture & Fixtures ALL'000	Construction in progress ALL'000	Total ALL'000
<b>Cost</b>					
At 1 January 2007	-	-	-	-	-
Additions	-	-	634	452,769	453,403
<b>At 31 December 2007</b>	<b>-</b>	<b>-</b>	<b>634</b>	<b>452,769</b>	<b>453,403</b>
<b>Depreciation</b>					
At 1 January 2007	-	-	-	-	-
Charge for the period	-	-	(52)	-	(52)
<b>At 31 Dec 2007</b>	<b>-</b>	<b>-</b>	<b>(52)</b>	<b>-</b>	<b>(52)</b>
<b>Net book value</b>					
at 31 Dec 2007	-	-	582	452,769	453,351
Net book value at 1 January 2007	-	-	-	-	-

### 6. Investments in subsidiary

	31 Dec 2008 ALL'000	31 Dec 2007 ALL'000
Albacemento Italia Shpk	506,674	-

In May 2008, the Company acquired 65% of shares of Albacemento Italia Shpk.

### 7. Other non-current assets

Other non - current assets include an amount of 2,833,543 thousand ALL concerning the prepayments to the contractor CBMI for the factory construction, 80,660 thousand ALL prepayments to the contractor Bami shpk for road works and an amount of 5,310 thousand ALL concerning long term guaranties for rents.

### 8. Inventories

	31 Dec 2008 ALL'000	31 Dec 2007 ALL'000
Finished goods	35,128	-
Spare parts and supplies	177	-
Packing materials and other	-	4,764
	<b>35,305</b>	<b>4,764</b>



**Antea Cement Sh.A - Tirana**  
 NOTES TO THE FINANCIAL STATEMENTS  
 for the year ended 31 Dec.2008

**9. Trade and other receivables**

	<u>31 Dec 2008</u>	<u>31 Dec 2007</u>
	ALL'000	ALL'000
Trade debtors domestic	377,343	-
Provision for bad & doubtful debts	(15,489)	-
Advances to suppliers	875,710	15,068
Tax receivables	983,758	23,045
	<u>2,221,322</u>	<u>38,113</u>

As at 31 December, the aging analysis of trade receivables is as follows:

		<u>Past due but not impaired</u>				
	Total	< 30 days	30-60 days	60-90 days	90-120 days	>120 days
2008	377,343	114,155	71,908	175,791	15,489	-
2007	-	-	-	-	-	-

**10. Cash and cash equivalents**

	<u>31 Dec 2008</u>	<u>31 Dec 2007</u>
	ALL'000	ALL'000
Cash at bank	98,900	822
Cash at hand	33	108
Time deposits (up to January 15 <sup>th</sup> , 2009)	2,686,460	0
	<u>2,785,393</u>	<u>930</u>

**11. Share capital**

<i>Authorized, issued and fully paid</i>	<i>Number of shares</i>	<i>% holding</i>
ALVACIM Ltd -ordinary shares of ALL 2,000 each	2,305,953	60%
EBRD-ordinary shares of ALL 2,000 each	768,651	20%
IFC-ordinary shares of ALL 2,000 each	768,651	20%
	<u>3,843,255</u>	<u>100%</u>

The new shares in Alvacim (153,227) , EBRD (768,651) and IFC (768,651) were registered in the relevant Albanian Authority in January 2009, however, the cash was injected in December and the Board of Directors approved the increase in December.

**12. Trade and other payables**

	<u>31 Dec 2008</u>	<u>31 Dec 2007</u>
	ALL'000	ALL'000
Domestic trade creditors	362,785	-
Foreign trade creditors	249,046	-
Tangible assets creditors	3,367,579	-
Accruals	298,174	-
Taxes	755,934	-
Short term borrowings	-	23,991
Other current liabilities	287,040	218,585
	<u>5,320,558</u>	<u>242,576</u>

**13. Long term borrowings**

The company has received long term loans from its shareholders as follows:

	<u>31 Dec 2008</u>	<u>31 Dec 2007</u>
	ALL'000	ALL'000
Alvacim Ltd.	3,608,674	2,119,234
EBRD	1,202,689	0
IFC	1,202,689	0
	<u>6,014,052</u>	<u>2,119,234</u>

The Company has received the loans from EBRD & IFC on December 2008. The due date is December 2020. The interest chargeable for each loan is Euribor + 1.50%

On these loans, it is calculated the following interest (in 000 ALL):

	<u>31 Dec 2008</u>	<u>31 Dec 2007</u>
	ALL'000	ALL'000
Alvacim Ltd.	1,359	35,465
EBRD	297	-
IFC	453	-
	<u>2,109</u>	<u>35,465</u>

For the calculation of the above mentioned interest, the following rates have been used:

IFC 4.5920% , EBRD 4.4425% , Alvacim 4.5920%

**Antea Cement Sh.A - Tirana**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 Dec.2008**14. Related party transactions**

Other than the Long term borrowings and interest charged thereon referred to in Note 13, the following transactions were carried out with the related parties:

**a. Sales of goods and services**

	<u>31 Dec 2008</u> ALL'000	<u>31 Dec 2007</u> ALL'000
Albacemento Italia Shpk - cement	397,176	-
	<u>397,176</u>	<u>-</u>

Outstanding balances arising from the transactions mentioned above are presented bellow:

**Receivables from related parties**

	<u>31 Dec 2008</u> ALL'000	<u>31 Dec 2007</u> ALL'000
Albacemento Italia Shpk	160,739	-
	<u>160,739</u>	<u>-</u>

**b. Purchases of goods and services**

	<u>31 Dec 2008</u> ALL'000	<u>31 Dec 2007</u> ALL'000
Titan cement Company - cement	2,176,122	-
Usje Cementarnica AD - Skopje	260,079	-
	<u>2,436,201</u>	<u>-</u>

Outstanding balances arising from the transactions mentioned above are presented bellow:

**Payables to related parties**

	<u>31 Dec 2008</u> ALL'000	<u>31 Dec 2007</u> ALL'000
Titan Cement Company - cement	504,226	215,916
Usje Cementarnica AD - Skopje	16,401	-
Albacem SA	14,628	-
	<u>535,255</u>	<u>215,916</u>

The Company enter into these transactions with the above related parties at mutually agreed terms.

## 15. Financial risk management objectives and policies

The Company's principal financial instruments comprise trade receivables and trade payables and cash, which arise directly from its operations. The company's risk management approach is focused on unpredictability of the financial market and seeks to minimise potential adverse effects. Risk management is carried out under policies approved by the Board of Directors.

The main risks arising from the Company's financial instruments are liquidity risk, foreign currency risk and credit risk. The management reviews and agrees policies for managing each of these risks which are summarised below.

a) *Interest risk*

The Company's income and operating cash flows are substantially independent of changes in market interest rates.

b) *Foreign exchange risk*

The Company enters into transactions denominated in foreign currencies related to the sales of its products and purchase of fixed assets and purchases of trade goods from related parties. The Company does not use any special financial instruments to hedge against these risks, since no such instruments are in common use in the Republic of Albania. Therefore, the Company is potentially exposed to market risk related to possible foreign currency fluctuations.

c) *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities.

The table below summarises the maturity profile of the Company's financial liabilities at 31 December 2008 and 2007, based on contractual undiscounted payments.

## Year ended 31 December 2008 (in 000 ALL)

	<u>On demand</u>	<u>Less than 3 months</u>	<u>3 to 12 months</u>	<u>1 to 5 years</u>	<u>&gt; 5 years</u>	<u>Total</u>
Borrowings	-			2,109	6,014,052	6,016,161
Trade and other payables	-	1,952,979	3,367,579			5,320,558

## Year ended 31 December 2007 (in 000 ALL)

	<u>On demand</u>	<u>Less than 3 months</u>	<u>3 to 12 months</u>	<u>1 to 5 years</u>	<u>&gt; 5 years</u>	<u>Total</u>
Borrowings	-	23,991	-	-	2,119,234	2,143,225
Trade and other payables	-	2,670	215,915	-	-	218,585

*d) Credit risk*

The Company has no significant concentrations of credit risk. The Company has policies in place to ensure that sales of products are made to customers with an appropriate credit history. The Company has policies that limit the amount of credit exposure to any one customer. In addition, to reduce this risk the Company has required as collateral: bank guaranties and deposits. Recognisable risks are accounted for by adequate provisions on receivables.

With respect to credit risk arising from the other financial assets of the Company, which comprise cash and cash equivalents and other financial assets (non-current), the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

**16. Capital management**

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares, following shareholders' approval. No changes were made in the objectives, policies or processes during the year ended 31 December 2008 and year end 31 December 2007.

The Company is not subject to any externally imposed capital requirements. The structure and management of debt capital is determined at TITAN Group level.

**17. Commitments and contingencies**

**a. Construction contract**

For the purpose of construction of the factory plant, the Chinese company CBMI Ltd, is hired according to a construction contract with total investing value of 112,600,000 EUR including equipment, construction, technical and other services.

**b. Taxation**

As it is explained in note 4 to the financial statements, the tax authorities have not audited the Company's books and records for the fiscal year 2008 in respect of the income tax, and consequently, the Company's taxes may not be considered finalized. Additional taxes that may be levied in the event of a tax audit cannot be determined with any reasonable accuracy.

**Antea Cement Sh.A - Tirana**

NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 Dec.2008

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**18. EBITDA**

	<u>Year ended 31Dec2008</u>	<u>Year ended 31 Dec 2007</u>
	ALL'000	ALL'000
<i>Loss from operating activities</i>	(202,375)	(55,187)
<i>Depreciation-Amortization</i>	(2,670)	(52)
<b>EBITDA</b>	<u>(199,705)</u>	<u>(55,135)</u>