

Titan Cement Netherlands B.V.

Amsterdam

financial statements for the year 2010

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DIRECTORS' REPORT

Report of the directors of Titan Cement Netherlands B.V. for the financial year 2010.

Overview of activities

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 2010 up to and including 31 December 2010 the company has realised a profit of EUR 23,450,420.

Personnel

The company had no employees during the year.

Future developments

It is the company's intention to continue its activities during 2011.

Amsterdam Schiphol, 29 April 2011

The board of directors



Mr. Panayiotis Christodoulou

FTC Trust B.V.

J.B.A.H. Willems



BALANCE SHEET AS PER 31 DECEMBER 2010

(Before proposed appropriation of results)

		<u>31-12-2010</u>	<u>31-12-2009</u>
		EUR	EUR
ASSETS			
<u>Financial fixed assets</u>			
Participation	4	26,984,552	26,984,552
<u>Current assets</u>			
Corporate income tax receivable	5	85,171	55,502
Cash at banks and in hand	6	85,270	109,063
		<u>170,441</u>	<u>164,565</u>
TOTAL ASSETS		<u><u>27,154,993</u></u>	<u><u>27,149,117</u></u>
LIABILITIES			
<u>Capital and reserves</u>			
Issued and paid-up share capital	7	20,010	20,010
Share premium		26,212,242	26,212,242
Retained earnings		896,062	888,916
Dividend paid		-23,443,716	-34,871,427
Result for the year		23,450,420	34,878,573
		<u>27,135,018</u>	<u>27,128,314</u>
<u>Short-term liabilities</u>			
Other liabilities	8	19,975	20,803
TOTAL LIABILITIES		<u><u>27,154,993</u></u>	<u><u>27,149,117</u></u>

PROFIT AND LOSS ACCOUNT FOR THE FINANCIAL YEAR 2010

		<u>2010</u>	<u>2009</u>
		EUR	EUR
<u>General expenses</u>			
Consultancy fee		4,522	8,509
Audit costs		14,280	14,280
Administration costs		1,158	1,737
Management fee		21,429	23,528
Notary fee		--	111
Bank charges		2,596	2,803
Other costs		201	345
		<u>44,186</u>	<u>51,313</u>
<u>Operating result</u>		<u>-44,186</u>	<u>-51,313</u>
<u>Financial result</u>			
Interest income		1,479	3,962
Interest costs		-4	-2,276
Realised currency exchange difference result		34,935	-33,108
		<u>36,410</u>	<u>-31,422</u>
Result participation	9	<u>23,458,325</u>	<u>34,940,081</u>
<u>Result for the financial year before taxation</u>		23,450,549	34,857,346
Corporate income tax	10	-129	21,227
<u>Result for the financial year after taxation</u>		<u><u>23,450,420</u></u>	<u><u>34,878,573</u></u>

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.

The 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)

e. 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 2010 annual report of Titan Cement Company S.A. will be separately filed at the office of the Trade Register in Amsterdam.

4. Participation

This refers to a 94,84% participation in “USJE” Cementarnica AD, in the Republic of Macedonia. The participation is valued at historical cost price, the net asset value as per December 31, 2010 is € 45,981,500 (MKD 2,876,878,000).

5. Corporate income tax receivable

The corporate income tax receivable is comprised as follows:

	<u>31-12-2010</u>	<u>31-12-2009</u>
	EUR	EUR
Preliminary payment corporate income tax 2009	--	34,275
Adjustment corporate income tax 2008 due to carry back of loss 2009	21,098	21,227
Preliminary payment corporate income tax 2010	64,073	--
	<u>85,171</u>	<u>55,502</u>

6. Cash at banks and in hand

The current accounts are at free disposal of the company.

NOTES (continued 2)

7. Capital and reserves

The company's authorised share capital amounts to EUR 100,000 divided into ten thousand shares with a nominal value of € 10 each.

EUR 20,010 has 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 1.1.2010	20,010	26,212,242	888,916	-34,871,427	34,878,573	27,128,314
Appropriation of 2009 result	--	--	7,146	34,871,427	-34,878,573	--
Interim Dividend	--	--	--	-23,443,716	--	-23,443,716
Result 2010	--	--	--	--	23,450,420	23,450,420
Closing balance 31.12.2010	20,010	26,212,242	896,062	-23,443,716	23,450,420	27,135,018

8. Other liabilities

The other liabilities are comprised as follows:

	31-12-2010	31-12-2009
	EUR	EUR
Creditors	3,910	4,738
Accrued expenses	16,065	16,065
	<u>19,975</u>	<u>20,803</u>

NOTES (continued 3)

9. Result participation

During the year a dividend of EUR 23,458,325 (MKD 1,444,673,389) 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 loss of EUR 7,776. The corporate income tax 2010 due is nil. Therefore the preliminary corporate income tax 2010 of EUR 64,073 previously paid, will be displayed as a receivable at the end of the year.

	<u>2010</u>	<u>2009</u>
	EUR	EUR
Adjustment corporate income tax 2008 due to carry back of 2009 loss	129	-21,227
	<u>129</u>	<u>-21,227</u>

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.

Titan Cement Netherlands B.V., Amsterdam

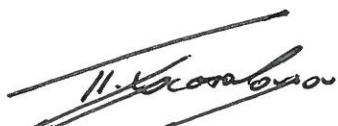
NOTES (continued 4)

12. Directors

The company has two directors, both received remuneration for activities in their capacity during the year.

Amsterdam Schiphol, 29 April 2011

The board of directors:



Mr. Panayiotis Christodoulou



FTC Trust B.V.

J.B.A.H. Willems

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 EUR 23,4 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.

4. AUDITORS' REPORT

The auditors' report has been entered after this page.

Independent auditor's report

To: Titan Cement Netherlands B.V., Amsterdam

Report on the financial statements

We have audited the accompanying financial statements 2010 of Titan Cement Netherlands B.V., Amsterdam, which comprise the balance sheet as at December 31, 2010, the profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements and for the preparation of the directors' report, both in accordance with Part 9 of Book 2 of the Dutch Civil Code . Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the 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 Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 with respect to the financial statements

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, 2010 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the directors' report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed. Further we report that the directors' report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Amsterdam, April 29, 2011

Ernst & Young Accountants LLP



C.N.J. Verhart