



**Titan Cement Company S.A. and its Subsidiaries**  
**Interim Condensed Financial Reporting**  
**for the period ended 31 March 2009**

## **Index**

	Pages
<b>a) Interim Condensed Financial Statements</b>	
a.1 Interim Statement of Financial Position	1
a.2 Interim Income Statement	2
a.3 Interim Statement of Comprehensive Income	3
a.4 Interim Statement of Changes in Equity	4
a.5 Interim Cash Flow Statement	5
<b>b) Notes &amp; disclosure of accounting policies</b>	6

The Interim Condensed Financial Statements presented through pages 1 to 19 both for the Group and the Parent Company, have been approved by the Board of Directors on 28th of May 2009.

Chairman of the Board of Directors

Managing Director

ANDREAS L. CANELLOPOULOS  
ID No AB500997

DIMITRIOS TH. PAPAEXOPOULOS  
ID No Ε163588

Chief Financial Officer

Chief Accountant

Financial Consolidation Senior  
Manager

CHARALAMPOS G. MAZARAKIS  
ID No AE096808

EMM. CH. MAVRODIMITRAKIS  
ID No N237613

ATHANASIOS S. DANAS  
ID No AB006812

## Interim Statement of Financial Position

(all amounts in Euro thousands)

	Group		Company	
	31/03/2009	31/12/2008	31/03/2009	31/12/2008
<b>ASSETS</b>				
Property, plant & equipment	1.961.775	1.896.579	269.815	270.592
Investment properties	-	-	6.796	6.796
Intangible assets and goodwill	547.811	545.088	402	-
Investments in subsidiaries	-	-	1.267.302	1.262.303
Investments in associates	10.376	10.178	-	-
Available-for-sale financial assets	2.540	2.418	107	107
Other non current assets	42.823	39.297	3.522	3.551
Deferred income tax asset	2.404	2.622	-	-
<b>Non-current assets</b>	<b>2.567.729</b>	<b>2.496.182</b>	<b>1.547.944</b>	<b>1.543.349</b>
Inventories	289.697	284.852	85.452	99.994
Trade receivables	198.842	212.511	77.804	85.999
Other receivables and prepayments	107.838	103.438	11.502	10.622
Derivative financial instruments	2.057	2.524	2.057	-
Available-for-sale financial assets	62	62	61	61
Cash and cash equivalents	57.489	94.521	31.262	31.263
<b>Current assets</b>	<b>655.985</b>	<b>697.908</b>	<b>208.138</b>	<b>227.939</b>
<b>TOTAL ASSETS</b>	<b>3.223.714</b>	<b>3.194.090</b>	<b>1.756.082</b>	<b>1.771.288</b>
<b>EQUITY AND LIABILITIES</b>				
Share Capital ( 84,546,774 shares of €4.00)	338.187	338.187	338.187	338.187
Share premium	22.826	22.826	22.826	22.826
Share options	11.314	10.713	11.314	10.713
Treasury shares	-92.299	-92.299	-92.299	-92.299
Other Reserves	465.454	433.747	463.037	462.987
Retained earnings	702.006	682.882	56.682	53.110
<b>Equity attributable to equity holders of the parent</b>	<b>1.447.488</b>	<b>1.396.056</b>	<b>799.747</b>	<b>795.524</b>
Non-controlling interests	33.913	38.078	-	-
<b>Total equity (a)</b>	<b>1.481.401</b>	<b>1.434.134</b>	<b>799.747</b>	<b>795.524</b>
Long-term borrowings	860.900	945.193	634.000	759.000
Deferred income tax liability	206.679	204.433	22.966	21.625
Retirement benefit obligations	41.080	41.157	23.537	23.702
Provisions	23.790	23.235	2.139	2.182
Other non-current liabilities	13.267	14.093	6.330	6.406
<b>Non-current liabilities</b>	<b>1.145.716</b>	<b>1.228.111</b>	<b>688.972</b>	<b>812.915</b>
Short-term borrowings	350.452	263.145	199.074	87.580
Trade and other payables	225.782	254.849	68.289	75.269
Derivative financial instruments	1.671	-	-	-
Income tax payable	15.454	10.708	-	-
Provisions	3.238	3.143	-	-
<b>Current liabilities</b>	<b>596.597</b>	<b>531.845</b>	<b>267.363</b>	<b>162.849</b>
<b>Total liabilities (b)</b>	<b>1.742.313</b>	<b>1.759.956</b>	<b>956.335</b>	<b>975.764</b>
<b>TOTAL EQUITY AND LIABILITIES (a+b)</b>	<b>3.223.714</b>	<b>3.194.090</b>	<b>1.756.082</b>	<b>1.771.288</b>

## Interim Income Statement

(all amounts in Euro thousands)

	Group		Company	
	1/1-31/3/2009	1/1-31/3/2008	1/1-31/3/2009	1/1-31/3/2008
Turnover	307.937	340.152	95.051	125.135
Cost of sales	-214.203	-230.168	-69.540	-80.584
<b>Gross profit before depreciation</b>	<b>93.734</b>	<b>109.984</b>	<b>25.511</b>	<b>44.551</b>
Other income	4.019	3.680	2.592	2.228
Share in profit of associates	198	525	-	-
Administrative expenses	-25.551	-26.405	-9.145	-10.408
Selling and marketing expenses	-5.591	-5.776	-675	-1.026
Other expenses	-4.500	-5.302	-1.829	-2.320
<b>Profit before interest, taxes, depreciation and amortization</b>	<b>62.309</b>	<b>76.706</b>	<b>16.454</b>	<b>33.025</b>
Depreciation and amortization related to cost of sales	-27.318	-22.480	-2.572	-2.427
Depreciation and amortization related to administrative and selling expenses	-1.609	-1.182	-275	-273
<b>Profit before interest and taxes</b>	<b>33.382</b>	<b>53.044</b>	<b>13.607</b>	<b>30.325</b>
Income from participations and investments	-	5	-	-
Finance income	8.571	1.841	3.331	3
Finance expense	-15.071	-9.696	-12.254	-1.167
(Losses)/gains from financial instruments	-1.324	389	283	-564
Exchange differences (losses)/gains	-3.469	291	246	670
<b>Profit before taxes</b>	<b>22.089</b>	<b>45.874</b>	<b>5.213</b>	<b>29.267</b>
Current income tax	-6.735	-1.114	-300	-5.484
Deferred income tax	4.820	-1.432	-1.341	-1.253
<b>Profit for the period</b>	<b>20.174</b>	<b>43.328</b>	<b>3.572</b>	<b>22.530</b>
<b><u>Profit attributable to:</u></b>				
Owners of the parent	21.316	42.693	3.572	22.530
Non-controlling interests	-1.142	635	-	-
	<b>20.174</b>	<b>43.328</b>	<b>3.572</b>	<b>22.530</b>
<b>Earnings per share - basic (in €)</b>	<b>0,2620</b>	<b>0,5139</b>	<b>0,0439</b>	<b>0,2712</b>
<b>Earnings per share - diluted (in €)</b>	<b>0,2613</b>	<b>0,5122</b>	<b>0,0438</b>	<b>0,2703</b>

## Interim Statement of Comprehensive Income

(all amounts in Euro thousands)

	Group		Company	
	1/1-31/3/2009	1/1-31/3/2008	1/1-31/3/2009	1/1-31/3/2008
<b>Profit for the period</b>	<b>20.174</b>	<b>43.328</b>	<b>3.572</b>	<b>22.530</b>
<b>Other comprehensive income:</b>				
Exchange differences on translating foreign operations	28.001	-44.016	-	-
Cash flow hedges	50	-	50	-
Other comprehensive income for the period, net of tax	28.051	-44.016	50	-
<b>Total comprehensive income for the period</b>	<b>48.225</b>	<b>-688</b>	<b>3.622</b>	<b>22.530</b>
<b><u>Total comprehensive income attributable to:</u></b>				
Owners of the parent	50.831	-753	3.622	22.530
Non-controlling interests	-2.606	65	-	-
	<b>48.225</b>	<b>-688</b>	<b>3.622</b>	<b>22.530</b>

## Interim Statement of Changes in Shareholders' Equity

Group

Attributable to equity holders of the parent

(all amounts in Euro thousands)

	Ordinary shares	Share premium	Preferred ordinary shares	Share options	Ordinary treasury shares	Preferred treasury shares	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
<b>Balance at 1 January 2008</b>	<b>153.927</b>	<b>22.826</b>	<b>15.138</b>	<b>7.016</b>	<b>-35.936</b>	<b>-9</b>	<b>396.997</b>	<b>612.868</b>	<b>1.172.827</b>	<b>22.112</b>	<b>1.194.939</b>
Profit for the period	-	-	-	-	-	-	-	42.693	42.693	635	43.328
Other comprehensive income	-	-	-	-	-	-	-41.818	-1.628	-43.446	-570	-44.016
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-41.818</b>	<b>41.065</b>	<b>-753</b>	<b>65</b>	<b>-688</b>
Treasury shares purchased	-	-	-	-	-21.691	-12	-	-	-21.703	-	-21.703
Minority interest due to share capital increase on Group's subsidiary	-	-	-	-	-	-	-	-	-	2.504	2.504
Share options	-	-	-	867	-	-	-	-	867	-	867
Transfer between reserves	-	-	-	-	-	-	436	-436	-	-	-
<b>Balance at 31 March 2008</b>	<b>153.927</b>	<b>22.826</b>	<b>15.138</b>	<b>7.883</b>	<b>-57.627</b>	<b>-21</b>	<b>355.615</b>	<b>653.497</b>	<b>1.151.238</b>	<b>24.681</b>	<b>1.175.919</b>
<b>Balance at 1 January 2009</b>	<b>307.911</b>	<b>22.826</b>	<b>30.276</b>	<b>10.713</b>	<b>-92.182</b>	<b>-117</b>	<b>433.747</b>	<b>682.882</b>	<b>1.396.056</b>	<b>38.078</b>	<b>1.434.134</b>
Profit for the period	-	-	-	-	-	-	-	21.316	21.316	-1.142	20.174
Other comprehensive income	-	-	-	-	-	-	31.471	-1.956	29.515	-1.464	28.051
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31.471</b>	<b>19.360</b>	<b>50.831</b>	<b>-2.606</b>	<b>48.225</b>
Dividends paid to ordinary and preferred shares	-	-	-	-	-	-	-	-	-	-1.338	-1.338
Share options	-	-	-	601	-	-	-	-	601	-	601
Minority interest due to acquisitions of subsidiaries	-	-	-	-	-	-	-	-	-	-221	-221
Transfer between reserves	-	-	-	-	-	-	236	-236	-	-	-
<b>Balance at 31 March 2009</b>	<b>307.911</b>	<b>22.826</b>	<b>30.276</b>	<b>11.314</b>	<b>-92.182</b>	<b>-117</b>	<b>465.454</b>	<b>702.006</b>	<b>1.447.488</b>	<b>33.913</b>	<b>1.481.401</b>

Company

(all amounts in Euro thousands)

	Ordinary shares	Share premium	Preferred ordinary shares	Share options	Ordinary treasury shares	Preferred treasury shares	Other reserves	Retained earnings	Total equity
<b>Balance at 1 January 2008</b>	<b>153.927</b>	<b>22.826</b>	<b>15.138</b>	<b>7.016</b>	<b>-35.936</b>	<b>-9</b>	<b>558.753</b>	<b>83.844</b>	<b>805.559</b>
Profit for the period	-	-	-	-	-	-	-	22.530	22.530
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22.530</b>	<b>22.530</b>
Treasury shares purchased	-	-	-	-	-21.691	-12	-	-	-21.703
Share options	-	-	-	867	-	-	-	-	867
<b>Balance at 31 March 2008</b>	<b>153.927</b>	<b>22.826</b>	<b>15.138</b>	<b>7.883</b>	<b>-57.627</b>	<b>-21</b>	<b>558.753</b>	<b>106.374</b>	<b>807.253</b>
<b>Balance at 1 January 2009</b>	<b>307.911</b>	<b>22.826</b>	<b>30.276</b>	<b>10.713</b>	<b>-92.182</b>	<b>-117</b>	<b>462.987</b>	<b>53.110</b>	<b>795.524</b>
Profit for the period	-	-	-	-	-	-	-	3.572	3.572
Other comprehensive income	-	-	-	-	-	-	50	-	50
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50</b>	<b>3.572</b>	<b>3.622</b>
Share options	-	-	-	601	-	-	-	-	601
<b>Balance at 31 March 2009</b>	<b>307.911</b>	<b>22.826</b>	<b>30.276</b>	<b>11.314</b>	<b>-92.182</b>	<b>-117</b>	<b>463.037</b>	<b>56.682</b>	<b>799.747</b>

## Interim Cash Flow Statement

(all amounts in Euro thousands)

	Group		Company	
	1/1-31/3/2009	1/1-31/3/2008	1/1-31/3/2009	1/1-31/3/2008
<b>Cash flows from operating activities</b>				
Profits before taxes	22.089	45.874	5.213	29.267
<i>Adjustments for:</i>				
Depreciation/amortization	28.927	23.662	2.847	2.700
Provisions	3.257	744	31	-1.426
Exchange differences	3.469	-291	-246	-670
Income from participations & investments	-	-5	-	-
Interest expense	6.498	7.186	8.921	1.119
Other non cash flow items	1.054	-229	-666	941
Adjusted profit before changes in working capital	65.294	76.941	16.100	31.931
(Increase)/decrease in inventories	-653	3.446	14.655	2.484
Decrease / (increase) in trade and other receivables	9.184	-16.967	10.948	-9.875
(Decrease) / increase in trade payables (excluding banks)	-35.830	7.968	-7.820	8.897
Cash generated from operations	37.995	71.388	33.883	33.437
Income tax paid	-413	-8.474	-300	-4.047
<i>Net cash flows from operating activities</i>	<u>37.582</u>	<u>62.914</u>	<u>33.583</u>	<u>29.390</u>
<b>Cash flows from investing activities</b>				
Acquisition of subsidiaries, net of cash acquired (note 17)	-221	-9.501	-4.787	-50
Proceeds from minority interests' increase in subsidiaries	-	2.504	-	-
Purchase of tangible and intangible assets	-52.637	-36.770	-2.379	-3.303
Proceeds from the sale of property, plant and equipment	1.461	585	852	549
Proceeds from dividends	-	5	-	789
Proceeds from sale of available-for-sale financial assets	2	-	-	-
Purchase of available-for-sale financial assets	-46	-227	-2	-46
Interest received	5.471	1.841	231	3
<i>Net cash flows from investing activities</i>	<u>-45.970</u>	<u>-41.563</u>	<u>-6.085</u>	<u>-2.058</u>
<b>Net cash flows after investing activities</b>	<b>-8.388</b>	<b>21.351</b>	<b>27.498</b>	<b>27.332</b>
<b>Cash flows from financing activities</b>				
Interest paid	-12.789	-9.205	-11.762	-698
Purchase of treasury shares	-	-21.685	-	-21.685
Dividends paid	-124	-34	-14	-33
Proceeds from borrowings	125.207	73.481	62.140	15.554
Payments of borrowings	-139.772	-65.611	-77.863	-20.464
<i>Net cash flows from financing activities</i>	<u>-27.478</u>	<u>-23.054</u>	<u>-27.499</u>	<u>-27.326</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>-35.866</b>	<b>-1.703</b>	<b>-1</b>	<b>6</b>
Cash and cash equivalents at beginning of the period	94.521	167.478	31.263	13
Effects of exchange rate changes	-1.166	-1.802	-	-
<b>Cash and cash equivalents at end of the period</b>	<b><u>57.489</u></b>	<b><u>163.973</u></b>	<b><u>31.262</u></b>	<b><u>19</u></b>

<b>Contents of the notes to the condensed interim financial statements</b>	<b>Page</b>
1. General information	7
2. Basis of preparation and summary of significant accounting policies	7
3. Segment information	10
4. Cash and cash equivalents	10
5. Principal subsidiaries, associates and joint ventures	11
6. Fiscal years unaudited by the tax authorities	13
7. Changes in accounting policies	14
8. Pledge of assets	14
9. Number of employees	14
10. Capital expenditure and disposals	14
11. Earnings per share	14
12. Provisions	14
13. Related party transactions	14
14. Significant movements in consolidated balance sheet and profit and loss items	15
15. Share based payment	16
16. Contingencies	17
17. Acquisitions of subsidiaries	18
18. Events after the balance sheet date	18
19. Reclassifications	18
20. Principal exchange rates	19

## **1. General information**

TITAN CEMENT S.A. (the Company) and, its subsidiaries, joint ventures and associates (collectively the Group) are engaged in the production, trade and distribution of a wide range of construction materials, from aggregates, cement, concrete, cement blocks, dry mortars, fly ash and porcelain ware. The Group operates primarily in Greece, the Balkans, Egypt and the United States of America.

The Company is a limited liability company incorporated and domiciled in Greece and is listed on the Athens Stock Exchange. These financial statements have been approved for issue by the Board of Directors on May 28, 2009.

## **2. Basis of preparation and summary of significant accounting policies**

These interim condensed financial statements have been prepared by management in accordance with IAS 34 Interim Financial Reporting.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2008.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2008, except for the adoption of the important amendments or/and interpretations, mentioned below, for the annual periods beginning on or after 1 January 2009.

- IFRS 2, "Share-based Payments" (amended), effective for annual periods beginning on or after 1 January 2009. The amendment clarifies two issues. The definition of 'vesting condition', introducing the term 'non-vesting condition' for conditions other than service conditions and performance conditions. It also clarifies that the same accounting treatment applies to awards that are effectively cancelled by either the entity or the counterparty. It did not have a material impact on the Group's financial statements.

- IFRS 8, "Operating Segments", effective for annual periods beginning on or after 1 January 2009. IFRS 8 replaces IAS 14 'Segment reporting'. IFRS 8 adopts a management approach to segment reporting. The information reported would be that which management uses internally for evaluating the performance of operating segments and allocating resources to those segments. This information may be different from that reported in the balance sheet and income statement and entities will need to provide explanations and reconciliations of the differences. The Group is in the process of assessing the impact of this standard on its financial statements. The adoption of this standard did not affect the financial statements of the Group (see note 3).

- IAS 1, "Presentation of Financial Statements" (Revised), effective for annual periods beginning on or after 1 January 2009. IAS 1 has been revised to enhance the usefulness of information presented in the financial statements. Of the main revisions are the requirement that the statement of changes in equity includes only transactions with shareholders; the introduction of a new statement of comprehensive income that combines all items of income and expense recognised in profit or loss together with "other comprehensive income"; and the requirement to present restatements of financial statements or retrospective application of a new accounting policy as at the beginning of the earliest comparative period, i.e. a third column on the balance sheet. The Group made the necessary changes to the presentation of its financial statements in 2009 by using the presentation of the two statements.

- IAS 23, "Borrowing Costs" (Revised), effective for annual periods beginning on or after 1 January 2009. The benchmark treatment in the existing standard of expensing all borrowing costs to the income statement is eliminated in the case of qualifying assets. All borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset must be capitalised. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

The Group applied a permitted alternative method of IAS 23 (before the amendment) and allocates borrowing costs in the accounts that satisfied the prerequisites. As a result, the adaptation of the amendment had not had any consequence in the financial statements of the Group.

- IAS 1, “Presentation of Financial Statements” (amended), effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that assets and liabilities classified as held for trading in accordance with IAS 39 Financial Instruments: Recognition and Measurement are not automatically classified as current in the balance sheet.
  
  - IAS 10, “Events after the Reporting Period” (Amended), effective for annual periods beginning on or after 1 January 2009. This amendment clarifies that dividends declared after the end of the reporting period are not obligations.
  
  - IAS 19, “Employee Benefits” (Amended), effective for annual periods beginning on or after 1 January 2009.
    - Revises the definition of ‘past service costs’ to include reductions in benefits related to past services (‘negative past service costs’) and to exclude reductions in benefits related to future services that arise from plan amendments. Amendments to plans that result in a reduction in benefits related to future services are accounted for as a curtailment. It is applied – to changes to benefits occurring on or after 1 January 2009.
    - Revises the definition of ‘return on plan assets’ to exclude plan administration costs if they have already been included in the actuarial assumptions used to measure the defined benefit obligation.
    - Revises the definition of ‘short-term’ and ‘other long term’ employee benefits to focus on the point in time at which the liability is due to be settled.
    - Deletes the reference to the recognition of contingent liabilities to ensure consistency with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IAS 37 does not allow for the recognition of contingent liabilities.
  
  - IAS 23, “Borrowing Costs” (amended), effective for annual periods beginning on or after 1 January 2009. The amendment revises the definition of borrowing costs to consolidate the types of items that are considered components of ‘borrowing costs’ into one – the interest expense calculated using the effective interest rate method as described in IAS 39. To be applied retrospectively.
  
  - IAS 38, “Intangible Assets” (amended), effective for annual periods beginning on or after 1 January 2009.
    - Expenditure on advertising and promotional activities is recognised as an expense when the entity either has the right to access the goods or has received the services.
    - Deletes references to there being rarely, if ever, persuasive evidence to support an amortisation method for finite life intangible assets that results in a lower amount of accumulated amortisation than under the straight-line method, thereby effectively allowing the use of the unit of production method.
    - A prepayment may only be recognised in the event that payment has been made in advance to obtaining right of access to goods or receipt of services.
  
  - IAS 39, “Financial instruments recognition and measurement” (amended), effective for annual periods beginning on or after 1 January 2009.
    - Clarifies that changes in circumstances relating to derivatives – specifically derivatives designated or de-designated as hedging instruments after initial recognition – are not reclassifications. Thus, a derivative may be either removed from, or included in, the ‘fair value through profit or loss’ classification after initial recognition. Similarly, when financial assets are reclassified as a result of an insurance company changing its accounting policy in accordance with paragraph 45 of IFRS 4 Insurance Contracts, this is a change in circumstance, not a reclassification.
    - Removes the reference in IAS 39 to a ‘segment’ when determining whether an instrument qualifies as a hedge.
  
    - Requires use of the revised effective interest rate (rather than the original effective interest rate) when remeasuring a debt instrument on the cessation of fair value hedge accounting.
- The amendments to the following standards below did not have any impact on the accounting policies, financial position or performance of the Group:

- IAS 8 Accounting policies, change in accounting estimates and error
- IAS 16 Property, plant and equipment
- IAS 18 Revenue
- IAS 20 Accounting for government grants and disclosures of government assistance
- IAS 27 Consolidated and separate financial statements
- IAS 28 Investment in associates
- IAS 29 Financial reporting in hyperinflationary economies
- IAS 31 Interest in joint ventures
- IAS 32 Financial instruments: presentation
- IAS 34 Interim financial reporting
- IAS 36 Impairment of assets
- IAS 40 Investment property
- IFRIC 13 Customer loyalty programmes

*The following new standards / amendments / revisions to standards or interpretations have been issued but not yet applied and they will not be applied earlier by the Group. These are as follows:*

- IFRIC 18, “Transfers of Assets from Customers”, effective for financial years beginning on or after 1 July 2009 and is to be applied prospectively. However, limited retrospective application is permitted. This Interpretation is of particular relevance for the utility sector as it clarifies the accounting for agreements where an entity receives an item of PP&E (or cash to construct such an item) from a customer and this equipment in turn is used to connect a customer to the network or to provide ongoing access to supply of goods/services. Group is in the process of assessing the impact of this interpretation.
- IFRS 3, “Business Combinations” (Revised) and IAS 27, “Consolidated and Separate Financial Statements” (Amended), effective for annual periods beginning on or after 1 July 2009. A revised version of IFRS 3 Business Combinations and an amended version of IAS 27 Consolidated and Separate Financial Statements were issued by IASB on January 10, 2008. The revised IFRS 3 introduces a number of changes in the accounting for business combinations which will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. Such changes include the expensing of acquisition-related costs and recognising subsequent changes in fair value of contingent consideration in the profit or loss (rather than by adjusting goodwill).

The amended IAS 27 requires that a change in ownership interest of a subsidiary is accounted for as an equity transaction. Therefore such a change will have no impact on goodwill, nor will it give rise to a gain or loss. Furthermore the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes introduced by IFRS 3 (Revised) and IAS 27 (Amendment) must be applied prospectively and will affect future acquisitions and transactions with minority interests.

- IFRS 5, “Non-current Assets Held for Sale and Discontinued Operations” (Amended), effective for annual periods beginning on or after 1 July 2009. The amendment clarifies that all of a subsidiary’s assets and liabilities are classified as held for sale, under IFRS 5, even when the entity will retain a non-controlling interest in the subsidiary after the sale. To be applied prospectively from the date at which the company first applied IFRS 5. Therefore, any investments in subsidiaries classified as held for sale since IFRS 5 was applied will need to be re-evaluated. Early application is permitted. If early adopted, IAS 27 (as amended in January 2008) must also be adopted from that date.

### 3. Segment information

For management purposes, the Group is structured in four geographic regions: Greece and Western Europe, North America, South East Europe and Eastern Mediterranean. Each region is a cluster of countries. The aggregation of countries is based on proximity of operations and to an extent in similarity of economic and political conditions.

Each region has a regional Chief Executive Officer (CEO) who reports to the Group's CEO. In addition, Group's Chief Financial Officer (CFO) organisation is also split by geographic region for effective financial controlling and performance monitoring.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on Earnings before Interest, Taxes, Depreciations & Amortization (EBITDA). Group financing (including finance costs and finance revenue) is managed on group basis and is allocated to operating segments.

(all amounts in Euro thousands)

Period from 1/1-31/3	Greece and Western Europe		North America		South Eastern Europe		Eastern Mediterranean		Adjustments and eliminations		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Gross revenue	119.730	161.911	100.916	121.098	31.795	51.412	66.901	16.463	-	-	319.342	350.884
Inter-segment revenue	-11.354	-10.681	-51	-51	-	-	-	-	-	-	-11.405	-10.732
<b>Revenue</b>	<b>108.376</b>	<b>151.230</b>	<b>100.865</b>	<b>121.047</b>	<b>31.795</b>	<b>51.412</b>	<b>66.901</b>	<b>16.463</b>	-	-	<b>307.937</b>	<b>340.152</b>
Gross profit before depreciation & amortization	32.276	58.262	23.410	26.324	10.923	19.899	27.694	8.972	-569	-3.473	93.734	109.984
Earnings before interest, taxes, and depreciation	20.410	39.216	9.342	13.071	7.379	17.642	25.920	7.414	-742	-637	62.309	76.706
Earnings/(losses) before interest and taxes	17.353	35.061	-7.813	-1.251	3.690	14.260	20.844	5.559	-692	-585	33.382	53.044
Earnings/(losses) before taxes	11.845	33.904	-13.324	-8.067	5.268	15.840	18.801	4.822	-501	-625	22.089	45.874

(all amounts in Euro thousands)

	Greece and Western Europe		North America		South Eastern Europe		Eastern Mediterranean		Adjustments and eliminations		Total	
	31/3/09	31/12/08	31/3/09	31/12/08	31/3/09	31/12/08	31/3/09	31/12/08	31/3/09	31/12/08	31/3/09	31/12/08
Total assets	2.651.712	2.626.144	1.195.888	1.162.763	599.169	601.882	962.140	928.791	-2.185.195	-2.125.490	3.223.714	3.194.090
Total liabilities	1.801.533	1.783.871	540.734	529.351	123.845	123.844	237.578	225.079	-961.377	-902.189	1.742.313	1.759.956

### 4. Cash and cash equivalents

(all amounts in Euro thousands)

	Group		Company	
	31/3/09	31/12/08	31/3/09	31/12/08
Cash at bank and in hand	310	302	5	5
Short-term bank deposits	57.179	94.219	31.257	31.258
	<b>57.489</b>	<b>94.521</b>	<b>31.262</b>	<b>31.263</b>

Short-term bank deposits comprise primarily of time deposits. The effective interest rates on these short-term bank deposits are based on Euribor rates, are negotiated on a case by case basis and have an average maturity period of seven days.

## 5. Principal subsidiaries, associates and joint ventures

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	31/3/2009		31/12/2008	
			% of investment (1)		% of investment (1)	
			Direct	Indirect	Direct	Indirect
<b>Full consolidation method</b>						
Titan Cement Company S.A	Greece	Cement Producer	Parent company		Parent company	
Achaiki Maritime Company	Greece	Shipping	100,000	-	100,000	-
Aeolian Maritime Company	Greece	Shipping	100,000	-	100,000	-
Albacem S.A.	Greece	Import & Distribution of Cement	99,996	0,004	99,996	0,004
Arktias S.A. (2)	Greece	Quarries & Aggregates	-	100,000	-	-
AVES AFOI Polikandrioti S.A.	Greece	Ready Mix	-	100,000	-	100,000
Dodekanesos Quarries S.A.	Greece	Quarries & Aggregates	-	100,000	-	100,000
Domiki Beton S.A.	Greece	Ready Mix & Aggregates	-	100,000	-	100,000
Ecobeton S.A.	Greece	Ready Mix & Aggregates	-	100,000	-	100,000
Interbeton Construction Materials S.A.	Greece	Ready Mix & Aggregates	99,679	0,321	99,679	0,321
Intercement S.A.	Greece	Import & Distribution of Cement	99,950	0,050	99,950	0,050
Intertitan Trading International S.A.	Greece	Trading Company	99,995	0,005	99,995	0,005
Ionia S.A.	Greece	Porcelain	100,000	-	100,000	-
Lakmos S.A.	Greece	Trading Company	99,950	0,050	99,950	0,050
Lateem S.A.	Greece	Quarries & Aggregates	-	100,000	-	100,000
Leecem S.A.	Greece	Trading Company	3,172	96,828	3,172	96,828
Naftitan S.A.	Greece	Shipping	99,900	0,100	99,900	0,100
Polikos Maritime Company	Greece	Shipping	100,000	-	100,000	-
Porfirion S.A.	Greece	Production and Trade of Electricity	-	100,000	-	100,000
Gourmon Quarries S.A.	Greece	Quarries & Aggregates	54,930	45,070	54,930	45,070
Quarries of Tagaradon Community S.A.	Greece	Quarries & Aggregates	-	79,928	-	79,928
Thisvis Quarries S.A.	Greece	Quarries & Aggregates	-	100,000	-	100,000
Vahou Quarries S.A.	Greece	Quarries & Aggregates	-	100,000	-	100,000
Sigma Beton S.A.	Greece	Quarries & Aggregates	-	100,000	-	100,000
Titan Atlantic Cement Industrial and Commercial S.A.	Greece	Investment Holding Company	43,947	56,053	43,947	56,053
Titan Cement International Trading S.A.	Greece	Trading Company	99,800	0,200	99,800	0,200
Double W & Co OOD	Bulgaria	Port	-	99,989	-	99,989
Granitoid AD	Bulgaria	Trading Company	-	99,668	-	99,668
Gravel & Sand PIT AD	Bulgaria	Investment Holding Company	-	99,989	-	99,989
Zlatna Panega Beton EOOD	Bulgaria	Ready Mix	-	99,989	-	99,989
Zlatna Panega Cement AD	Bulgaria	Cement Producer	-	99,989	-	99,989
Fintitan SRL	Italy	Import & Distribution of Cement	100,000	-	100,000	-
Separation Technologies Canada Ltd	Canada	Converter of waste material into fly ash	-	100,000	-	100,000
Aemos Cement Ltd	Cyprus	Investment Holding Company	100,000	-	100,000	-
Alvacim Ltd	Cyprus	Investment Holding Company	-	100,000	-	100,000
Balkcem Ltd	Cyprus	Investment Holding Company	-	100,000	-	100,000
East Cement Trade Ltd	Cyprus	Investment Holding Company	-	100,000	-	100,000
Feronia Holding Ltd	Cyprus	Investment Holding Company	-	100,000	-	100,000
Iapetos Ltd	Cyprus	Investment Holding Company	100,000	-	100,000	-
KOCEM Limited	Cyprus	Investment Holding Company	-	100,000	-	100,000
Rea Cement Ltd	Cyprus	Investment Holding Company	-	100,000	-	100,000
Themis Holdings Ltd	Cyprus	Investment Holding Company	-	51,006	-	51,006
Titan Cement Cyprus Limited	Cyprus	Investment Holding Company	-	100,000	-	100,000
Tithys Ltd	Cyprus	Investment Holding Company	-	100,000	-	100,000
Alexandria Portland Cement Co. S.A.E	Egypt	Cement Producer	-	97,717	-	97,717
Beni Suef Cement Co.S.A.E.	Egypt	Cement Producer	-	99,886	-	99,886
Misrieen Titan Trade & Distribution	Egypt	Cement Silo Operations	-	98,943	-	98,943
Titan Beton & Aggregate Egypt LLC	Egypt	Quarries & Aggregates	-	97,796	-	97,796
Separation Technologies U.K. Ltd	U.K.	Converter of waste material into fly ash	-	100,000	-	100,000
Titan Cement U.K. Ltd	U.K.	Import & Distribution of Cement	100,000	-	100,000	-
Titan Global Finance PLC	U.K.	Financial Services	100,000	-	100,000	-
Alexandria Development Co.Ltd	U.K. (Ch. Islands)	Investment Holding Company	-	100,000	-	100,000
Titan Egyptian Inv. Ltd	U.K. (Ch. Islands)	Investment Holding Company	-	100,000	-	100,000
Central Concrete Supermix Inc.	U.S.A.	Ready Mix	-	100,000	-	100,000
Essex Cement Co. LLC	U.S.A.	Trading Company	-	100,000	-	100,000
Markfield America LLC	U.S.A.	Insurance Company	-	100,000	-	100,000
Mechanicsville Concrete INC.	U.S.A.	Ready Mix	-	100,000	-	100,000
Metro Redi-Mix LLC	U.S.A.	Ready Mix	-	100,000	-	100,000
Miami Valley Ready Mix of Florida LLC	U.S.A.	Ready Mix	-	100,000	-	100,000

## 5. Principal subsidiaries, associates and joint ventures

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	31/3/2009		31/12/2008	
			% of investment (1)		% of investment (1)	
			Direct	Indirect	Direct	Indirect
<b>Full consolidation method</b>						
Pennsuco Cement Co. LLC	U.S.A.	Cement Producer	-	100,000	-	100,000
Roanoke Cement Co. LLC	U.S.A.	Cement Producer	-	100,000	-	100,000
S&W Ready Mix Concrete Co. Inc.	U.S.A.	Ready Mix	-	100,000	-	100,000
Separation Technologies LLC	U.S.A.	Converter of waste material into fly ash	-	100,000	-	100,000
Standard Concrete LLC	U.S.A.	Trading Company	-	100,000	-	100,000
Summit Ready-Mix LLC	U.S.A.	Ready Mix	-	100,000	-	100,000
Tarmac America LLC	U.S.A.	Cement Producer	-	100,000	-	100,000
Titan Virginia Ready Mix LLC	U.S.A.	Ready Mix	-	100,000	-	100,000
Titan America LLC	U.S.A.	Investment Holding Company	-	100,000	-	100,000
Cementara Kosjeric AD	Serbia	Cement Producer	-	96,752	-	96,347
Stari Silo Copmany DOO	Serbia	Trading Company	-	100,000	-	100,000
TCK Montenegro DOO	Montenegro	Trading Company	-	96,752	-	96,347
Cement Plus LTD	F.Y.R.O.M	Trading Company	-	61,328	-	61,328
Rudmark DOOEL	F.Y.R.O.M	Trading Company	-	94,404	-	94,351
Usje Cementarnica AD	F.Y.R.O.M	Cement Producer	-	94,404	-	94,351
Vesa DOOL	F.Y.R.O.M	Trading Company	-	100,000	-	100,000
Alba Cemento Italia, SHPK	Albania	Trading Company	-	39,000	-	39,000
Antea Cement SHA	Albania	Cement Producer	-	60,000	-	60,000
Colombus Properties B.V. (3)	Holland	Investment Holding Company	-	100,000	-	100,000
Holtitan BV	Holland	Investment Holding Company	-	96,752	-	96,347
Salentijn Properties I B.V.	Holland	Investment Holding Company	100,000	-	100,000	-
Titan Cement Netherlands BV	Holland	Investment Holding Company	-	99,546	-	99,489
<b>Proportionate consolidation method</b>						
Balkan Cement Enterprises Ltd	Cyprus	Investment Holding Company	-	51,006	-	51,006
Adocim Cimento Beton Sanayi ve Ticaret A.S.	Turkey	Cement Producer	-	50,000	-	50,000
<b>Equity consolidation method</b>						
Karieri AD	Bulgaria	Quarries & Aggregates	-	48,711	-	48,711
Karierni Materiali AD	Bulgaria	Quarries & Aggregates	-	48,764	-	48,764
Transbeton - Domiki S.A.	Greece	Ready Mix & Aggregates	-	49,900	-	49,900

(1) Percentage of investment represents both percentage of shareholding and percentage of control.

(2) At 2.2.2009, Group's financial statements incorporated the established company ARKTIAS S.A, with the full consolidation method.

(3) The company DNJEPR Investments II B.V. was renamed to Columbus Properties B.V., as of 06.01.2009.

## 6. Fiscal years unaudited by the tax authorities

Titan Cement Company S.A	2006-2008	Salentijn Properties1 B.V.	2007-2008
Achaiki Maritime Company	2000-2008	Titan Cement Cyprus Limited	2006-2008
Aeolian Maritime Company	2000-2008	KOCEM Limited	2007-2008
Albacem S.A.	2003-2008	Fintitan SRL	(1)
Arktias S.A.	-	Colombus Properties B.V.	2007-2008
AVES AFOI Polikandrioti S.A.	2007-2008	Holtitan BV	2007-2008
Dodekanesos Quarries S.A.	2007-2008	Titan Cement U.K. Ltd	(1)
Domiki Beton S.A.	2007-2008	Separation Technologies U.K. Ltd	(1)
Ecobeton S.A.	2007-2008	<sup>(3)</sup> Titan America LLC	2004-2008
Interbeton Construction Materials S.A.	2005-2008	Separation Technologies Canada Ltd	2005-2008
Intercement S.A.	2007-2008	Stari Silo Copmany DOO (*)	-
Intertitan Trading International S.A.	2007-2008	Cementara Kosjeric AD	2004-2008
Ionia S.A.	2007-2008	Adocim Cimento Beton Sanayi ve Ticaret A.S.	2005-2008
Lakmos S.A.	2007-2008	TCK Montenegro DOO	2007-2008
Lateem S.A.	2007-2008	Double W & Co OOD	2007-2008
Leccem S.A.	2007-2008	Granitoid AD	2007-2008
Naftitan S.A.	2007-2008	Gravel & Sand PIT AD	2002-2008
Porfirion S.A.	-	Zlatna Panega Beton EOOD	2002-2008
Polikos Maritime Company	2000-2008	Zlatna Panega Cement AD	2005-2008
Vahou Quarries S.A.	2008	Cement Plus LTD	2006-2008
Quarries Gournon S.A.	2007-2008	Rudmark DOOEL	2006-2008
Quarries of Tagaradon Community S.A.	2007-2008	Usje Cementarnica AD	2006-2008
Sigma Beton S.A.	2007-2008	Titan Cement Netherlands BV	-
Titan Atlantic Cement Industrial and Commercial	2007-2008	Alba Cemento Italia, SHPK	2008
Titan Cement International Trading S.A.	2007-2008	Antea Cement SHA	2008
Aemos Cement Ltd	2003-2008	Alexandria Development Co.Ltd	(1)
Alvacim Ltd	2006-2008	Alexandria Portland Cement Co. S.A.E	2005-2008
<sup>(2)</sup> Balkcem Ltd	2002-2008	Balkan Cement Enterprises Ltd	2003-2008
Iapetos Ltd	2003-2008	Beni Suef Cement Co.S.A.E.	2006-2008
Rea Cement Ltd	2003-2008	East Cement Trade Ltd	2003-2008
<sup>(2)</sup> Themis Holdings Ltd	2004-2008	Titan Beton & Aggregate Egypt LLC	2008
Tithys Ltd	2003-2008	Titan Egyptian Inv. Ltd	(1)
Feronia Holding Ltd	2006-2008	Misrieen Titan Trade & Distribution	2005-2008
Vesa DOOL	2007-2008		

(1) Under special tax status.

(2) The fiscal year of 2007 has been temporarily audited.

(3) Titan America LLC subgroup includes the Subsidiaries of the Group in the U.S. which are listed in note 5.

**7. Changes in accounting policies**

Statements at 31.12.2008.

**8. Pledge of assets**

The assets of the Group and the Company have not been pledged.

**9. Number of employees**

Number of employees at the end of the reporting period : Group 6,189 (31.03.2008 6,001), Parent Company 1,065 (31.03.2008 1,095).

**10. Capital expenditure and disposals**

Capital expenditure for the first three months 2009, not including fixed assets acquired through a business combination, amounted to: Group € 52.6 m (31.03.2008 € 36.8 m), Parent Company € 2.4 m (31.03.2008 € 3.3 m). Assets with a net book value of € 0.5 m have been disposed of by the Group during the three months ended 31 March 2009 (31.03.2008: € 0.2 m), resulting in a net gain € 1.0 m (31.03.2008: gain € 0.4 m).

**11. Earnings per share**

Earnings per share have been calculated on the total weighted average number of common and preferred shares, excluding the average number of treasury shares. The total number of its own shares that the Company holds on March 31, 2009 is 3,193,616 of a value of €92,299 thousand and they have been deducted from the Shareholders Equity of the Group and the Company.

**12. Provisions**

Other provisions' balance (short term and long term) as of 31.03.2009 amount to € 27.0 m. for the Group, and € 2.1 m. for the Company. There are no material provisions recorded for the unaudited by the tax authorities fiscal years, as well as for litigation issues both for the Group and the Company.

**13. Related party transactions**

Intercompany transactions for the first six months of 2008 and intercompany balances as of 30 June 2008, according to I.A.S. 24 are as follows:

**Company***Amounts in € thousands*

	<b>Sales of goods &amp; services</b>	<b>Purchases of goods &amp; services</b>	<b>Receivables</b>	<b>Liabilities</b>
Achaiki Maritime Co.	-	1.646	-	5.245
Aeolian Maritime Company	-	666	-	1.835
Interbeton Construction Materials S.A.	10.180	804	1.194	-
Intertitan Trading International S.A.	2.078	-	417	-
Ionia S.A.	514	357	1.248	-
Finititan S.r.l.	2.123	-	5.889	-
T.C.U.K. Ltd	705	-	855	-
Usje Cementarnica AD	4.405	-	7.105	-
Essex Cement Co. LLC	1.937	-	-	-
Antea Cement SHA	4.562	-	4.971	-
Titan Global Finance PLC	-	9.175	-	647.398
Other interrelated parties	786	948	1.463	1.704
Executives and members of the Board	-	1.254	10	173
	<b>27.290</b>	<b>14.850</b>	<b>23.152</b>	<b>656.355</b>

**Group***Amounts in € thousands*

	<b>Sales of goods &amp; services</b>	<b>Purchases of goods &amp; services</b>	<b>Receivables</b>	<b>Liabilities</b>
Other interrelated parties	-	686	-	422
Executives and members of the Board	-	1.302	10	173
	-	<b>1.988</b>	<b>10</b>	<b>595</b>

#### **14. Significant movements in consolidated balance sheet and profit and loss items**

##### **Group**

The following are significant movements between the periods presented in these consolidated financial statements:

- Group's property, plant and equipment increased by € 65.0 m due to the Group's investments to Egypt and Albania and the appreciation of the dollar against the Euro.

- Group's intangible assets increased by € 2.7 m because of the appreciation of the dollar against the Euro.

- Group's inventories increased by € 4.8 m because of the appreciation of the dollar against the Euro.

-The decrease in trade receivables of € 13.7 m is due to the decline in sales volume and the improved management of the existing trade balances.

-The increase in other receivables and prepayments of € 4.4 m is mainly due to the refund of VAT, which arose as a result of the construction period for the Group's subsidiaries in Albania and Egypt.

-The total borrowings (long & short term) of the Group did not change significantly during the first quarter of 2009.

- Group's deferred tax liabilities increased by € 2.2 m because of the appreciation of the dollar against the Euro.

- The increase in the trade and other payables account by € 29.0 m is as a result of the payment of the matured balances regarding the purchases of raw and auxiliary materials and the purchases of equipment for the plant in Albania that is under construction.

-The decrease of the gross profit before depreciation and amortization by € 16.3 m is mainly due to the decrease of the sales volume in the markets that the Group operates with the exception of Eastern Mediterranean market.

-The increase in depreciation and amortization by € 4.5 m is due to the additional depreciation which is included because of the acquisition of the Group's new subsidiaries and the appreciation of the dollar against the Euro.

-The increase in finance income is mainly due to the resolution regarding public interest subsidy on investments.

-The increase in finance expenses by € 5.4 m is due to the increase of the Group's borrowings for the funding of the acquisitions of the fiscal year 2008 that were happened after the 1st quarter of 2008 and the inclusion of the financial statements of the Group's new subsidiaries.

##### **Company**

-The increase in the participations in subsidiaries by € 5.0 m is mainly due to the increase in the share capital of the subsidiaries Fintitan by € 1.0 m and Ionia by € 3.8 m

-The decrease in the inventories by € 14.5 m is mainly due to the reduction in clinker by € 2.7 m, due to the fall of raw materials and solid fuel stock amounting to € 7.2 m, as well as due to the contribution of the porcelain stock of € 3.8 m to the Company's subsidiary Ionia for share capital increase.

-The long-term borrowings decreased by € 125.0 m because of a loan reclassification into short-term borrowings, as its payback period is now less than a year. It is worth mentioning that the Company has fully repaid a short-term loan of € 19.0 m to its subsidiary Alvacim LIM.

-The gross profit before depreciation declined by € 19.0 m, or 42,7% as a consequence of the lower turnover by € 30.0 m. or by 24,0% along with the lower cost of sales by € 11.0 m. or by 13,7%.

-The reduction in the turnover is primarily due to the lower cement-clinker sales volume by 412 thousand tones, or by 28,0%.

Moreover, the decline in the cost of sales is caused by the decrease of the total production costs by € 8.8 m and the lower distribution costs by € 5.3 m.

The above mentioned variations are due to the reduced production activity as a result of the lower sales volume.

The increase in finance income by € 3.3 m is due to the recognition of refundable government interest rate subsidies. The increase in finance expenses by € 11.1 m is due to the increase in the Company's borrowings for financing the business activities in Turkey, Egypt and US.

## **15. Share based payment**

In 2008, in accordance to the three-year Stock Option Programme (2007 Programme), the Company granted 158,220 share options.

According to the provisions of that Programme, the granted options granted each year have a maturity period of three years and can be exercised after the completion of the three year maturity period. Each option must be exercised within twelve months from its respective vesting period. If the deadline is exceeded then those particular options will be irrevocably cancelled.

All granted options are conditional on the employee's continued employment throughout the vesting period. The number of options to be granted each year will be determined as follows:

- 1) One-third of options granted vest based on the financial results of the Company, relative to the yield of the three year Greek Government Bonds.
- 2) One-third of options granted vest based on the Titan Cement's ordinary share performance relative to SMI index during the three year period.
- 3) One-third of options granted vest based on the Titan Cement's ordinary share performance relative to the average performance of the stock of twelve predefined international cement producing companies (Peer Index) during the three year period.

The options granted under the new Programme have been accounted for in terms of the requirements of IFRS 2 "Share based payments".

The fair value of the options granted in 2008 under the Programme of 2007, determined using the Black-Scholes valuation model, was €9.79 per option. The significant inputs used in the application of the valuation model were share price at the grant date of €26.92, the standard deviation of the share price of 32.28%, the dividend yield of 2.07% and the average annual yield of the three-year Greek Government Bonds of 3.764%.

During 2008 due to the voluntary resignation of participants of the 2007 Stock Option Programme, 17,580 options were cancelled. There are no grants of new options in the 1st quarter of 2009.

**16. Contingencies****Contingent liabilities**

	<b>Group</b>		<b>Company</b>	
	<b>31/3/2009</b>	<b>31/12/2008</b>	<b>31/3/2009</b>	<b>31/12/2008</b>
(all amounts in Euro thousands)				
Guarantees to third parties on behalf of subsidiaries	-	-	899.016	903.442
Bank guarantee letters	103.090	84.936	28.268	30.213
Other	17.610	19.421	5.669	5.720
	<b>120.700</b>	<b>104.357</b>	<b>932.953</b>	<b>939.375</b>

On Friday, January 30, 2009 the US District Court for the Southern District of Florida issued a ruling cancelling permits approved in 2002 for limestone mining in the Lake Belt area of Miami-Dade, with immediate effect. The ruling pertains to nine US Army Corps of Engineers (ACE) permits held by several companies, including Titan America LLC's subsidiary, Tarmac America.

The same Court had invalidated the same permits in a July 2007 ruling. The companies involved appealed to the 11th Circuit Court of Appeals in Atlanta, which in May 2008 reversed that order and returned the case to the District Court for a more deferential review. Notwithstanding the Appeal Court's directives, the District Court still found basis to cancel the 2002 permits. Titan views this as another flawed decision and it has appealed (see also note 18).

The Company is well prepared to continue operations and maintain production at Pennsuco and, - in the context of current depressed market conditions -, to address customer needs and meet its commitments.

There are no other litigation matters which may have a material impact on the financial position of the Company and the Group.

Given the reduced demand resulting from the underlying economic crisis, it is estimated that the allocation of carbon dioxide emissions allowances for the period 2008-2012 will not significantly affect the Group's production levels.

The financial years, referred to in note 6, have not been audited by the tax authorities and therefore the tax obligations of the Company and its subsidiaries for those years have not yet been finalized.

Other than the items referred to in the preceding paragraph, it is not anticipated that any material contingent liabilities will arise.

**Contingent assets**

(all amounts in Euro thousands)

	<b>Group</b>		<b>Company</b>	
	<b>31/3/2009</b>	<b>31/12/2008</b>	<b>31/3/2009</b>	<b>31/12/2008</b>
Bank guarantee letters	13.743	15.481	13.743	15.481
	<b>13.743</b>	<b>15.481</b>	<b>13.743</b>	<b>15.481</b>

claim of our subsidiary against the French state for damages, which at first instance had been accepted for €2.7 m plus interest. However, such decision was annulled by the Administrative Court of Appeal and the case has been submitted by our subsidiary before the Supreme Administrative Court of France (Conseil d'Etat).

**Commitments**

## Capital commitments

On July 25, 2007 Antea Cement Sh.A., a Titan Group subsidiary in Albania, entered into a commitment to construct a new cement plant in Kruje, Albania. The total project cost is estimated at € 170 m. The amount of € 101 m has been paid as of 31.03.2009.

The Group's subsidiary in Egypt, Beni Suef, is constructing a second 1.5 million-ton production line which is expected to be completed by the end of 2009. The total project cost is estimated at € 160 m. The amount of € 83 m has been paid as of 31.03.2009.

Capital commitments contracted for at the balance sheet date but not recognized in the financial statements is as follows:

	<b>Group</b>		<b>Company</b>	
	<b>31/3/2009</b>	<b>31/12/2008</b>	<b>31/3/2009</b>	<b>31/12/2008</b>
(all amounts in Euro thousands)				
Property, plant and equipment	74.001	98.586	13.001	13.586
Total	<b>74.001</b>	<b>98.586</b>	<b>13.001</b>	<b>13.586</b>

## 17. Acquisitions of subsidiaries

Period ended 31 March 2008

At 21.12.2007 the Group signed an acquisition agreement for 100% of the shares of Domiki Beton S.A., which was incorporated in the Group's financial statements at 15.1.2008 with the full consolidation method. The assets and liabilities of the above mentioned company, as they were preliminary recorded at the date of acquisition, are as follows:

(Amount in € 000s)

	Fair value recognized on acquisition	Previous carrying value
<b><u>Assets</u></b>		
Non current assets	3.391	3.391
Inventory	651	651
Receivables and prepayments	4.789	4.789
Cash & cash equivalents	26	26
<b>Total assets</b>	<b>8.857</b>	<b>8.857</b>
<b><u>Liabilities</u></b>		
Long term liabilities	286	286
Other liabilities and taxes payable	7.492	7.492
<b>Total liabilities</b>	<b>7.778</b>	<b>7.778</b>
<b>Net assets</b>	<b>1.079</b>	<b>1.079</b>
Goodwill arising on acquisition	8.448	
<b>Consideration, paid</b>	<b>9.527</b>	
<b>Cash flow on acquisition:</b>		
Purchase consideration settled in cash	9.527	
Net cash acquired with the subsidiary	-26	
<b>Net cash outflow on acquisition</b>	<b>9.501</b>	

## 18. Events after the Balance Sheet date

At 22.4.2009, the Group completed the acquisition of 3.6529% from the minority shareholders of Titan's Cementara Kosjeric A.D. in Serbia by paying the amount of € 2.6 m. After this acquisition the Group now owns 100% of the share capital of the above mentioned subsidiary.

On 1.5.2009 the US Army Corps of Engineers issued for public consultation the Final Supplemental Environmental Impact Study which will establish the framework for the long-term mining permit in the Lakebelt area.

## 19. Reclassifications

The income statement account "Other expenses" decreased by the amount of € 516 thousand and € 423 thousand for the Group and the Company respectively, which were posted to the "Finance expenses" in the Income Statement for the period 31 March 2008, so as to be comparable to the Income Statement for the period 31 March 2009. The above amounts are related to the financial costs of retirement benefits.

## 20. Principal exchange rates

<b>Balance sheet</b>	<b>31/03/2009</b>	<b>31/12/2008</b>	<b>31/3/2009 vs 31/12/2008</b>
€1 = USD	1,33	1,39	-4,4%
€1 = EGP	7,50	7,68	-2,2%
€1 = TRY	2,22	2,15	3,4%
1USD=EGP	5,64	5,52	2,2%
€1 = RSD	94,78	88,60	7,0%
1USD = JPY	98,56	90,64	8,7%

  

<b>Profit and loss</b>	<b>Ave 3M 09</b>	<b>Ave 3M 08</b>	<b>Ave 3M 09 vs 3M 08</b>
€1 = USD	1,29	1,53	-15,4%
€1 = EGP	7,23	8,41	-14,0%
€1 = TRY	2,16	1,88	15,3%
1USD=EGP	5,59	5,49	1,9%
€1 = RSD	94,23	82,85	13,7%
1USD = JPY	95,25	103,31	-7,8%