

To: the Directors and Shareholders of Titan Cement Netherlands B.V.

Auditor's report

Report on the financial statements

We have audited the accompanying financial statements for the year ended December 31, 2008 of Titan Cement Netherlands B.V., Amsterdam, which comprise the balance sheet as at December 31, 2008, the profit and loss account for the year then ended and the notes.

Management's responsibility

Management is responsible for the preparation and fair presentation of the financial statements and for the preparation of the directors' report, both in accordance with Part 9 of Book 2 of the Netherlands Civil Code. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the 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 the financial statements based on our audit. We conducted our audit in accordance with Dutch law. This law requires 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

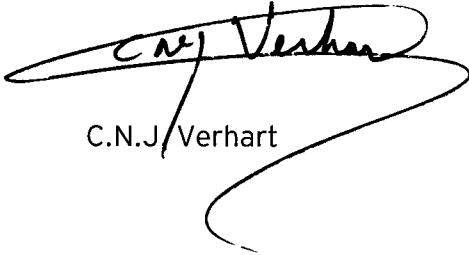
In our opinion, the financial statements give a true and fair view of the financial position of Titan Cement Netherlands B.V. as at December 31, 2008, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part f of the Netherlands Civil Code, we report, to the extent of our competence, that the directors' report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Amsterdam, May 5, 2009

Ernst & Young Accountants LLP



C.N.J. Verhart

PUBLICATION OF AUDITOR'S REPORT

1 Conditions

Authorization to publish the auditor's report is granted subject to the following conditions.

- Further consultation with the auditor is essential if, after this authorization has been granted, facts and circumstances become known which materially affect the view given by the financial statements.
- The authorization concerns inclusion of the auditor's report in the annual report to be tabled at the Annual General Meeting (hereafter AGM) incorporating the financial statements as drawn up.
- The authorization also concerns inclusion of the auditor's report in the annual report to be filed with the Trade Registrar, provided consideration of the financial statements by the AGM does not result in any amendments.
- Financial statements for filing at the offices of the Trade Registrar which have been abridged in accordance with Section 397 of Book 2 of the Netherlands Civil Code must be derived from the financial statements adopted by the AGM and a draft version of these financial statements for filing purposes must be submitted to us for inspection.
- The auditor's report can also be included if the financial statements are published electronically, such as on the Internet. In such cases, the full financial statements should be published and these should be easily distinguishable from other information provided electronically at the same time.
- If the published financial statements are to be included in another document which is to be made public, authorization to include the auditor's report must again be granted by the auditor.

2 Explanations to the conditions

2.1 Board of supervisory directors and board of executive directors

The auditor usually forwards his report to the board of supervisory directors and to the board of executive directors. This is pursuant to Book 2 of the Netherlands Civil Code, section 393 which stipulates *inter alia*: 'The auditor sets out the outcome of his examination in a report'. 'The auditor reports on his examination to the board of supervisory directors and the board of executive directors'.

2.2 Annual General Meeting (AGM)

Publication of the auditor's report will only be permitted subject to the auditor's express consent. Publication is understood to mean: making available for circulation among the public or to such group of persons as to make it tantamount to the public. Circulation among shareholders or members, as appropriate, also comes within the scope of the term 'publication', so that inclusion of the auditor's report in the annual report to be tabled at the AGM similarly requires authorization by the auditor.

2.3 Auditor's reports and financial statements

The authorization concerns publication in the annual report incorporating the financial statements that are the subject of the auditor's report. This condition is based on the auditors' rules of professional practice, which state that the auditor will not be allowed to authorize publication of his report except together with the financial statements to which this report refers.

The auditor will also at all times want to see the rest of the annual report, since the auditor is not allowed to authorize publication of his report if, owing to the contents of the documents jointly published, an incorrect impression is created as to the significance of the financial statements.

2.4 Events between the date of the auditor's report and the AGM

Attention should be paid to the fact that between the date of the auditor's report and the date of the meeting at which adoption, as appropriate, of the financial statements is considered, facts or circumstances may have occurred which materially affect the view given by the financial statements. Under COS 560, the auditor must perform audit procedures designed to obtain sufficient audit evidence to ensure that all events occurring before the date of the auditor's report that warrant amendment of or disclosure in the financial statements have been identified.

If the auditor becomes aware of events that may be of material significance to the financial statements, the auditor must consider whether those events have been adequately recognized and sufficiently disclosed in the notes to the financial statements. If between the date of the auditor's report and the date of publication of the financial statements, the auditor becomes aware of a fact that may have a material impact on the financial statements, the auditor must assess whether the financial statements should be amended, discuss the matter with management and act as circumstances dictate.

2.5 Trade Registrar

The financial statements are tabled at the AGM (legal entities coming within the scope of title 9 of Book 2 of the Netherlands Civil Code table the directors' report and the other information as well). The AGM considers adoption of the financial statements. Only after the financial statements have been adopted, do they become the statutory (i.e. the company) financial statements. As a rule, the statutory financial statements will be adopted without amendment. The auditor's report must be attached to the statutory financial statements as part of the other information. As a rule, the text of this report will be the same as that issued earlier. The documents to be made public by filing at the offices of the Trade Registrar will consist of the statutory financial statements, the directors' report and the other information. The auditor's report which refers to the unabridged financial statements will then have to be incorporated in the other information. If consideration of the financial statements by the AGM does not result in any amendments, the auditor's report may be attached to the financial statements adopted, by the AGM and, provided the annual report and financial statements are filed promptly at the offices of the Trade Registrar, published as part of these annual report and financial statements.

2.6 Other manner of publication

The financial statements may also be published other than by filing at the offices of the Trade Registrar. In that event, too, inclusion of the auditor's report is permitted, provided the financial statements are published in full. If publication concerns part of the financial statements or if the financial statements are published in abridged form, publication of any report the auditor has issued on such financial statements will be prohibited, unless:

- a he has come to the conclusion that, in the circumstances of the case, the document concerned is appropriate, or
- b based on legal regulations, publication of the document concerned is all that is required.

If less than the full financial statements are published, further consultation with the auditor is essential.

If the financial statements and the auditor's report are published on the Internet, it should be ensured that the financial statements are easily distinguishable from other information contained on the Internet site. This can be achieved, for example, by including the financial statements as a separate file in a read-only format or by including a warning message when the reader exits the financial statements document.

2.7 Inclusion in another document

If the published financial statements are to be included in another document which is to be made public, this is considered a new publication and authorization must again be obtained from the auditor. An example of this situation is the publication of an offering circular which includes the financial statements, after these financial statements have been filed at the office of the Trade Registrar together with the other annual reports. For each new publication, authorization must again be obtained from the auditor.

2.8 Events after the AGM

Even if facts and circumstances have become known after the adoption of the financial statements as a result of which they no longer give the statutory true and fair view, the auditor must stand by the report issued on the financial statements as adopted and by the auditor's report filed at the offices of the Trade Registrar. In that event, the legal entity is required to file a statement at the offices of the Trade Registrar on these facts and circumstances accompanied by an auditor's report. In this situation, too, further consultation with the auditor is essential.

To: the Directors and Shareholders of Titan Cement Netherlands B.V.

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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 Titan Cement Netherlands B.V. as at December 31, 2008, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Netherlands Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under 2:393 sub 5 part f of the Netherlands Civil Code, we report, to the extent of our competence, that the directors' report is consistent with the financial statements as required by 2:391 sub 4 of the Netherlands Civil Code.

Amsterdam, May 5, 2009

Ernst & Young Accountants LLP

signed by C.N.J. Verhart

Titan Cement Netherlands B.V.

Amsterdam

financial statements for the year 2008

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DIRECTORS' REPORT

Report of the directors of Titan Cement Netherlands B.V. for the financial year 2008.

Overview of activities

The company, formerly known as Maplewood B.V., was incorporated on 19th of May, 2000. On 6 December 2006 the company changed its name into Titan Cement Netherlands B.V.

The main activities of the company are:

- to participate in, to establish and to administer and/or manage, to finance and to render services to companies, firms and enterprises;
- to invest in, acquire, possess, dispose of, encumber, rent, let, lease, lease out and dispose of in another way: personnel and real property participations and interests in other companies, firms and other enterprises;
- to develop activities in the fields of commerce, finance and industry;
- to lend and/or borrow moneys, to provide guarantees and to commit itself with respect to the commitments of third parties;
- to acquire and/or exercise rights of intellectual and/or industrial ownership, to acquire and/or exploit (sub)licenses, patents, installations, techniques and/or permits.
- to do anything which is connected with the above mentioned provisions, all this in the broadest sense..

Accounts

During the period 1 January 2008 up to and including 31 December 2008 the company has realised a profit of EUR 23,978,857. During the shareholders' meeting it has been resolved to repay partially the share premium and to pay an interim dividend.

Personnel

The company had no employees during the year.

Future developments

It is the company's intention to extend its activities during 2009.

Schiphol, 05 May 2009

The board of directors

Mr P. Christodoulou

FTC Trust B.V.

BALANCE SHEET AS PER 31 DECEMBER 2008

(Before proposed appropriation of results)

		<u>31-12-2008</u>	<u>31-12-2007</u>
		EUR	EUR
ASSETS			
<u>Financial fixed assets</u>			
Participations	4	26,984,552	26,984,552
		<u>26,984,552</u>	<u>26,984,552</u>
<u>Current assets</u>			
Prepayments		-	9,930,000
Cash at banks	5	216,641	2,922,730
		<u>216,641</u>	<u>12,852,730</u>
TOTAL ASSETS		<u><u>27,201,193</u></u>	<u><u>39,837,282</u></u>
LIABILITIES			
<u>Capital and reserves</u>			
Issued and paid-up share capital	6	20,010	20,010
Share premium		26,212,242	26,985,242
Retained earnings		12,740,059	-26,931
Dividend paid		-35,830,000	-31,000,000
Result for the year		23,978,857	43,766,990
		<u>27,121,168</u>	<u>39,745,311</u>
<u>Short-term liabilities</u>			
Corporate income tax payable	7	58,019	74,356
Other liabilities	8	22,006	17,615
		<u>80,025</u>	<u>91,971</u>
TOTAL LIABILITIES		<u><u>27,201,193</u></u>	<u><u>39,837,282</u></u>

PROFIT AND LOSS ACCOUNT FOR THE FINANCIAL YEAR 2008

		2008	2007
		EUR	EUR
<u>General expenses</u>			
Consultancy fee		5,284	15,732
Audit costs		18,155	11,000
Administration costs		2,956	6,940
Management fee		38,151	25,253
Notary fee		117	939
Bank charges		872	388
Other costs		334	471
		<hr/> 65,869	<hr/> 60,723
<u>Operating result</u>		<hr/> -65,869	<hr/> -60,723
<u>Financial result</u>			
Interest income		477,592	360,454
Interest costs		-2,950	-
Currency exchange difference result		8,659	-106,975
		<hr/> 483,301	<hr/> 253,479
Dividends received	9	23,625,465	43,648,590
		<hr/> 24,042,897	<hr/> 43,841,346
<u>Result for the financial year before taxation</u>		24,042,897	43,841,346
Corporate income tax	10	-64,040	-74,356
<u>Result for the financial year after taxation</u>		<hr/> <hr/> 23,978,857	<hr/> <hr/> 43,766,990

NOTES TO THE FINANCIAL STATEMENTS

1. General

The Company is a private company with limited liabilities incorporated on May 19, 2000, under the laws of The Netherlands, with its corporate seat in Amsterdam, The Netherlands. On 18 December 2008, the sole shareholder of the Company, Balkcem Limited, Cyprus, sold 280 shares of the Company to Holtitan BV, a Titan Cement group company. As a result and as per year end, Company's shareholders are Balkcem Limited, Cyprus (86%) and Holtitan BV, The Netherlands (14%). The ultimate parent company is Titan Cement Company S.a., Greece.

2. Basis of presentation

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles in The Netherlands and are in compliance with the provisions of the Dutch Civil Code, Book 2, Title 9.

3. Summary of significant accounting policies

a. General

The annual accounts are based on historical costs. Unless indicated otherwise, assets and liabilities are shown at face value. Income and expenses are recorded in the period in which they originate, based on estimates if applicable. All amounts are presented in Euro's.

b. Foreign currencies

Assets and liabilities expressed in foreign currencies are converted at the exchange rates ruling at balance sheet date. Transactions in foreign currencies are converted into Euro's at the rates ruling at transaction date.

c. Participations

Participations in subsidiaries are valued at cost, taking into account any permanent impairment in value.

d. Other assets and liabilities

Other assets and liabilities are stated at face value.

NOTES (continued 1)

d. Consolidation

The company has made use of the consolidation exemption of Article 408, Title 9, Book 2 of the Dutch Civil Code. Under this Article consolidated financial statements do not need to be prepared by a company as the Company may file the financial statements of its ultimate parent company, in which it and its investments in group companies are included on consolidation basis. In accordance with this article, the 2008 annual report of Titan Cement Company S.A. will be separately filed at the office of the Trade Register in Amsterdam.

4. Participations

This refers to a 94,84% participation in Cementarnica "Usje" AD, in the republic of Macedonia. The participation is valued at historical cost price, the net asset value as per 31 December, 2008 is EUR 57,655K (MKD 3,654,317K).

5. Cash at banks and in hand

The current accounts are at free disposal of the company.

6. Capital and reserves

The company's authorised share capital amounts to € 100,000, divided into ten thousand shares with a nominal value of € 10. € 20,010 have been issued and paid in for, divided into two thousand and one shares.

Details of the movements in shareholders' equity:

	Share capital	Share premium reserve	Retained earnings	Interim dividend	Result for the year	TOTAL
Opening balance 1.1.08						
EUR	20,010	26,985,242	-26,931	-31,000,000	43,766,990	39,745,311
Appropriation of 2007 result	0	0	43,766,990	31,000,000	-43,766,990	31,000,000
Dividend	0	0	-31,000,000	-35,830,000		-66,830,000
Share premium reduction	0	-773,000	0			-773,000
Result 2008	0	0	0		23,978,857	23,978,857
Closing balance 31.12.08						
EUR	20,010	26,212,242	12,740,059	-35,830,000	23,978,857	27,121,168

NOTES (continued 2)

7. Corporate income tax payable

The Corporate income tax payable is comprised as follows:

	<u>31-12-2008</u>	<u>31-12-2007</u>
	€	€
Corporate income tax due 2007	47,077	74,356
Payment Corporate income tax 2007	-47,077	-
Preliminary payments Corporate income tax 2008	-33,300	-
Corporate income tax 2008 due	91,319	-
	<u>58,019</u>	<u>74,356</u>

8. Other liabilities

The other liabilities are comprised as follows:

	<u>31-12-2008</u>	<u>31-12-2007</u>
	€	€
Creditors	6,133	6,615
Accrued expenses	15,873	11,000
	<u>22,006</u>	<u>17,615</u>

9. Result participations

During the year a dividend of € 23,625,465 was received.

10. Corporate income tax

Taking into consideration that the results from participations are not taxed under the participation exemption, the company realised a fiscal profit of EUR 417,432, which has been taxed at 20-25.5 %.

	<u>2008</u>	<u>2007</u>
	€	€
Corporate income tax for the financial year	91,319	74,356
Corrections on corporate income tax previous years	-27,279	-
	<u>64,040</u>	<u>74,356</u>

NOTES (continued 3)

11. Staff members and employment costs

During the year, the company employed no personnel other than its directors and, hence, incurred no wages, salaries or related social security charges.

12. Directors

The company has two directors, of which one received remuneration for activities in this capacity during the year.

Schiphol, 5 May 2009

The board of directors:

Mr P. Christodoulou

FTC Trust B.V.

SUPPLEMENTARY INFORMATION

1. STATUTORY PROVISION REGARDING APPROPRIATION OF RESULT

Pursuant to the company's Articles of Association, the result shall be at full disposal of the annual general meeting of shareholders. Distribution of profits may only be made to the extent that shareholders' equity exceeds the total of the issued and paid-up capital and legal reserves.

2. APPROPRIATION OF RESULT

During the year the Company paid an interim dividend of EURO 35,8 million. The board of directors proposes to the annual general meeting of shareholders, to add the remainder of the result for the year to the "Retained earnings".

3. POST BALANCE SHEET DATE EVENTS

There are no important events after balance sheet date to report.