TITAN EGYPTIAN INVESTMENTS LIMITED
AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2009

Ref: 1378400
Sims: 58922

REPORT OF THE DIRECTORS

The Directors present their report and the audited financial statements for the year ended 31st December 2009.

INCORPORATION

The Company is incorporated in Jersey, Channel Islands.

ACTIVITIES

The principal activity of the Company is investment holding.

RESULTS AND DIVIDENDS

The profit for the year amounted to € 39,103,666 (2008: € 27,792,042).

Dividends paid during the year amounted to € 39,000,000 (2008: € 28,593,489).

DIRECTORS

The Directors who held office during the year and subsequently were:-

Stamatis Douzinas
Dimitri Papalexopoulos
Michael Sigalas
Fokion Tasoulas Appointed 29 January 2010

AUDITORS

Ernst & Young LLP have expressed their willingness to continue in office.

REGISTERED OFFICE

22 Grenville Street, St. Helier, Jersey, Channel Islands, JE4 8PX

BY ORDER OF THE BOARD

Authorised Signatory
Mourant & Co. Secretaries Limited

Date: 17/05/10

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Jersey Company law requires the Directors to prepare financial statements for each period, in accordance with any generally accepted accounting principles. The financial statements of the Company are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors should:

* select suitable accounting policies and then apply them consistently;
* make judgements and estimates that are reasonable and prudent;
* specify which generally accepted accounting principles have been adopted in their presentation; and
* prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which are sufficient to show and explain its transactions and are such as to disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements prepared by the Company comply with the requirements of the Companies (Jersey) Law 1991. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ERNST & YOUNG

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF TITAN EGYPTIAN INVESTMENTS LIMITED

We have audited the Company's financial statements for the year ended 31 December 2009 which comprise the Balance Sheet, Income Statement, Statement of Changes in Equity and the Cash Flow Statement and the related notes 1 to 10. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Article 110 of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the Company's members those matters that we are required to state to them in an auditors' 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.

Respective responsibilities of directors and auditors

The directors are responsible for the preparation of the financial statements in accordance with applicable Jersey law as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies (Jersey) Law 1991. We also report to you if, in our opinion, the Company has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view, in accordance with International Financial Reporting Standards, of the state of the Company's affairs as at 31 December 2009 and of its results for the year then ended and have been properly prepared in accordance with the Companies (Jersey) Law 1991.

G. Davies

Geraint Davies
For and on behalf of Ernst & Young LLP
Jersey, Channel Islands

Date: 18 May 2010

BALANCE SHEET

AS AT 31ST DECEMBER 2009

	Notes	2009	2008
ASSETS		€	€
Non-current assets			
Investments in subsidiaries	2	235,550,421	230,600,421
Cash and cash equivalents	3	93,185	23,853
TOTAL ASSETS		€ 235,643,606	€ 230,624,274
EQUITY AND LIABILITIES			
Share capital	5	223,119,446	218,209,446
Retained earnings		12,502,315	12,398,649
TOTAL SHAREHOLDERS' EQUITY		235,621,761	230,608,095
Current liabilities			
Trade and other payables	4	21,845	16,179
TOTAL EQUITY AND LIABILITIES		€ 235,643,606	€ 230,624,274

The financial statements were approved and authorised for issue by the Board of Directors on the 13th day of May ~~2009~~ 2010 and were signed on its behalf by:

Director:

Director:

(The notes on pages 8 to 14 form part of these financial statements)

TITAN EGYPTIAN INVESTMENTS LIMITED

INCOME STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2009

	Note	2009	2008
		€	€
INCOME:			
Bank interest income		21	17,560
Profit on exchange		-	35,429
Shareholders loan written off		3	-
Reversal of provision for impairment loss - East Cement	2	-	581,315
Dividends from related undertaking		40,318,956	27,202,640
		40,318,980	27,836,944
EXPENDITURE:			
Loss on exchange		1,166,912	-
Audit fees		9,528	10,448
Accountancy fee		19,492	13,165
Mourant secretarial and administration fees		17,313	18,427
ISE fee		233	-
Annual filing fee		175	208
Exempt company fee		-	832
Bank interest and charges		1,661	1,822
		1,215,314	44,902
NET PROFIT FOR THE YEAR		€ 39,103,666	€ 27,792,042

(The notes on pages 8 to 14 form part of these financial statements)

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST DECEMBER 2009

	Share Capital €	Retained earnings €	Total €
Balance at 1st January 2008	218,209,446	13,200,096	231,409,542
Profit for the year	-	27,792,042	27,792,042
Dividends paid to related undertaking	-	(28,593,489)	(28,593,489)
Balance at 31st December 2008	€ 218,209,446	€ 12,398,649	€ 230,608,095
Balance at 1st January 2009	218,209,446	12,398,649	230,608,095
Issue of share capital	4,910,000	-	4,910,000
Profit for the year	-	39,103,666	39,103,666
Dividends paid to related undertaking	-	(39,000,000)	(39,000,000)
Balance at 31st December 2009	€ 223,119,446	€ 12,502,315	€ 235,621,761

(The notes on pages 8 to 14 form part of these financial statements)

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2009

	Note	2009	2008
		€	€
Cash flows from operating activities			
Operating profit for the year		39,103,666	27,792,042
Bank interest receivable		(21)	(17,560)
Increase/(Decrease) in trade and other payables		5,666	(9,221)
Net cash flow from operating activities		39,109,311	27,765,261
Cash flows from investing activities			
Bank interest received		21	17,560
Payments to acquire investments in East Cement Trade Limited		(4,950,000)	-
Net cash flows used in investing activities		(4,949,979)	17,560
Cash flows from financing activities			
Proceeds from issue of share capital		4,910,000	-
Equity dividends paid		(39,000,000)	(28,593,489)
Net cash flows used in financing activities		(34,090,000)	(28,593,489)
Net Increase/(Decrease) in cash and cash equivalents		69,332	(810,668)
Cash and cash equivalents at beginning of year		23,853	834,521
Cash and cash equivalents at end of year	3	€ 93,185	€ 23,853

(The notes on pages 8 to 14 form part of these financial statements)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2009

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation and statement of compliance

These financial statements have been prepared under the historical cost basis and in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board (IASB)

Accounting for investments in subsidiaries

Under International Accounting Standard No 27 (Consolidated and seperate Financial Statements) the Company is required to prepare consolidated financial statements unless each shareholder produces consolidated financial statements available for public use that comply with IFRS. The Company's financial statements contain information of Titan Egyptian Investments Limited ("TEIL") as an individual company and do not contain consolidated financial statements as parent of its 95% owned subsidiary company, Beni Suef Cement Company, nor its 100% owned subsidiaries Alexandria Development Limited and East Cement Trade Limited, nor its 88.45% owned subsidiary Alexandria Portland Cement Company. The Directors have taken exemption from preparing consolidated financial statements, as the shareholder will account, for its interest in the Company's subsidiaries, directly in its own group financial statements which are publicly available at 22 A Halkidos Street, GR 111 Athens, 43 Greece and comply with IFRS. Consequently, the investments in subsidiary companies are accounted for at cost less impairment.

Changes in accounting policy and disclosures

The accounting policies adopted are consistent with those of the previous financial year. The Company has not had to adopt any of the new and amended IFRS and IFRIC interpretations as of 1 January 2009.

Significant accounting judgments

The preparation of the Company's financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of the asset or liability affected in future periods.

In the process of applying the Company's accounting policies, management has not had to make any judgments which may have significant effect on the amounts recognised in the financial statements.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is discussed below:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-financial assets

An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell is based on available data from audited financial statements of the underlying investment less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short term deposits with an original maturity of three months or less.

Foreign currency translation

a) Currency of domicile, functional currency and presentation currency;

The currency of domicile is GBP (pounds sterling). Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Euro, which is the Company's functional and presentation currency.

b) 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.

Dividend income

Dividend revenue and expense is recognised when the right to receive or pay such dividend is established.

Interest income and expense

Interest income and expense are recognised in the income statement on an accrual basis.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Standards issued but not yet effective

New accounting standard, IFRS 9 (Replacement of IAS 39), "Financial Instruments: Recognition and Measurement": IFRS 9 is mandatory for accounting periods commencing from 1 January 2013. However, IFRS 9 may be early adopted at any time from 12 November 2009 onwards. The main changes resulting from the replacement of IAS 39 by IFRS 9 are changes to the permitted classifications and subsequent measurement of financial instruments. However, in the opinion of the Directors adoption of IFRS 9 will result in no material changes to the Company's financial statements."

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Standards issued but not yet effective - continued

IFRIC 17 - Distributions of non cash assets to owners - This interpretation is effective for annual periods beginning on or after 1 July 2009 with early application permitted. It provides guidance on how to account for non cash derivatives to owners. The interpretation clarifies when to recognise a liability, how to measure it and the associated assets, and when to dereognise the asset and liability. The Company does not expect IFRIC 17 to have an impact on the financial statements as the Company has not made non-cash distributions to shareholders in the past.

2. INVESTMENTS IN SUBSIDIARIES

	2009 €	2008 €
Beni Suef Cement Company 49,399,000 ordinary shares of €2 each	170,460,047	170,460,047
Alexandria Development Limited 36,321,993 ordinary shares of €2 each	60,140,374	60,140,374
East Cement Trade Limited (747,810 plus 4,950,000) 10,786 (2008: 525,976) ordinary shares of CYP£1 each	5,697,810	747,810
- Less provision for impairment	(747,810)	(747,810)
	€ 235,550,421	€ 230,600,421

	2009	2008
Beni Suef Cement Company		
Percentage of shares held	95%	95%

Beni Suef Cement Company is incorporated in Egypt and its principal business activity is that of cement manufacturing.

	2009	2008
Alexandria Development Limited		
Percentage of shares held	100%	100%
East Cement Trade Limited		
Percentage of shares held	100%	100%

East Cement Trade Limited is incorporated in Cyprus and its principal business activity is that of investment holding. The investment in East Cement Trade Limited was increased by €4,950,000 in September 2009.

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2009

3. CASH AND CASH EQUIVALENTS

	2009	2008
Deposits with Citibank International Plc	92,645	23,303
Deposits with HSBC Bank Plc	540	550
	€ 93,185	€ 23,853

4. TRADE AND OTHER PAYABLES

	2009	2008
Accrued expenses	21,845	16,176
Shareholders' loan	-	3
	€ 21,845	€ 16,179

The loan payable to the shareholders is unsecured, interest free and there is no specified repayment date.

5. SHARE CAPITAL

	2009	2008
AUTHORISED: "A" Shares 111,854,723 ordinary shares of €1.00 each	111,854,723	109,104,723
AUTHORISED: "B" Shares 111,854,723 ordinary shares of €1.00 each	111,854,723	109,104,723
	€ 223,709,446	€ 218,209,446
ISSUED AND FULLY PAID: "A" Shares 111,559,723 ordinary shares of €1.00 each	111,559,723	109,104,723
ISSUED AND FULLY PAID: "B" Shares 111,559,723 ordinary shares of €1.00 each	111,559,723	109,104,723
	€ 223,119,446	€ 218,209,446

All ordinary shares carry equal rights on voting, dividends and winding up of the Company.

On 10th September 2009 the authorised share capital was increased from 218,209,446 to 223,709,446 by the creation of 2,750,000 additional 'A' shares of €1.00 each, and 2,750,000 additional 'B' shares of €1.00.

On 15th September 2009 2,455,000 new 'A' shares, and 2,455,000 new 'B' shares were issued and the Company received €4,910,000.

Dividends paid

	2009	2008
Dividends paid per share	€ 0.175	€ 0.128

6. TAXATION

With effect from the 2009 year of assessment Jersey abolished the exempt company regime for existing companies. Profits arising in the Company for the 2009 year of assessment and future periods will be subject to a tax at the rate of (0%/10%). In the prior year the Company was exempt from taxation under the provisions of Article 123A of the Income Tax (Jersey) Law 1961 as amended.

7. CONTROLLING PARTY

The Company is wholly owned by Iapetos Limited, incorporated in Cyprus.

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

8. RELATED PARTIES

All identified related parties' transactions have been disclosed in the financial statements.

9. CAPITAL MANAGEMENT

Capital includes equity attributable to the equity holders.

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 of 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.

No changes were made in the objectives, policies or processes during the years ending 31 December 2009 and 31 December 2008.

10. FINANCIAL RISK MANAGEMENT

a) Financial risk factors

The Company's activities expose it to interest rate risk, credit risk, liquidity risk and currency risk arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

i) Market risk

Interest rate risk

Interest rate is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. Interest income earned on cash at bank is susceptible to changes in market interest rates. The Company's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

Interest rate is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. Interest income earned on cash at bank is susceptible to changes in market interest rates. The Company's management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

10. FINANCIAL RISK MANAGEMENT - continued

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company functional currency. The Company's policy is not to enter into any currency hedging transactions. At year-end the Company's exposure to foreign risk is summarised below:

	2009		2008	
	Financial Assets	Financial Liabilities	Financial Assets	Financial Liabilities
Denominated in US$	5,683		4,460	
Denominated in GBP		21,845		16,176
Denominated in Egyptian Pounds	507		550	
	€ 6,190	€ 21,845	€ 5,010	€ 16,176

Sensitivity

As disclosed above, in the Directors' opinion, there is no significant net interest rate risk to the Company, nor is there any significant currency rate risk to the Company.

IFRS 7 requires disclosure of "a sensitivity analysis for each type of market risk to which the entity is exposed at the reporting date, showing how profit or loss and equity would have been affected by changes in the relevant risk variable that were reasonably possible at that date."

Whilst the financial instruments held by the Company are separately exposed to interest rate risk, currency risk and market price risk, the profit or loss and equity of the Company is not exposed to any significant net interest rate, net currency or market price risk.

The Company's subsidiaries may be exposed to interest rate risk, currency risk and market price risk which are ultimately monitored and managed by Titan plc and could impact the value of the Company's investments. As the Directors do not monitor the risks of the Titan group and its subsidiaries and there is no significant exposure at Company level, in the Directors' opinion, no sensitivity analysis is required to be disclosed.

ii) Credit risk

The Company has no significant concentration of credit risk. Financial assets which potentially subject the company to concentrations of credit risk consist principally of cash and cash equivalents and trade and other receivables. The company's cash is placed with quality financial institutions. Trade and other receivables represent amounts due from related parties which are unsecured and interest free.

10. FINANCIAL RISK MANAGEMENT - continued

iii) Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimizing such losses, such as maintaining sufficient cash and other highly liquid current assets.

The table below summarizes the maturity profile of the Company's financial liabilities as at the year end.

2009

	On demand €	Less than 3 months €	3 to 6 months €	6 to 12 months €	1 to 5 years €	Total €
Trade and other payables	-	21,845	-	-	-	21,845

2008

	On demand €	Less than 3 months €	6 to 12 months €	1 to 5 years €	> 5 years €	Total €
Trade and other payables	-	16,179	-	-	-	16,179

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.

	Carrying amount		Fair value	
	2009 €	2008 €	2009 €	2008 €
Financial assets:				
Receivables and prepayments	-	-	-	-
Cash and cash equivalents	93,185	23,853	93,185	23,853
Financial liabilities				
Trade and other payables	21,845	16,179	21,845	16,179