

**THE AUDITOR'S REPORT HAS BEEN TRANSLATED FROM THE GREEK
ORIGINAL VERSION**

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of TITAN ATLANTIC CEMENT INDUSTRIAL AND COMMERCIAL S.A.

Report on the Financial Statements

We have audited the accompanying financial statements of TITAN ATLANTIC CEMENT INDUSTRIAL AND COMMERCIAL S.A., which comprise the statement of financial position as at December 31, 2009, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 as adopted by the European Union and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 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 aforementioned financial statements present fairly, in all material respects, the financial position of TITAN ATLANTIC CEMENT INDUSTRIAL AND COMMERCIAL S.A. as at December 31, 2009, 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 European Union.

Report on Other Legal and Regulatory Requirements

We confirm that the information given in the Directors' Report is consistent with the accompanying financial statements and complete in the context of the requirements of articles 43a and 37 of Codified Law 2190/1920.

Athens, 6 April 2010
THE CERTIFIED AUDITOR ACCOUNTANT

SOFIA KALOMENIDES
S.O.E.L. R.N. 13301
ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS ACCOUNTANTS S.A.

TITAN CEMENT ATLANTIC S.A.

**STATEMENT OF FINANANCIAL POSITION AS OF
31 DECEMBER 2009**

(AMOUNTS IN EURO)

	2009	2008
<u>ASSETS</u>		
Investments in subsidiaries	563,342,908	563,342,908
Total non- current assets	563,342,908	563,342,908
Receivables and prepayments	9663	11,123
Cash and cash equivalents	129253	131,759
Total current assets	138,916	142,882
TOTAL ASSETS	563,481,824	563,485,790
 <u>EQUITY AND LIABILITIES</u>		
Share capital (2009:1,189,480 shares at € 73.40)	87,307,832	87,307,832
Share premium	471,884,145	471,884,145
Other Reserves	4,277,234	2,414,610
Total Equity (a)	563,469,211	563,478,950
Other short term liabilities	12,613	6,840
Short-term liabilities	12,613	6,840
Total Liabilities (b)	12,613	6,840
TOTAL EQUITY AND LIABILITIES (a+b)	563,481,824	563,485,790

TITAN CEMENT ATLANTIC S.A.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2009
(AMOUNTS IN EURO)

	2009	2008
Income from operating activities	-570	2,511,915
Administrative expenses	-12,079	-546,413
Other operating expenses		-15,841
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(Losses)/profit before taxes and financial results	-12,649	1,949,661
Finance income, net	2,910	90,964
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(Losses)/profit before taxes	-9,739	2,040,539
Less: Corporate income tax expense	-	-
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(Losses)/profit after taxes	-9,739	2,040,539
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TITAN CEMENT ATLANTIC S.A.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2009
(AMOUNTS IN EURO)

	Common Shares	Share Premium	Reserves	Retained earnings	Total
Year ended 31 December 2008					
Balance as of 1 January 2008	38,439,580	206,504,238	2,312,583	-66,149	247,190,252
Net loss of the year	-	-	-	2,040,539	2,040,539
Share capital increase	48,868,252	-	-	-	48,868,252
Share premium increase		265,379,907	-	-	265,379,907
Transfer to reserve from retained earnings			102,027	-102,027	-
Balance as of 31 December 2008	87,307,832	471,884,145	2,414,610	1,872,363	563,478,950
Year ended 31 December 2009					
Balance as of 1 January 2009	87,307,832	471,884,145	2,414,610	1,872,363	563,478,950
Net loss of the year	-	-	-	-9,739	-9,739
Balance as of 31 December 2009	87,307,832	471,884,145	2,414,610	1,862,624	563,469,211

TITAN CEMENT ATLANTIC S.A.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2009
(AMOUNTS IN EURO)

	2009	2008
Cash flows from operating activities		
Profit/ (losses) before taxes	-9,739	2,040,539
<i>Adjustments in relation to the following transactions:</i>		
Income from participations	-	-2,511,915
Interest Income	-2,910	-90,878
Operating losses before changes in working capital	-12,649	-562,254
Decrease in trade and other receivables	5,773	758,356
(Decrease)/ increase in other short-term liabilities (except borrowings)	1,460	-38,160
Cash generated from operations	-5,416	157,942
Net cash inflows/ (outflows) from Operating Activities (a)	-5,416	157,942
Cash flow from investing activities		
Proceeds from Dividends	-	2,511,915
Increase in participations	-	-313,741,078
Interest received	3,033	90,964
Net cash (outflows)/inflows from Investing Activities (b)	3,033	-311,138,199
Cash flow from financing activities		
Share capital increase		314,248,159
Bank expenses	-123	-86
Dividends paid		-3,147,647
Net cash flows from Financing Activities (c)	-123	311,100,426
Net Increase/ (Decrease) in cash and cash equivalents (a+b+c)	-2,506	120,169
Cash and cash equivalents at the beginning of the year	131,759	11,590
Cash and cash equivalents at the end of the year	129,253	131,759