

## EASTERN MEDITERRANEAN

The Eastern Mediterranean was our fastest growing and most profitable region in 2010. Momentum in the region was sustained, driven by growing demand in Egypt, the Group's enhanced production capacity, and the rebound of the Turkish economy. Turnover increased by 31% to €360 million and EBITDA increased by 34% to €138 million.

### EGYPT

TITAN has been present in the Egyptian cement market since 1997 and is today a well-established producer with an annual production capacity of more than 5 million tons of cement. The company operates two cement plants in close proximity to the main consumption regions of upper Egypt / greater Cairo and Alexandria areas.

In 2010, the construction sector in Egypt maintained its positive momentum and national cement consumption increased to 49.5 million tons. Despite capacity additions by cement producers during the year, cement supply remained tight in the market, pushing the industry's utilization rates to very high levels.

Year 2010 was the first full year of operation with two production lines in our Beni Suef cement plant, after the addition of the second 1.5 million ton production line at the end of 2009. Because of enhanced capacity, the Group was able to serve the increasing demand, as well as to expand its presence in the market. Strong market fundamentals, combined with a cost-conscious culture and commitment to corporate social responsibility, led excellent performance and

record results, rewarding shareholders for years of extensive investments.

In February 2010, TITAN Egypt established its first ready-mix plant at Borg El-Arab (Alexandria city) and its successful operation has already made a modest contribution to profitability.

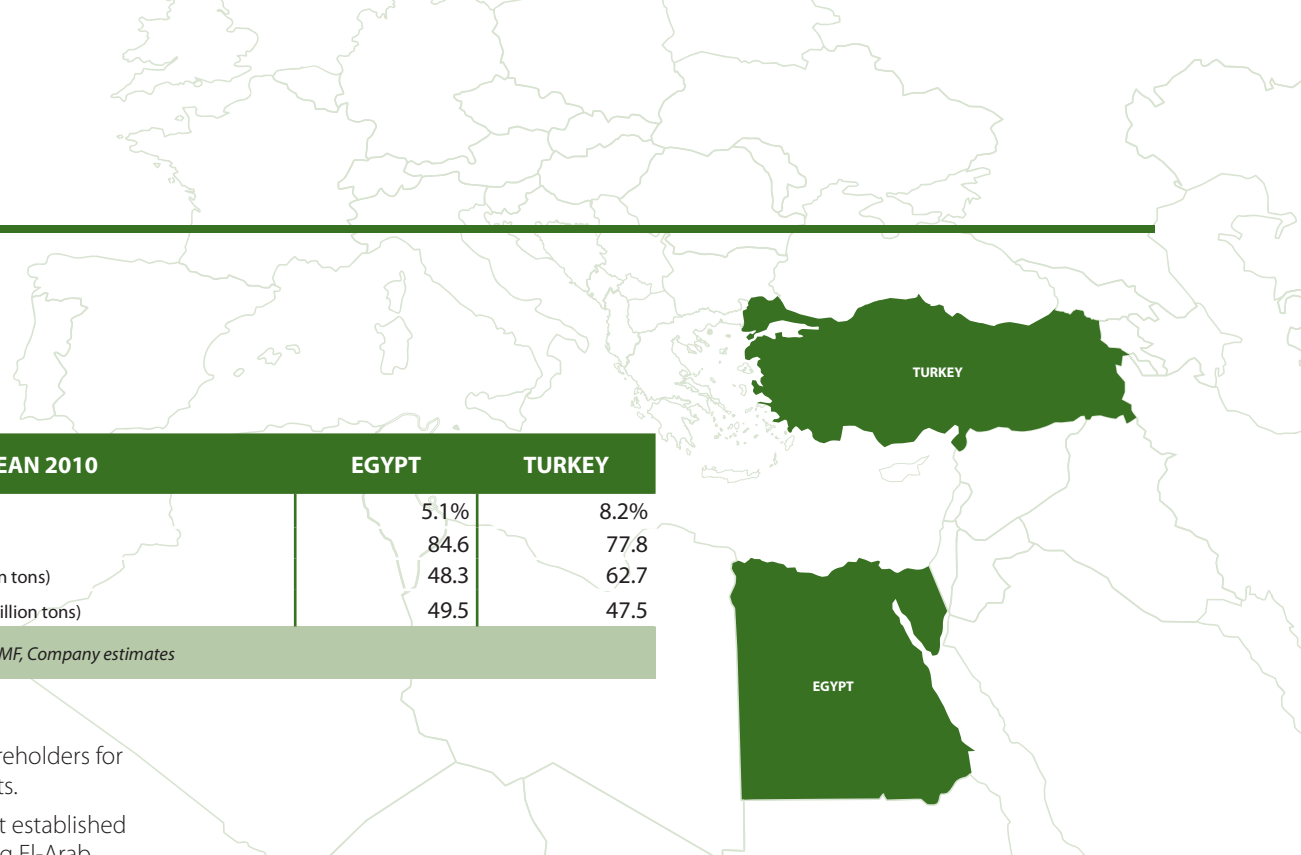
In November 2010, the Group announced the completion of the €80 million equity investment by "International Finance Corporation (IFC)," the development branch of the World Bank, in "Alexandria Portland Cement Company S.A." through the purchase of a stake in TITAN's holding company "Alexandria Development Limited (ADL)". The transaction resulted in IFC acquiring through ADL a 15.2% minority stake in TITAN's Egyptian operations.

Safety, a top business priority for TITAN, continued to improve. In recognition for its efforts, the Beni Suef plant received the prestigious DuPont™ Safety Award for the successful evolution of safety culture in 2009 and was named one of the safest places to work in Egypt.

### EASTERN MEDITERRANEAN 2010

	EGYPT	TURKEY
GDP (real growth rate)	5.1%	8.2%
Population (million)	84.6	77.8
Cement Production (million tons)	48.3	62.7
Cement Consumption (million tons)	49.5	47.5

SOURCE : Local State Authorities, IMF, Company estimates



Employee communication day, Bibliotheca Alexandrina, Egypt