TITAN EGYPTIAN INVESTMENTS LIMITED
AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2010

Ref: 1378400
Sims: 58922

REPORT OF THE DIRECTORS

The Directors present their report and the audited financial statements for the year ended 31st December 2010.

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 € 328,771,319 (2009: € 40,270,578).

Dividends paid during the year amounted to € 141,880,000 (2009: € 39,000,000).

DIRECTORS

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

Stamatis Douzinas	Resigned 1 September 2010
Dimitri Papalexopoulos	Resigned 1 June 2011
Michael Sigalas	Resigned 1 June 2011
Fokion Tasoulas	Appointed 29 January 2010, Resigned 1 June 2011
Vassilios Zarkalis	Appointed 1 September 2010, Resigned 1 June 2011
Spyroulla Papaeracieous	Appointed 1 June 2011
Artemisia Antoniou	Appointed 1 June 2011
Chris Ruark	Appointed 1 June 2011
Gareth Essex-Cater	Appointed 1 June 2011

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
State Street Secretaries (Jersey) Limited - formerly: Mourant & Co. Secretaries Limited

Date: 29/06/11

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 financial statements of Titan Egyptian Investments Limited for the year ended 31 December 2010 which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Cash Flow Statement and the related notes 1 to 11. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards.

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Audited Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its result for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Jersey) Law 1991 requires us to report to you if, in our opinion:

- proper accounting records have not been kept, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

G. Davies

Geraint Davies
for and on behalf of Ernst & Young LLP
Jersey
Date: 6 July 2011

STATEMENT OF FINANCIAL POSITION

AS AT 31ST DECEMBER 2010

	Notes	2010	2009
ASSETS		€	€
Non-current assets			
Investments in subsidiaries	2	328,405,423	235,550,421
Amounts due from APCC	4	98,716,823	-
		427,122,246	235,550,421
Current assets			
Cash and cash equivalents	3	347,017	93,185
TOTAL ASSETS		€ 427,469,262	€ 235,643,606
EQUITY AND LIABILITIES			
Share capital	6	223,119,446	223,119,446
Retained earnings		204,170,054	12,502,315
TOTAL SHAREHOLDERS' EQUITY		427,289,500	235,621,761
Current liabilities			
Trade and other payables	5	179,763	21,845
TOTAL EQUITY AND LIABILITIES		€ 427,469,264	€ 235,643,606

The financial statements were approved and authorised for issue by the Board of Directors on the 29th day of June 2011 and were signed on its behalf by:

Director:

Christopher Ruark
Director

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

TITAN EGYPTIAN INVESTMENTS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST DECEMBER 2010

	Note	2010	2009
		€	€
INCOME:			
Bank interest income		2,372	21
Loan interest receivable		734,119	-
Profit on exchange			-
Shareholders loan written off		-	3
Dividends from related undertaking		51,901,709	40,318,956
Gain on sale of investment		276,343,782	-
		328,981,982	40,318,980
EXPENDITURE:			
Loss on exchange		-	
Audit fees		8,615	9,528
IFC deal expenses		161,529	-
Accountancy fee		16,725	19,492
State Street secretarial and administration fees		14,326	17,313
ISE fee		118	233
Legal fees		7,318	-
Annual filing fee		177	175
Bank interest and charges		1,625	1,661
Share expenses		230	-
		210,664	48,402
NET PROFIT FOR THE YEAR		€ 328,771,319	€ 40,270,578
Other Comprehensive Income			
Profit/(Loss) on exhange		4,776,421	(1,166,912)
		4,776,421	(1,166,912)
Total Comprehensive Income		333,547,739	39,103,666

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

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST DECEMBER 2010

	Share Capital €	Retained earnings €	Total €
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
Balance at 1st January 2010	223,119,446	12,502,315	235,621,761
Issue of share capital	-	-	-
Profit for the year	-	333,547,739	333,547,739
Dividends paid to related undertaking	-	(141,880,000)	(141,880,000)
Balance at 31st December 2010	€ 223,119,446	€ 204,170,054	€ 427,289,500

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

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31ST DECEMBER 2010

	Note	2010	2009
		€	€
Cash flows from operating activities			
Operating profit for the year		333,547,739	39,103,666
(Increase) in trade and other receivables		(393,242,655)	-
Bank interest receivable		(2,372)	(21)
Increase in trade and other payables		170,550,899	5,666
Net cash flow from operating activities		110,853,610	39,109,311
Cash flows from investing activities			
Bank interest received		2,372	21
Payments to acquire investments		31,277,849	(4,950,000)
Net cash flows used in investing activities		31,280,222	(4,949,979)
Cash flows from financing activities			
Proceeds from issue of share capital		-	4,910,000
Equity dividends paid		(141,880,000)	(39,000,000)
Net cash flows used in financing activities		(141,880,000)	(34,090,000)
Net Increase in cash and cash equivalents		253,832	69,332
Cash and cash equivalents at beginning of year		93,185	23,853
Cash and cash equivalents at end of year	3	€ 347,017	€ 93,185

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

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 2010.

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.

New accounting standards, amendments to existing accounting standards and/or interpretations of existing accounting standards (separately or together, "New Accounting Requirements") adopted during the current period/year

In the opinion of the Directors, there are no mandatory New Accounting Requirements applicable in the current period/year that have any bearing on the operating activities and disclosures of the Company. Consequently, no New Accounting Requirements are listed.

The Company has not adopted any New Accounting Requirements that are not mandatory.

NOTES TO THE FINANCIAL STATEMENTS - (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2010

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-mandatory New Accounting Requirements not yet adopted

The following New Accounting Requirements have been issued. However, such New Accounting Requirements are either not yet permitted to be adopted, or are not yet mandatory and have not yet been adopted by the Company. All other New Accounting Requirements have no bearing on the operating activities and disclosures of the Company, and consequently have not been listed.

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. IFRS 9 retains the mixed measurement model and establishes two primary measurement categories for financial assets: amortised cost and fair value. The basis for classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset.

The Directors have made an assessment of the impact of applicable New Accounting Requirements that are either not yet permitted to be adopted, or are not yet mandatory and have not yet been adopted by the Company. In the Directors' opinion, early adoption of IFRS 9 would result in no material impact on the reported performance or financial position of the Company.

2. INVESTMENTS IN SUBSIDIARIES

	2010 €	2009 €
Beni Suef Cement Company 10 ordinary shares (2009: 49,399,000)	34	170,460,047
Alexandria Development Limited 151,855,452 ordinary shares of €2 each (2009: 36,321,993)	293,368,323	60,140,374
East Cement Trade Limited (747,810 plus 4,950,000) 23,806 (2009: 10,786) ordinary shares of CYP£1 each	18,717,810	5,697,810
- Less provision for impairment	(747,810)	(747,810)
KOCEM Limited 18,660 ordinary shares	17,067,066	-
	€ 328,405,423	€ 235,550,421

	2010	2009
Beni Suef Cement Company		
Percentage of shares held	0.001%	95%

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

	2010	2009
Alexandria Development Limited		
Percentage of shares held	83%	100%
East Cement Trade Limited		
Percentage of shares held	100%	100%
Kocem Limited		
Percentage of shares held		0%

3. CASH AND CASH EQUIVALENTS

	2010	2009
Deposits with Citibank International Plc	346,473	92,645
Deposits with HSBC Bank Plc	544	540
	€ 347,017	€ 93,185

4. LOAN RECEIVABLE

	2010	2009
Alexandria Portland Cement Company	97,982,704	-
Loan interest	734,119	-
	€ 98,716,823	€ -

5. TRADE AND OTHER PAYABLES

	2010	2009
Invoices received not paid	159,922	-
Accrued expenses	19,841	21,845
	€ 179,763	€ 21,845

6. SHARE CAPITAL

	2010	2009
AUTHORISED: "A" Shares 111,854,723 ordinary shares of €1.00 each	111,854,723	111,854,723
AUTHORISED: "B" Shares 111,854,723 ordinary shares of €1.00 each	111,854,723	111,854,723
	€ 223,709,446	€ 223,709,446
ISSUED AND FULLY PAID: "A" Shares 111,559,723 ordinary shares of €1.00 each	111,559,723	111,559,723
ISSUED AND FULLY PAID: "B" Shares 111,559,723 ordinary shares of €1.00 each	111,559,723	111,559,723
	€ 223,119,446	€ 223,119,446

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

Dividends paid	2010	2009
Dividends paid per share	€ 0.636	€ 0.175

7. TAXATION

Profits arising in the Company for the 2010 Year of Assessment will be subject to Jersey Income Tax at the rate of 0% (2009: 0%).

8. 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.

9. RELATED PARTIES

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

C. Ruark and G. Essex-Cater are Directors of the Company. During the reporting period each of C. Ruark and G. Essex-Carter was an employee of a subsidiary of State Street Corporation ("SSC"). Affiliates of SSC provide ongoing administrative services to the Company at commercial rates.

10. 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 2010 and 31 December 2009.

11. 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.

The Company holds no interest bearing assets and liabilities and as such any changes in interest rates have no impact and as such are not significant to the Company.

11. 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. As a holding company 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:

	2010		2009	
	Financial Assets	Financial Liabilities	Financial Assets	Financial Liabilities
Denominated in US$	5,683		5,683	
Denominated in GBP		19,841		21,845
Denominated in Egyptian Pounds	546		507	
	€ 6,229	€ 19,841	€ 6,190	€ 21,845

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.

11. 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.

2010	On demand €	Less than 3 months €	3 to 6 months €	6 to 12 months €	1 to 5 years €	Total €
Trade and other payables	-	179,763	-	-	-	179,763

2009	On demand €	Less than 3 months €	6 to 12 months €	1 to 5 years €	> 5 years €	Total €
Trade and other payables	-	21,845	-	-	-	21,845

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	
	2010 €	2009 €	2010 €	2009 €
Financial assets:				
Receivables and prepayments	-	-	-	-
Cash and cash equivalents	347,017	93,185	347,017	93,185
Financial liabilities				
Trade and other payables	179,763	21,845	179,763	21,845