Registered no: 06199510

Titan Global Finance Plc

Annual Report and Financial Statements for the year ended 31 December 2010

Titan Global Finance Plc

Annual Report and Financial Statements for the year ended 31 December 2010

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Titan Global Finance Plc

Company information

Directors:	CR Field KV Fittler G Kyrtatos LH Wilt Jr
Secretary:	Rollits Company Secretaries Limited
Registered Auditors:	Ernst & Young LLP PO Box 3 Lowgate House Lowgate Hull HU1 1JJ
Bankers:	Banc of America PO Box 407 5 Canada Square London E14 5AQ
Solicitors:	Rollits Wilberforce Court High Street Hull HU1 1YJ
Registered office:	No 12 Shed King George Dock Hull HU9 5PR United Kingdom
Registered number:	06199510

Titan Global Finance Plc

Directors' report
for the year ended 31 December 2010

The directors present their annual report and audited financial statements for the year ended 31 December 2010. These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS as adopted by the EU), IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS.

Principal activity
The principal activity of the company continues to be acting as an intermediate finance company for the Titan Group's operations by raising and providing funding to other Titan Group companies.

Titan Group includes Titan Cement Company S.A. and its subsidiaries.

The company is a limited company, domiciled and incorporated in the United Kingdom. The registered office and principal place of business is No 12 Shed, King George Dock, Hull, United Kingdom.

Review of business
During the course of 2010, the company continued to carry out its operations as the Titan Group's funding vehicle, drawing down on bank and non-bank facilities and extending financing to Group companies, being subsidiaries of Titan Cement Company S.A. At the same time, the company has been extending financing to Titan Group companies, from funds sourced from the company's own cash reserves (financed by shareholders' funds) or from funds sourced from Titan Group's cash-rich companies. In December 2010, a €50,000,000 non-utilised, bilateral revolving credit facility expired and was not rolled over.

As at 31 December 2010 the company had committed undrawn bank facilities of approximately €574,000,000 and had committed undrawn loans offered to Group companies of approximately €82,000,000 equivalent.

During 2010, the company reclassified current liabilities of approximately €150,000,000 to longer term loans by the rolling over and extension of existing Group loans/facilities.

The board has assessed that the key performance indicators that are the most effective indicators of achieving company objectives include:

Liquidity ratio (measured as the ratio of unutilised long term committed facilities and cash over short term debt)

The company's key performance indicators during the year were as follows:

	2010	2009
Liquidity ratio	53.46	3.34

The liquidity ratio has increased due to a conversion of short term debt into long term debt.

The nature of the company's business means that it is essential to have available external funds to be able to provide funding to relevant subsidiaries as required. External funding is guaranteed by Titan Cement Company S.A., the company's immediate and ultimate parent company.

Principal risks and uncertainties and financial risk management
The principal risks of the company are monitored by the directors.

The company's operations expose it to a variety of financial risks, including credit risk, liquidity risk, foreign exchange risk and interest rate risk. Please see note 2 to the financial statements for further information.

Titan Global Finance Plc

Directors' report
for the year ended 31 December 2010 (continued)

Future developments
The directors aim to maintain the management policies which have resulted in this year's stability and profits.

The company's operations are aligned with the Titan Group's strategic priorities with respect to optimisation of funding and cash management needs. As the Group's funding vehicle, the company is reliant on its parent for support through the guarantees the latter provides to secure the company's external financing. The Group will continue to focus on producing positive free cash flow and cost reduction so as to reduce net debt.

Subsequent events
On 5 January 2011, the company executed a €585,000,000 syndicated forward start facility that extended its existing €800,000,000 revolving credit facility with Banc of America Securities Limited as agent to 2015.

The Advanced Thin Capitalisation Agreement (ATCA) with the UK Tax Authorities (HMRC) was successfully rolled over until the end of 2012, under similar terms to the existing agreement.

Going Concern
As stated above the company executed a €585,000,000 syndicated forward start facility that extended its existing €800,000,000 revolving credit facility with Banc of America Securities Limited as agent to 2015. Therefore the continued instability of the financial markets is not expected to significantly impact the company in the next 12 months. Borrowings are guaranteed by Titan Cement Company S.A., the company's parent undertaking.

The Board Of Directors declares that the Titan Cement Company S.A. and Group have adequate resources to ensure continued operations as a going concern for the foreseeable future.

The directors have a reasonable expectation that the company has and shall continue to have adequate resources to continue being in an operational state for the foreseeable future of at least 12 months from the date of this report. Therefore the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Results and dividends
Total comprehensive income for the year amounted to €211,000 (2009: €2,326,000). The directors do not recommend the payment of a dividend for the year (2009: €nil).

Directors
The directors who served during the year and up to the date of this report were:

CR Field
KV Fittler (appointed 22 March 2010)
G Kyrtatos (appointed 24 September 2010)
C Mazarakis (resigned 22 March 2010)
T Papoui (resigned 22 March 2010)
MCB Williamson (deceased 20 March 2010)
LH Wilt Jr (appointed 22 March 2010)
E Voulgaridis (appointed 22 March 2010, resigned 24 September 2010)

Policy and practice on payment of creditors
It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, providing that all terms and conditions have been complied with.

At 31 December 2010, the company had an average of 9 days of purchases outstanding in trade creditors (2009: 11 days).

Titan Global Finance Plc

Directors' report
for the year ended 31 December 2010 (continued)

Disclosure of information to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor
In the absence of any notice proposing to terminate their appointment, Ernst & Young LLP will be deemed to be reappointed for the next financial year. Ernst & Young LLP have indicated their willingness to continue in office.

Corporate governance
The Directors are responsible for internal control in the company and for reviewing the effectiveness. Procedures have been designed for safeguarding assets against unauthorised use or disposition; for maintaining proper accounting records; and for the reliability and usefulness of financial information used within the business or for publication. Such procedures are designed to manage rather than eliminate the risk of failure, to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement, errors, losses or fraud.

The procedures enable the company to comply with the regulatory obligations. For further details, refer to notes in the financial statements, particularly note 2 on Financial risk management. In addition, the parent company's audit committee meets regularly with the company's senior finance, risk, internal audit, legal and compliance management to consider the company's financial reporting, the nature and scope of audit reviews and the effectiveness of the systems of internal control, compliance and risk management.

This report was approved by the board on 29 March 2011 and signed on its behalf by:

LH Wilt Jr
Director

KV Fittler
Director

Titan Global Finance Plc

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and financial statements in accordance with applicable United Kingdom law and those International Financial Reporting Standards as adopted by the European Union.

Under Company Law the directors must not approve the financial statements unless they are satisfied that they present fairly the financial position, financial performance and cash flows of the company for that period. In preparing the financial statements the directors are required to:

- select suitable accounting policies in accordance with IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;

- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;

- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and the financial performance;

- state that the company has complied with IFRS, subject to any material departures disclosed and explained in the financial statements; and

- make judgements and estimates that are reasonable and prudent.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 and Article 4 of the IAS Regulation. 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.

Titan Global Finance Plc

Independent auditor's report to the members of Titan Global Finance Plc

We have audited the financial statements of Titan Global Finance Plc for the year ended 31 December 2010, which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Cashflows, the Statements of Changes in Equity and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor
As explained more fully in the Directors' Responsibilities Statement set out on page 5, 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.

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 profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Titan Global Finance Plc (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or 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
- Certain disclosures of directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Ernst & Young LLP

Alastair John Richard Nuttall (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Hull
Date: 30 March 2011

Notes:
1. The maintenance and integrity of the Titan Global Finance Plc and its parent company's web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

2. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Titan Global Finance Plc

Statement of financial position as at 31 December 2010

Registered no: 06199510

	Note	2010 €'000	2009 €'000
Assets			
Non-current assets			
Loans and other receivables	5	**868,509**	834,442
Current assets			
Loans and other receivables	5	**6,584**	24,123
Cash and cash equivalents	6	**642**	31
Current income tax asset		**18**	-
		7,244	24,154
Total assets		**875,753**	858,596
Equity and liabilities			
Equity attributable to owners of the parent			
Ordinary shares	7	**3,287**	3,287
Retained earnings	8	**3,044**	2,833
Total equity		**6,331**	6,120
Liabilities			
Non-current liabilities			
Loans and other payables	9	**335,177**	124,674
Borrowings	10	**523,526**	569,576
		858,703	694,250
Current liabilities			
Loans and other payables	9	**10,719**	158,011
Current income tax liabilities		**-**	215
		10,719	158,226
Total liabilities		**869,422**	852,476
Total equity and liabilities		**875,753**	858,596

The notes on pages 12 to 28 are an integral part of the financial statements.

The financial statements on pages 8 to 28 were authorised for issue by the Board of Directors on 29 March 2011 and were signed on its behalf by:

LH Wilt Jr
Director

KV Fittler
Director

Titan Global Finance Plc

Statement of comprehensive income for the year ended 31 December 2010

	Note	2010 €'000	As restated 2009 €'000
Administrative expenses	11	**(144)**	(229)
Finance income	14	**30,363**	28,016
Finance costs	14	**(29,934)**	(24,556)
Finance income - net	14	**429**	3,460
Profit before income tax		**285**	3,231
Income tax expense	15	**(74)**	(905)
Total comprehensive income		**211**	2,326

All of the activities of the company in 2010 and 2009 relate to continuing operations.

There are no items of other comprehensive income recorded directly in equity.

The notes on pages 12 to 28 are an integral part of these financial statements.

Titan Global Finance Plc

Statement of changes in equity for the year ended 31 December 2010

	Attributable to owners of the parent		
	Share capital	**Retained earnings**	**Total equity**
	€'000	**€'000**	**€'000**
Balance at 1 January 2009	3,287	507	**3,794**
Changes in equity for 2009			
Total comprehensive income for the year	-	2,326	**2,326**
Balance at 31 December 2009	3,287	2,833	**6,120**
Changes in equity for 2010			
Total comprehensive income for the year	-	211	**211**
Balance at 31 December 2010	3,287	3,044	**6,331**

The notes on pages 12 to 28 are an integral part of these financial statements.

Titan Global Finance Plc

Statement of cashflows
for the year ended 31 December 2010

	Note	2010 €'000	2009 €'000
Cash flows from operating activities			
Cash used in operations	16	**(1,218)**	(1,846)
Income tax paid		**(309)**	(991)
Net cash used in operating activities		**(1,527)**	(2,837)
Cash flows from investing activities			
Net loans granted to related parties		**(15,331)**	(146,234)
Interest received		**29,899**	27,291
Net cash generated from/(used in) investing activities		**14,568**	(118,943)
Cash flows from financing activities			
Net proceeds from loans from related parties		**63,319**	123,824
Interest paid		**(29,699)**	(19,861)
Net repayment of borrowings		**(46,050)**	(182,348)
Proceeds from issue of bonds		**-**	200,000
Net cash (used in)/generated from financing activities		**(12,430)**	121,615
Net increase/(decrease) in cash and cash equivalents		**611**	(165)
Cash and cash equivalents at 1 January		**31**	196
Cash and cash equivalents at 31 December	6	**642**	31

The notes on pages 12 to 28 are an integral part of these financial statements.

Titan Global Finance Plc

Notes to the financial statements for the year ended 31 December 2010

1 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation
These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (IFRS as adopted by the EU), IFRIC interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations on future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

Going Concern
As stated in the Director's report the company executed a €585,000,000 syndicated forward start facility that extended its existing €800,000,000 revolving credit facility with Banc of America Securities Limited as agent to 2015. Therefore the continued instability of the financial markets is not expected to significantly impact the company in the next 12 months. Borrowings are guaranteed by Titan Cement Company S.A., the company's parent undertaking.

The directors have a reasonable expectation that the company has and shall continue to have adequate resources to continue being in an operational state for the foreseeable future of at least 12 months from the date of this report. Therefore the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Prior year restatement
The prior year administrative expenses have been restated. The administrative expense amount has been reduced by €1,560,000 which has been restated within Finance Costs in the Statement of Comprehensive Income.

Changes in accounting policies and disclosures

(a) New and amended standards, and interpretations mandatory for the first time for the financial year beginning 1 January 2010 but not currently relevant to the company (although they may affect the accounting for future transactions and events).

- IFRS 3 (revised), 'Business combinations', and consequential amendments to IAS 27, 'Consolidated and separate financial statements'. IAS 28, 'Investments in associates', and IAS 31, 'Interests in joint ventures', are effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009.

  The revised standard continues to apply the acquisitions method to business combinations but with some significant changes compared with IFRS 3. For example, all payments to purchase a business are recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the statement of comprehensive income. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. All acquisition-related costs are expensed.

1 Summary of significant accounting policies (continued)

Changes in accounting policies and disclosures (continued)

- IAS 27 (revised) requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. IAS 27 (revised) has had no impact on the current period, as there have been no transactions with non-controlling interests.

- IAS 1 (amendment), 'Presentation of financial statements'. The amendment clarifies that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non-current. By amending the definition of current liability, the amendment permits a liability to be classified as non-current (provided that the entity has an unconditional right to defer settlement by transfer of cash or other assets for at least 12 months after the accounting period) notwithstanding the fact that the entity could be required by the counterparty to settle in shares at any time.

- IAS 36 (amendment), 'Impairment of assets', effective 1 January 2010. The amendment clarifies that the largest cash-generating unit (or group of units) to which goodwill should be allocated for the purposes of impairment testing is an operating segment, as defined by paragraph 5, of IFRS 8, 'Operating segments' (that is, before the aggregation of segments with similar economic characteristics).

- IFRS 2 (amendments), 'Group cash settled share based payment transactions' effective from 1 January 2010. In addition to incorporating IFRIC 8, 'Scope of IFRS 2', and IFRIC 11, 'IFRS 2 – Group and treasury share transactions', the amendments expand on the guidance in IFRIC 11 to address the classification of group arrangements that were not covered by that interpretation.

- IFRS 5 (amendment), 'Non-current assets held for sale and discontinued operations'. The amendment clarifies that IFRS 5 specifies the disclosures required in respect of non-current assets (or disposal groups) classified as held for sale or discontinued operations. It also clarifies that the general requirements of IAS 1 still apply, in particular paragraph 15 (to achieve a fair presentation) and paragraph 125 (sources of estimation uncertainty) of IAS 1.

(b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2010 and not early adopted.

The company's assessment of the impact of these new standards and interpretations is set out below:

- IFRS 9, 'Financial instruments', issued in November 2009. This standard is the first step in the process to replace IAS 39, 'Financial instruments, recognition and measurement', IFRS 9 introduces new requirements for classifying and measuring financial assets and is likely to affect the company's accounting for it's financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. However, the standard has not yet been endorsed by the EU.

1 Summary of significant accounting policies (continued)

Changes in accounting policies and disclosures (continued)

- Revised IAS 24 (revised), 'Related party disclosures', issued in November 2009. It supersedes IAS 24, 'Related party disclosures', issued in 2003. IAS 24 (revised) is mandatory for periods beginning on or after 1 January 2011. Earlier application, in whole or part, is permitted. However, the standard has not yet been endorsed by the EU.

  The revised standard clarifies and simplifies the definition of a related party and removes the requirement for government related entities to disclose details of all transactions with the government and other government related entities. The company will apply the revised standards from 1 January 2011.

- IAS 32 (amendments), 'Classification of rights issues', issued in October 2009. The amendment applies to annual periods beginning on or after 1 February 2010. Earlier application is permitted. The amendment addresses the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer. Provided certain conditions are met, such rights are now classified as equity regardless of the currency in which the exercise price is denominated. Previously, these issues had to be accounted for as derivative liabilities. The amendment applies retrospectively in accordance with IAS 8 'Accounting policies, changes in accounting estimates and errors'. The company will apply the amended standard from 1 January 2011.

- IFRIC 19, 'Extinguishing financial liabilities with equity instruments', effective 1 July 2010. The interpretation clarifies the accounting by an entity when the terms of a financial liability are renegotiated and result in the entity issuing equity instruments to a creditor of the entity to extinguish all or part of the financial liability (debt for equity swap). It requires a gain or loss to be recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments should be measured to reflect the fair value of the financial liability extinguished. The company will apply the interpretation from 1 January 2011, subject to endorsement by the EU. It is not expected to have any impact on the company's financial statements.

- IFRIC 14 (amendments), 'Prepayments of a minimum funding requirement'. The amendments correct an unintended consequence of IFRIC 14, 'IAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction'. Without the amendments, entities are not permitted to recognise as an asset some voluntary prepayments for minimum funding contributions. This was not intended when IFRIC 14 was issued, and the amendments correct this. The amendments are effective for annual periods beginning 1 January 2011. Earlier application is permitted. The amendments should be applied retrospectively to the earliest comparative period presented. It is not expected to have any impact on the company's financial statements.

- Improvements to IFRS (issued in May 2010). The company expects no impact from the adoption of the amendments on its financial position or performance.

Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the Titan Group. The Group are responsible for allocating resources and assessing the performance of the operating segments.

1 Summary of significant accounting policies (continued)

Functional and presentation currency
The company's functional and presentational currency is the Euro. All financial information presented in Euros has been rounded to the nearest thousand.

The exchange rate ruling of each balance sheet date was as follows:

31 December 2010:	€1 : £0.86075	31 December 2009:	€1 : £0.88810
	€1 : $1.33620		€1 : $1.44060

Foreign currency
Foreign currency transactions are translated into Euros using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured.

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 statement of comprehensive income.

Financial assets
The company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. At 31 December 2009 and 31 December 2010 the company had only assets classified as loans and receivables held on its statement of financial position.

- Loans and receivables
Loans and receivables are non-derivative financial assets (intergroup facilities and loans) with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The company's loans and receivables comprise 'loans and other receivables' and 'cash and cash equivalents' in the statement of financial position.

- Loans and other receivables
Loan receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of loan receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of comprehensive income within administrative expenses. When a trade receivable is uncollectable it is written off against the allowance account for loan receivables.

Subsequent recoveries of amounts previously written off are credited against administrative expenses in the statement of comprehensive income.

- Cash and cash equivalents
Cash and cash equivalents comprise deposits with banks and bank and cash balances.

Share capital
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

1 Summary of significant accounting policies (continued)

Borrowings
Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Trade payables
Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Current and deferred income taxation
The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised directly in equity. In this case the tax is also recognised in equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the United Kingdom. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and law) that have been enacted or substantively enacted by the end of the reporting period in the United Kingdom and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Revenue recognition
Interest income is recognised on an accruals basis.

Titan Global Finance Plc

Notes to the financial statements
for the year ended 31 December 2010 (continued)

2 Financial risk management

The company's operations expose it to a variety of financial risks that can be summarised under market risk (including credit risk, liquidity risk, interest rate risk and foreign exchange risk). The company has in place a risk management programme that seeks to limit adverse effects on the financial performance of the company. The policies set by the board are implemented by the company's management.

Market risk
The principal activity of the company is to act as an intermediate finance company for the Titan Group's operations by raising and providing funding to other Titan Group companies. Therefore credit risk, liquidity risk, interest rate risk and foreign exchange risk are inherent market risks.

Credit risk
Given the company is the Group's funding vehicle and its purpose is to raise external bank and non-bank financing and lend to Titan group subsidiaries to cover their borrowing needs, it is not exposed to major credit risk other than the potential inability of its intra-group counterparties to meet their obligations. These obligations are guaranteed Titan Cement Company S.A. the immediate and ultimate parent undertaking. The cash balances are deposited with highly rated financial institutions in line with Group Treasury policies, as approved by the Board of Directors.

Liquidity risk
The company retains sufficient cash and committed loans and facilities to ensure it has sufficient available funds to cover its operating needs. The company successfully concluded a Syndicated Multicurrency revolving credit facility of €800,000,000 on 27 April 2007 with 5 year tenure.

In July 2009, the company successfully issued notes of a 4-year tenure, of nominal value €200,000,000, with an annual coupon of 6.90% and guaranteed by Titan Cement Company S.A. These notes are listed on the Luxembourg stock exchange.

During 2009 the company also concluded three €50,000,000 committed bilateral revolving credit facilities with maturities between 18 to 36 months. On 5 January 2011 the company successfully launched a €585,000,000 syndicated forward start facility extending the maturity of its existing €800,000,000 revolving credit facility until 2015. As a consequence, the company has sufficient access of up to three year's funds to operate and provide funding to other Titan Group companies within those facilities. The company matches the maturity of assets and liabilities in order to avoid liquidity risk.

The table below analyses the company's non derivative financial liabilities into relevant maturity groupings based on the remaining period at the year end date to the contractual maturity date.

	Less than 3 months	**Between 3 months and 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total**
As at 31 December 2010	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**	**€'000**
Borrowings	-	-	**326,456**	**197,070**	-	**523,526**
Loans and other payables	**1,000**	**2,960**	-	**335,177**	-	**339,137**
Accrued interest payable	**3**	**47**	**8,567**	**63,432**	-	**72,049**
As at 31 December 2009						
Borrowings	-	-	-	569,576	-	569,576
Loans and other payables	-	157,774	115,008	3,010	-	275,792
Accrued interest payable	-	2,312	3,074	71,062	-	76,448

2 Financial risk management (continued)

Interest rate
The company has floating and fixed interest bearing assets and liabilities, as it makes draw-downs, when deemed necessary, from the Syndicated Facility, from the three €50,000,000 bilateral revolving credit facilities one of these facilities expired during the year, and under the drawing of the July 2013 Eurobond and on-lends roughly the same amounts at the same or similar base interest rate plus a margin to cover borrowing needs of other Titan Group's subsidiaries. To that extent, the company's exposure to floating interest rate risk is naturally mitigated and therefore very limited. The company also on-lends the fixed interest bearing liabilities at the same amount, at a fixed interest rate plus a margin, which covers the company's exposure to interest rate risk.

However, interest-bearing assets, such as cash balances earning interest at a floating rate, create interest rate exposure, which nevertheless is very limited as the company maintains low levels of excess cash and any rarely appearing increased cash balances are minimised to the lowest extent possible within a few days. The company does not use derivative financial instruments to manage interest rate costs and as such no hedge accounting is applied. The directors will revisit the appropriateness of this policy should the company's operating activities change in size or nature.

At 31 December 2010, if interest rates on currency-denominated loan receivables, payables and bank borrowings had been 0.1% higher/lower with all other variables held constant, pre-tax profit for the year would have been €9,000 (2009: €41,000) higher/lower, mainly as a result of higher/lower net interest income on floating rate instruments.

Foreign exchange risk
Funding is denominated in the same currency as the currency of funding provided to Titan Group's subsidiaries. As a consequence the exposure to exchange rate risk is significantly offset.

In the normal course of business, the company uses swaps to reduce its exposure to exchange rate risk. Swaps are included on the balance sheet at market value or fair value. Swaps are either liquidated with the same counterparty or held to the settlement date.

At 31 December 2010, the company had no open derivative financial instruments and consequently, the fair values of derivative financial instruments were €nil (2009: €nil).

At 31 December 2010, if the Euro had weakened/strengthened by 1% against the US Dollar with all other variables held constant, pre tax profit for the year would have been €20,000 (2009: €190,000) higher/lower, mainly as a result of foreign exchange gains/losses on translation of US Dollar-denominated loan receivables, payables, bank borrowings and operating expenses. Profit is less sensitive to movement in US Dollar exchange rates in 2010 than 2009 because of the similar levels of loans were taken out and provided in US Dollars.

At 31 December 2010, if the Euro had weakened/strengthened by 1% against the Pound Sterling with all other variables held constant, pre tax profit for the year would have been €1,000 (2009: €1,000) lower/higher, mainly as a result of foreign exchange gains/losses on translation of Pounds Sterling denominated loan receivables, payables and operating expenses.

Capital risk management
The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure whilst reducing the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

3 Segment information

The company has only one business segment as described in the directors' report.

4 Financial instruments by category

31 December 2010

Assets as per statement of financial position	€'000
Loans and receivables	
Loans and other receivables excluding prepayments	868,654
Cash and cash equivalents	642
Total	**869,296**

Liabilities as per statement of financial position	€'000
Other financial liabilities at amortised cost	
Borrowings	523,526
Loans and other payables excluding statutory liabilities	338,677
Total	**862,203**

31 December 2009

Assets as per statement of financial position	€'000
Loans and receivables	
Loans and other receivables excluding prepayments	852,595
Cash and cash equivalents	31
Total	**852,626**

Liabilities as per statement of financial position	€'000
Other financial liabilities at amortised cost	
Borrowings	569,576
Loans and other payables excluding statutory liabilities	275,359
Total	**844,935**

5 Loans and other receivables

	2010	2009
	€'000	€'000
Amounts falling due after more than one year:		
Receivables from related parties (note 17)	**868,509**	834,442
	868,509	834,442

	2010	2009
	€'000	€'000
Amounts falling due within one year:		
Receivables from related parties (note 17)	**145**	18,153
Accrued income	**6,439**	5,970
	6,584	24,123

Receivables from related parties represent intergroup facilities and loans.

Amounts are drawn down for periods between 30 and 180 days, however each tranche is considered a part of one of the long-term revolving credit facilities and is repayable either partially or in full at the option of the company or it may be renewed for another period. Accordingly, the amounts drawn down have been classified as payable between one and three years. Amounts drawn down under floating rate facility/loan agreements are subject to interest rates which are 1.35% above the applicable 30, 60, 90 or 180 days LIBOR or EURIBOR rate. All amounts are guaranteed by Titan Cement Company S.A., the company's parent company.

Credit risk with respect to loan receivables is limited due to the company's customer base being related parties for whom there is no recent history of default. Due to this, management believe there is no credit risk provision required for doubtful receivables in both this and the prior year.

As of 31 December 2010, loans and other receivables of €nil (2009: €nil) were past due and not impaired.

The note above analyses the company's financial assets into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. Balances due within 12 months equal their carrying balances and the impact of discounting is not significant.

Loan receivables are denominated in the following currencies:

	2010	2009
	€'000	€'000
Euros	**732,840**	756,926
US Dollars	**142,104**	101,639
Pounds sterling	**149**	-
	875,093	858,565

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Notes to the financial statements
for the year ended 31 December 2010 (continued)

6 Cash and cash equivalents

	As at 1 January 2010	Cash flows	**As at 31 December 2010**
	€'000	€'000	**€'000**
Cash at bank and on hand	31	611	**642**

7 Ordinary shares

	2010	2009
	€'000	€'000
Issued and fully paid		
2,500,000 ordinary shares of £1 each	**3,287**	3,287

8 Retained earnings

	€'000
At 1 January 2009	507
Total comprehensive income for the year	2,326
At 31 December 2009	**2,833**
At 1 January 2010	2,833
Total comprehensive income for the year	211
At 31 December 2010	**3,044**

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Notes to the financial statements for the year ended 31 December 2010 (continued)

9 Loans and other payables

	2010	2009
	€'000	€'000
Amounts owed after more than one year:		
Payables to related parties (note 17)	**335,177**	124,674

	2010	2009
	€'000	€'000
Amounts owed within one year:		
Trade payables	**13**	22
Payables to related parties (note 17)	**3,500**	150,685
Accrued expenses	**7,206**	7,304
	10,719	158,011

Amounts payable to related parties represent intergroup facilities and loans.

Amounts are drawn down for periods between 30 and 180 days, however each tranche is considered a part of one of the long-term revolving credit facilities and is repayable either partially or in full at the option of the related party or it may be renewed for another period.

Accordingly, the amounts drawn down have been classified as payable between one and three years. Amounts drawn down under floating rate loan/facility agreements are subject to interest rates which are 1.30% above the applicable 30, 60, 90 or 180 days LIBOR or EURIBOR rate.

The note above analyses the company's financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances and the impact of discounting is not significant

Loan and other payables are denominated in the following currencies:

	2010	2009
	€'000	€'000
Euros	**340,721**	278,757
US Dollars	**5,081**	135
Pounds sterling	**94**	3,793
	345,896	282,685

10 Borrowings

	2010	2009
	€'000	€'000
Amounts owed after more than one year:		
Bank borrowings	**326,456**	373,107
Listed guaranteed notes (including prepayments)	**197,070**	196,469
	523,526	569,576

Bank borrowings
Bank borrowings represent amounts drawn down on the €800,000,000 multi-currency revolving credit facility with Banc of America Securities Limited and BNP Paribas as arrangers and Banc of America Securities Limited as agents. The revolving credit facility is committed for a fixed period and expires on 27 April 2012. These borrowings are guaranteed by Titan Cement Company S.A., the company's parent undertaking.

On 5 January 2011, the company launched a €585,000,000 syndicated forward start facility that extended its existing €800,000,000 revolving credit facility with Banc of America Securities Limited as agent to 2015.

Amounts are drawn down for periods between 30 and 180 days, however, each tranche is considered a part of the long-term revolving credit facility and is repayable either partially or in full at the option of the company or it may be renewed for another period. Accordingly, the amounts drawn down have been classified as payable between two and four years.

Amounts drawn down from floating rate loan/facility agreements are subject to interest rates which are 1.30% above the applicable 30, 60, 90 or 180 days LIBOR or EURIBOR rate. The 1.30% margin is based on a credit ratings grid (by Standard and Poor's). The agreement contains a financial covenant on the Titan's consolidated net debt to consolidated EBITDA ratio. The Titan Group was in compliance with its covenants at 31 December 2010.

The amount of undrawn bank borrowings at 31 December 2010 was €573,543,000 (2009: €426,259,000).

The note above analyses the company's financial liabilities into relevant maturity groupings based on the remaining period at the year end to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

Bank borrowings are denominated in the following currencies:

	2010	2009
	€'000	€'000
Euros	**191,050**	275,966
US Dollars	**135,406**	97,141
	326,456	373,107

Listed guaranteed notes
On 30 July 2009 the company issued €200,000,000 6.9% fixed rate guaranteed notes. The notes are guaranteed by Titan Cement Company S.A., the company's parent undertaking, and are quoted on the Luxembourg stock exchange. The notes are redeemable at par on 30 July 2013 and interest is payable semi-annually.

The notes are recognised in the statement of financial position at amortised cost.

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Notes to the financial statements
for the year ended 31 December 2010 (continued)

11 Expenses by nature

	2010	As restated 2009
	€'000	€'000
Employee benefit expense (note 13)	**59**	10
Foreign exchange	**(156)**	(59)
Other expenses	**241**	278
Total administrative expenses	**144**	229

12 Auditor remuneration

The company obtained the following service from the company's auditor.

	2010	2009
	€'000	€'000
Fees payable to company's auditor for the audit of company financial statements	**44**	40

13 Employees and directors

During the current and previous financial year there were no employees other than directors.

	2010	2009
	€'000	€'000
Directors		
Aggregate emoluments	**59**	10

The figures given above represent key management compensation. A number of identified key management are remunerated by the ultimate parent undertaking with no recharge to the company. The disclosure above therefore excludes these amounts.

14 Finance Income – net

	2010 €'000	As restated 2009 €'000
Finance income:		
Interest income on loans to related parties (note 17)	**28,385**	26,857
Loan arrangement, commitment and utilisation fees	**1,974**	1,142
Interest income on cash and cash equivalents	**4**	17
Finance income	**30,363**	28,016
Finance costs:		
Interest payable on loans from related parties and borrowings (note 17)	**(26,208)**	(21,842)
Loan arrangement, commitment and utilisation fees	**(3,726)**	(2,701)
Other interest	**-**	(13)
Finance costs	**(29,934)**	(24,556)
Finance Income - net	**429**	3,460

15 Income tax expense

	2010 €'000	2009 €'000
Current tax:		
UK corporation tax on profit for the year	**80**	905
Adjustment in respect of prior years	**(6)**	-
Income tax expense	**74**	905

The tax assessed on the company's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the entity as follows:

	2010 €'000	2009 €'000
Profit before income tax	**285**	3,231
Profit before income tax multiplied by the weighted average rate of corporation tax in the UK of 28% (2009: 28%)	**80**	905
Tax effects of:		
Adjustments in respect of prior years	**(6)**	-
Income tax expense	**74**	905

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Notes to the financial statements for the year ended 31 December 2010 (continued)

15 Income tax expense (continued)

Factors affecting current and future tax charges

During the year, there was a change in the UK main corporation tax rate from 28% to 27% that was substantively enacted on 20 July 2010 and that will be effective from 1 April 2011.

Further reductions to the UK corporation tax rate were announced in the June 2010 Budget. The changes, which are expected to be enacted separately each year, propose to reduce the rate by 1% per annum to 24% by 1 April 2014. The changes had not been substantively enacted at the balance sheet date and therefore are not recognised in these financial statements.

16 Cash used in operations

	2010	2009
	€'000	€'000
Profit before income tax	**285**	3,231
Adjustments for:		
Interest expense	**29,934**	24,555
Interest income	**(30,363)**	(28,015)
Changes in loans and other receivables/payables:		
Loans and other receivables	**(732)**	201,333
Loans and other payables	**(342)**	(202,950)
Cash used in operations	**(1,218)**	(1,846)

17 Related party transactions

The following transactions were carried out with related parties:

(a) Purchases of services from related parties

	2010	2009
	€'000	€'000
Other related parties	**59**	23

Legal services totalling €59,000 (2009: €23,000) at normal market rates were incurred from Rollits Solicitors. A partner, CR Field, is also a director of this company.

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Notes to the financial statements for the year ended 31 December 2010 (continued)

17 Related party transactions (continued)

(b) Key management compensation

Key management includes directors. The compensation paid or payable to key management for employee services is shown below:

	2010	2009
	€'000	€'000
Salaries and other short term employee benefits	**59**	10

(c) Loans receivable and payable to/from related parties

Year end balances arising from financing activities are as follows:

	2010	2009
	€'000	€'000
Receivables from related parties		
Parent undertaking	**627,876**	633,781
Fellow group undertakings	**240,778**	218,814
Payables to related parties		
Fellow group undertakings	**338,677**	275,359

Interest arising from financing activities were as follows:

	2010	2009
	€'000	€'000
Receivable from related parties		
Parent undertaking	**18,903**	22,698
Fellow group undertakings	**9,482**	4,159
Paid to related parties		
Fellow group undertakings	**5,608**	4,748

Arrangement fees, commitment fees and utilisation fees arising from financing activities were as follows:

	2010	2009
	€'000	€'000
Receivable from related parties		
Ultimate parent undertaking	**1,046**	133
Fellow group undertakings	**928**	531
Paid to related parties		
Fellow group undertakings	**122**	108

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Notes to the financial statements for the year ended 31 December 2010 (continued)

18 Events after the reporting date

On 5 January 2011, the company executed a €585,000,000 syndicated forward start facility that extended its existing €800,000,000 revolving credit facility with Banc of America Securities Limited to 2015.

The Advanced Thin Capitalisation Agreement (ATCA) with the UK Tax Authorities (HMRC) was successfully rolled over until the end of 2012 under similar terms to the existing agreement.

19 Parent undertakings and controlling party

The company's immediate and ultimate parent undertaking and controlling party is Titan Cement Company S.A., a company incorporated in Greece.

The largest and smallest group in which the results of the company are consolidated is that headed by Titan Cement Company S.A. The consolidated financial statements of this group may be obtained from Titan Cement Company S.A., 22A Halkidos Street, Athens, 111-43 Greece.