

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

**Independent Auditor's Report
To the Shareholders of TITAN ATLANTIC CEMENT INDUSTRIAL AND
COMMERCIAL S.A.**

Report on the Financial Statements

We have audited the accompanying financial statements of TITAN ATLANTIC CEMENT INDUSTRIAL AND COMMERCIAL S.A., which comprise the statement of financial position as at December 31, 2011, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the aforementioned financial statements present fairly, in all material respects, the financial position of TITAN ATLANTIC CEMENT INDUSTRIAL AND COMMERCIAL S.A. as at December 31, 2011, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

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

Athens, 6 April 2012
THE CERTIFIED AUDITOR ACCOUNTANT

CHRISTOS PELENDRIDIS
S.O.E.L. R.N. 17831
ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS ACCOUNTANTS S.A.
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TITAN CEMENT ATLANTIC S.A.
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2011
(AMOUNTS IN EURO)

	2011	2010
Income from operating activities	1,841	5,185
Administrative expenses	-17,953	-15,831
Other operating expenses	-250	-
Losses before taxes and financial results	-16,362	-10,646
Finance income	-167	-354
Finance expenses	3,805	4,090
Losses before taxes	-12,724	-6,910
Less: Corporate income tax expense	-	-1,625
Losses after taxes	-12,724	-8,535

TITAN CEMENT ATLANTIC S.A.

**STATEMENT OF FINANANCIAL POSITION AS OF
31 DECEMBER 2011**

(AMOUNTS IN EURO)

	2011	2010
<u>ASSETS</u>		
Investments in subsidiaries	563,342,908	563,342,908
Total non- current assets	563,342,908	563,342,908
Receivables and prepayments	11,576	9,280
Cash and cash equivalents	106,269	115,952
Total current assets	117,845	125,232
TOTAL ASSETS	563,460,753	563,468,140
 <u>EQUITY AND LIABILITIES</u>		
Share capital (1,189,480 shares at € 73.40)	87,307,832	87,307,832
Share premium	471,884,145	471,884,145
Other Reserves	2,414,610	2,414,610
Retained earnings	1,841,365	1,854,089
Total Equity (a)	563,447,952	563,460,676
Trade and othe payables	12,801	7,464
Total short-term liabilities	12,801	7,464
Total Liabilities (b)	12,801	7,464
TOTAL EQUITY AND LIABILITIES (a+b)	563,460,753	563,468,140

TITAN CEMENT ATLANTIC S.A.
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2011
(AMOUNTS IN EURO)

	Share Capital	Share Premium	Reserves	Retained earnings	Total
Year ended 31 December 2010					
Balance as of 1 January 2010	87,307,832	471,884,145	2,414,610	1,862,624	563,469,211
Net losses of the year	-	-	-	-8,535	-8,535
Balance as of 31 December 2010	87,307,832	471,884,145	2,414,610	1,854,089	563,460,676
Year ended 31 December 2011					
Balance as of 1 January 2011	87,307,832	471,884,145	2,414,610	1,854,089	563,460,676
Net losses of the year	-	-	-	-12,724	-12,724
Balance as of 31 December 2011	87,307,832	471,884,145	2,414,610	1,841,365	563,447,952

TITAN CEMENT ATLANTIC S.A.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2011
(AMOUNTS IN EURO)

	2011	2010
Cash flows from operating activities		
Cash generated from operating activities	-13,321	-15,412
Tax expenses	-	-1,625
Net cash outflows from Operating Activities (a)	<u><u>-13,321</u></u>	<u><u>-17,037</u></u>
Cash flows from investing activities		
Interest received	3,666	3,670
Net cash inflows from Investing Activities (b)	<u><u>3,666</u></u>	<u><u>3,670</u></u>
Cash flows from financing activities		
Interest paid	-7	-57
Net cash outflows from Financing Activities (c)	<u><u>-7</u></u>	<u><u>-57</u></u>
Net decrease in cash and cash equivalents (a)+(b)+(c)	-9,662	-13,424
Effect from exchange rate differences	-21	123
Cash and cash equivalents at the beginning of the year	115,952	129,253
Cash and cash equivalents at the end of the year	<u><u>106,269</u></u>	<u><u>115,952</u></u>