



United Cement Group Plc

**Consolidated Financial Statements
for the year ended 31 December 2009**

UNITED CEMENT GROUP PLC

BOARD OF DIRECTORS AND PROFESSIONAL ADVISORS

Board of Directors

Mohamed Amersi, British
Marie Helen Barard Genstein, French
Adal Issabekov, Kazakhstani
Michael Sauer, Danish
Nicos Mavrokordatos, Cypriot
Loizos Shakallis, Cypriot

Secretary

Savinaco Ventures Limited

Independent Auditor

PricewaterhouseCoopers Limited

Legal advisors

Chryssafinis & Polyviou

Banker

Bank of Cyprus Public Company Ltd
JSC Kazkommertsbank

Registered Office

58 Ifigenias Street
53 CITY Home,
Office 201,
Strovolos,
2003 Nicosia, Cyprus

Registration number

195948

UNITED CEMENT GROUP PLC AND ITS SUBSIDIARIES
BOARD OF DIRECTORS' REPORT

The Board of Directors of United Cement Group Plc presents to the members their report together with the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31 December 2009.

PRINCIPAL ACTIVITY

The Group is primarily involved in the production and sale of cement and cement-related products.

FINANCIAL RESULTS

The Group's financial results for the year ended 31 December 2009 are set out on page 5 of the financial statements. The profit for the current year is US\$ 800 thousand (2008: US\$ 63,806 thousand).

EXAMINATION OF THE DEVELOPMENT, POSITION AND PERFORMANCE OF THE ACTIVITIES OF THE GROUP

The current financial position as presented in the financial statements is considered satisfactory since despite the global economic crisis the Group maintained positive results. The Board of Directors anticipates that the Group will overcome the adverse effects of the global economic crisis in the near future.

GOING CONCERN

Directors have access to all information necessary to exercise their duties. The Directors continue to adopt the going concern basis in preparing the consolidated financial statements based on the fact that, after making enquiries and following a review of the Group's budget for 2010, including cash flows and borrowing facilities, the Directors consider that the Group has adequate resources to continue in operation for the foreseeable future.

DIVIDENDS

The Board of Directors does not recommend the payment of a dividend.

MAIN RISKS AND UNCERTAINTIES

The main risks and uncertainties faced by the Group and the steps taken to manage these risks are described in Note 29 of the financial statements.

SHARE CAPITAL

The original share capital of the Company was 2,000 shares with a par value of Euro 1 each. In May 2008 this share capital was converted to 3,092 shares with a par value of US\$1 each and further the share capital was split into 309,200 shares with a par value of US\$0.01 each. The authorized share capital increased to 60,000,000 shares with a par value of US\$0.01 each. On 8 May 2008 the Company issued 39,690,800 additional shares with a par value of US\$0.01 each. All issued shares were purchased at par value by the company's existing owners.

UNITED CEMENT GROUP PLC

BOARD OF DIRECTORS' REPORT (continued)

BOARD OF DIRECTORS

The members of the Company's Board of Directors as at 31 December 2009 and at the date of this report are presented on page 1. All of them were members of the Board throughout the year 2009.

In accordance with the Company's Articles of Association Mr. Nicos Mavrokordatos and Mrs. Marie Helen Barard Genstein retire and, being eligible, offer themselves for re-election.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.



EVENTS AFTER THE BALANCE SHEET DATE

Material post balance sheet events, which have a bearing on the understanding of the financial statements, are presented in detail in Note 35 of the financial statements.

INDEPENDENT AUDITOR

PricewaterhouseCoopers Limited has been appointed as auditor on 9 December 2009. A resolution for their appointment and giving authority to the Board of Directors to fix their remuneration will be submitted at the next Annual General Meeting.

By order of the Board of Directors



Savinaco Ventures Limited
Secretary

Nicosia, 30 April 2010



Independent Auditor's Report To the Members of United Cement Group Plc

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Report on the Financial Statements

We have audited the accompanying consolidated financial statements of United Cement Group Plc (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as at 31 December 2009, and the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. The financial statements of the Group as at 31 December 2008 were audited by another auditor whose report dated 2 November 2009 expressed an unqualified opinion on those statements.

Board of Directors' Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated 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 of financial statements that give a true and fair view 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 controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the financial statements.

Board Members: Poulakia K Poulakia (CEO), Dinaia N Papatheodorou (Groupy CEO), Periklos N Tsalikis, Christofos Ganioti, Stryphon D Stogiannidis, Costas L Harjibonamiridou, George Ferrelidis, Costas M Nicolaidis, Angelos M Loflou, Vasilis Hadjivassiliou, Androulla B Piliak, Stavros C Michail, Costas L Mavroukadou, Christos H Themistodoulou, Periklos Kouris, Nikos A Nespopylou, George M Loflou, Panfotis G Evakopoulou, Lefkos M Theodorou, Stelios Constantinou, Tassos Pirozoglou, Andriana T Constantinides, Theo Piriadis, Constantinos Constantinou, Petros C Piriadis, Panagiotis C Savoulas, Elysiadis C Evangelou, Chelios Tsalikis, Nicos A Themistodoulou, Nikos T Mihalakias, Gias A Papatheodorou, Marinos B Andreou, Nikos P Chrysos, Arnan Toulkian, Constantinos Tsalikis, Stavros A Katsiridis, Yiangou A Katsiridis, Tassos N Noidis, Chrysiakos K Pealateros, Elysiadis Elysiadou, George C Lambrou, Chris Olyssas, Constantinos L Kiparioti, Stelios A Vrochaki, Arsenos Hadjipoulos, Petros N Maroulas

Directors of Operations: Androula Andreou, Andriana Chrysanthou, George Strogoularas, Demetris V Pradis, George A Isarnou, George C Kazantzis, Michael Vafiadis, Marinos G Malaridakis, Stryphon A Sokrinonidou, Yvanna Televantides, Antonis Chatsidavidides, Arnan G Loflou

Offices: Nicosia, Limassol, Larnaca, Paphos

PricewaterhouseCoopers Ltd is a private company,
Registered in Cyprus (File No 143394)

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 consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2009, 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 EU and the requirements of the Cyprus Companies Law, Cap. 113.

Report on Other Legal and Regulatory Requirements

Pursuant to the requirements of the Cyprus Companies Law, Cap. 113, we report the following:

- We have obtained all the information and explanations we considered necessary for the purposes of our audit.
- In our opinion, proper books of account have been kept by the Company.
- The Company's financial statements are in agreement with the books of account.
- In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Cyprus Companies Law, Cap. 113, in the manner so required.
- In our opinion, the information given in the report of the Board of Directors is consistent with the financial statements.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 156 of the Cyprus Companies Law, Cap. 113 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.




PricewaterhouseCoopers Limited
Chartered Accountants

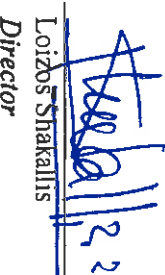
Limassol, 30 April 2010

United Cement Group Plc and subsidiaries
Consolidated Statement of Comprehensive Income for the year ended 31 December

	2009	2008
	'000 USD	'000 USD
<i>Continuing operations</i>		
Revenue	299,934	524,648
Cost of sales	(205,507)	(315,828)
Gross profit	94,427	208,820
Other income	2,273	3,710
Distribution expenses	(6,457)	(5,102)
Administrative expenses	(30,295)	(49,841)
Other expenses	(384)	(2,655)
Operating profit	59,564	154,932
Financial income	2,459	4,777
Financial expenses	(57,133)	(65,978)
Share of profit of equity accounted investees	530	651
Profit before income tax	5,420	94,382
Income tax expense	(4,620)	(32,023)
Profit from continuing operations	800	62,359
<i>Discontinued operation</i>		
Profit from the discontinued operation (net of income tax)	-	1,447
Profit for the year	800	63,806
Other comprehensive income		
Exchange differences on translation to presentation currency	(36,920)	(2,635)
Income tax on other comprehensive income	-	-
Other comprehensive income for the year	(36,920)	(2,635)
Total comprehensive (loss)/income for the year	(36,120)	61,171
(Loss)/profit attributable to:		
Owners of the Company	(5,485)	53,230
Non-controlling interests	6,285	10,576
Profit for the year	800	63,806
Total comprehensive (loss)/income attributable to:		
Owners of the Company	(39,005)	51,016
Non-controlling interests	2,885	10,155
Total comprehensive (loss)/income for the year	(36,120)	61,171
Earnings per share		
Basic and diluted earnings per share (USD)	(0.14)	2.05
Discontinued operations		
Basic and diluted earnings per share (USD)	-	0.05

These consolidated financial statements were approved for issue and signed on behalf of the Board of Directors on 30 April 2010:


 Nicos Mavrokordatos
 Director


 Loizos Shakallis
 Director

The consolidated statement of comprehensive income is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 12 to 75.

United Cement Group Plc and subsidiaries
Consolidated Statement of Financial Position as at 31 December

	Note	2009	2008
		'000 USD	'000 USD
ASSETS			
Non-current assets			
Property, plant and equipment	17	244,562	244,931
Intangible assets	18	127,623	131,114
Investments in equity accounted investees	19	9,479	8,953
Deferred tax assets	20	694	1,916
Trade and other receivables	22	-	13,063
Total non-current assets		382,358	419,977
Current assets			
Inventories	21	49,958	67,882
Income tax prepayment		2,236	4,587
Trade and other receivables	22	31,870	54,266
Prepayments for current assets		8,860	6,879
Cash and cash equivalents	23	34,927	8,290
Total current assets		127,851	141,904
Total assets		510,209	561,881

The consolidated statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 12 to 75.

United Cement Group Plc and subsidiaries
Consolidated Statement of Financial Position as at 31 December, continued

	2009	2008
	'000 USD	'000 USD
EQUITY AND LIABILITIES		
Equity		
Share capital	400	400
Additional paid-in capital	4,308	4,308
Foreign currency translation reserve	(34,272)	(752)
Retained earnings	54,776	74,653
Total equity attributable to owners of the Company	25,212	78,609
Non-controlling interests	33,183	30,298
Total equity	58,395	108,907
Non-current liabilities		
Loans and borrowings	270,066	271,560
Provisions	375	385
Deferred tax liabilities	9,105	16,636
Total non-current liabilities	279,546	288,581
Current liabilities		
Loans and borrowings	135,388	101,650
Advances received	2,055	3,249
Trade and other payables	24,620	46,749
Income tax payable	10,205	12,745
Total current liabilities	172,268	164,393
Total liabilities	451,814	452,974
Total equity and liabilities	510,209	561,881

The consolidated statement of financial position is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 12 to 75.

United Cement Group Plc and subsidiaries
Consolidated Statement of Cash Flows for the year ended 31 December

	2009	2008
	'000 USD	'000 USD
Cash flows from operating activities		
Profit for the year	800	63,806
<i>Adjustments for:</i>		
Depreciation and amortisation	19,973	17,904
Net financial expenses	54,674	61,201
Share of profit of equity accounted investees	(530)	(651)
Net gain on disposal of property, plant and equipment	(338)	(3,089)
Loss on disposal of intangible assets	-	29
Impairment losses on intangible assets	-	115
Impairment losses on advances paid and trade and other receivables	403	4,326
Gain on sale of the discontinued operation, net of income tax	-	(1,447)
Income tax expense	4,620	32,023
Operating cash flows before changes in working capital	79,602	174,217
Change in inventories	18,755	(9,662)
Change in trade and other receivables	7,214	(6,385)
Change in prepayments for current assets	(3,135)	3,119
Change in provisions	(20)	14
Change in advances received	(1,194)	(7,113)
Change in trade and other payables	(23,016)	11,297
Cash flows from operations before income taxes and interest paid	78,206	165,487
Income taxes paid	(11,121)	(49,156)
Interest paid	(993)	(44,124)
Cash flows from operating activities	66,092	72,207

The consolidated statement of cash flows is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 12 to 75.

United Cement Group Plc and subsidiaries
Consolidated Statement of Cash Flows for the year ended 31 December, continued

	Note	2009 '000 USD	2008 '000 USD
INVESTING ACTIVITIES			
Acquisition of property, plant and equipment	17	(40,991)	(118,403)
Proceeds from disposal of property, plant and equipment	17	4,055	6,672
Acquisition of intangible assets	18	(241)	(459)
Acquisition of subsidiaries, net of cash acquired	8	13	-
Disposal of subsidiaries, net of cash disposed	8	-	(339)
Loans granted to related parties		-	(54,788)
Loans repaid by related parties		12,141	90,138
Interest received		-	257
Proceeds from sale of the discontinued operation	7	-	4,558
Acquisition of non-controlling interests	8	-	(764)
Cash flows used in investing activities		(25,023)	(73,128)

FINANCING ACTIVITIES

Proceeds from the issuance of share capital	24	-	398
Distribution to owners*	24,28	-	(204,330)
Proceeds from borrowings	26	5,000	148,424
Repayment of borrowings	26	(15,344)	(5,343)
Cash flows used in financing activities		(10,344)	(60,851)
Effect of exchange rate fluctuations on cash and cash equivalents		(4,088)	2,804
Net increase/(decrease) in cash and cash equivalents		26,637	(58,968)
Cash and cash equivalents at beginning of year	23	8,290	67,258
Cash and cash equivalents at end of year	23	34,927	8,290

* Non-cash distribution to owners amounted to USD 14,392 thousand during the year ended 31 December 2009 (2008: contribution by owners in the amount of USD 15,845 thousand).

United Cement Group Plc and subsidiaries
Consolidated Statement of Changes in Equity for the year ended 31 December

'000 USD	Note	Attributable to owners of the Company				Total	Non-controlling interests	Total equity
		Share capital	Additional paid-in capital	Translation reserve	Retained earnings			
Balance at 1 January 2008		2	4,308	1,462	211,563	217,335	21,193	238,528
Total comprehensive income for the year								
Profit or loss		-	-	-	53,230	53,230	10,576	63,806
Other comprehensive income								
Foreign currency translation differences		-	-	(2,214)	-	(2,214)	(421)	(2,635)
Total comprehensive income for the year		-	-	(2,214)	53,230	51,016	10,155	61,171
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Issue of shares	24	398	-	-	-	398	-	398
Distributions to owners as part of Group restructuring	24	-	-	-	(188,485)	(188,485)	(241)	(188,726)
Discounts recognised on interest-free loans granted to and received from related parties, net of income tax	33	-	-	-	(1,700)	(1,700)	-	(1,700)
Total contributions by and distributions to owners		398	-	-	(190,185)	(189,787)	(241)	(190,028)
Changes in ownership interests in subsidiaries that do not result in a loss of control								
Acquisition of non-controlling interests and total changes in ownership interests in subsidiaries	8	-	-	-	45	45	(809)	(764)
Total transactions with owners		398	-	-	(190,140)	(189,742)	(1,050)	(190,792)
Balance at 31 December 2008		400	4,308	(752)	74,653	78,609	30,298	108,907

The consolidated statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the consolidated financial statements set out on pages 12 to 75.

United Cement Group Plc and subsidiaries
Consolidated Statement of Changes in Equity for the year ended 31 December, continued

'000 USD

	Note	Attributable to owners of the Company				Total	Non-controlling interests	Total equity
		Share capital	Additional paid-in capital	Translation reserve	Retained earnings			
Balance at 1 January 2009		400	4,308	(752)	74,653	78,609	30,298	108,907
Total comprehensive income for the year								
Profit or loss		-	-	-	(5,485)	(5,485)	6,285	800
Other comprehensive income								
Foreign currency translation differences		-	-	(33,520)	-	(33,520)	(3,400)	(36,920)
Total comprehensive income for the year		-	-	(33,520)	(5,485)	(39,005)	2,885	(36,120)
Transactions with owners, recorded directly in equity								
Distributions to owners as part of Group restructuring	24	-	-	-	(14,392)	(14,392)	-	(14,392)
Balance at 31 December 2009		400	4,308	(34,272)	54,776	25,212	33,183	58,395