

NEW TITAN ACQUISITION IN EGYPT

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TITAN announces the 50% acquisition of the majority stake (88.45%) of Egyptian cement company "Alexandria Portland Cement Company" (APCC).

APCC operates one plant located in Alexandria with an annual production capacity of 2 million tons of cement, having recently completed works on a new dry line.

The acquisition is realized through the 50/50 joint venture company with LAFARGE, "Lafarge Titan Egyptian Investment Limited" (LTEIL), which purchases 100% of the shares of Alexandria Development Limited (ADL), a financial holding subsidiary of LAFARGE, which owns the above 88.45% of the shares of APCC.

The acquisition price corresponds to an average price of 21,64 Egyptian pounds per APCC share. The corresponding amount for TITAN's 50% share of the above majority stake of APCC is \$25.5 million. TITAN also undertakes 50% of obligations which are estimated to amount to \$100 million approximately.

The current deal is an extension of the existing Titan/Lafarge joint venture in Egypt, which since 1999 controls the Beni Suef Cement Company. Located 120 kilometers south of Cairo, the Beni Suef plant currently has a production capacity of 1.5 million tons.