ANNUAL REPORT & FINANCIAL RESULTS 2008

www.titan.gr

Highlights

page 12

For the TITAN Group overall, 2008 marked the 57th consecutive year of profitability and the 106th year of industry experience, consistently aiming to combine operational excellence with respect for people, society and the environment.

Expansion of operations in Egypt

page 18

In 2008 TITAN doubled the size of its operations in Egypt by acquiring Lafarge's share in Lafarge-Titan Egyptian Investment, a 50/50 joint venture. The company, renamed TITAN Cement Egypt, owns two cement plants, Beni Suef Cement Co. and Alexandria Portland Cement Co., both located near heavily populated areas: Cairo and Alexandria.

CSR and Sustainability Review

page 26

For TITAN Corporate Social Responsibility is a step beyond compliance; it is a conscious and voluntary pledge to do better. It is not only a matter of ethics or even social responsibility, but also good business practice that creates value.

Corporate Governance

page 42

TITAN Cement Company S.A. has put in place and implements corporate governance rules, which reflect international best practices and go beyond the requirements laid down by law.

Management is firmly committed to the continuing integration of new rules and practices into Company operations, which promote transparency, responsibility, reliability, sustainable development and corporate social responsibility in every aspect and field of activity of the Group and its entire web of relationships with shareholders, employees, customers, suppliers, contractors and the society.

2008
Annual Report and Financial Results

TITAN

Hydroseeding is a planting process that utilizes a slurry of seed and mulch. The slurry is transported in a tank and sprayed over prepared ground in a uniform layer.

TITAN has been using hydroseeding for over 10 years, respecting local Greek flora, in areas where quick germination to inhibit soil erosion is required, such as in old quarries and fire stricken areas.

For more information please refer to CSR and SD Report p. 27

TITAN is committed to reforesting efforts and has contributed its know-how in hydroseeding in Ancient Olympia

Contents

OVERVIEW

- *More than € 2.8 billion invested in expansion and modernization since 2000*
- *Business presence in four major regions, 12 countries – 60% of Turnover outside Greece and Western Europe*
- *Successful vertical integration – Non-cement products representing 35% of Turnover*
- *Cost-conscious corporate culture*
- *CSR focus – First Company in Greece to sign the United Nations Global Compact*
- *Acquisition of the remaining 50% of the joint venture in Egypt and of a 50% share in Adocim Cimento, Turkey in 2008*
- *One new cement plant (Albania) and one new cement production line (Egypt) under construction*
- *A growing employer – Nearly four fold manpower increase since 1992*

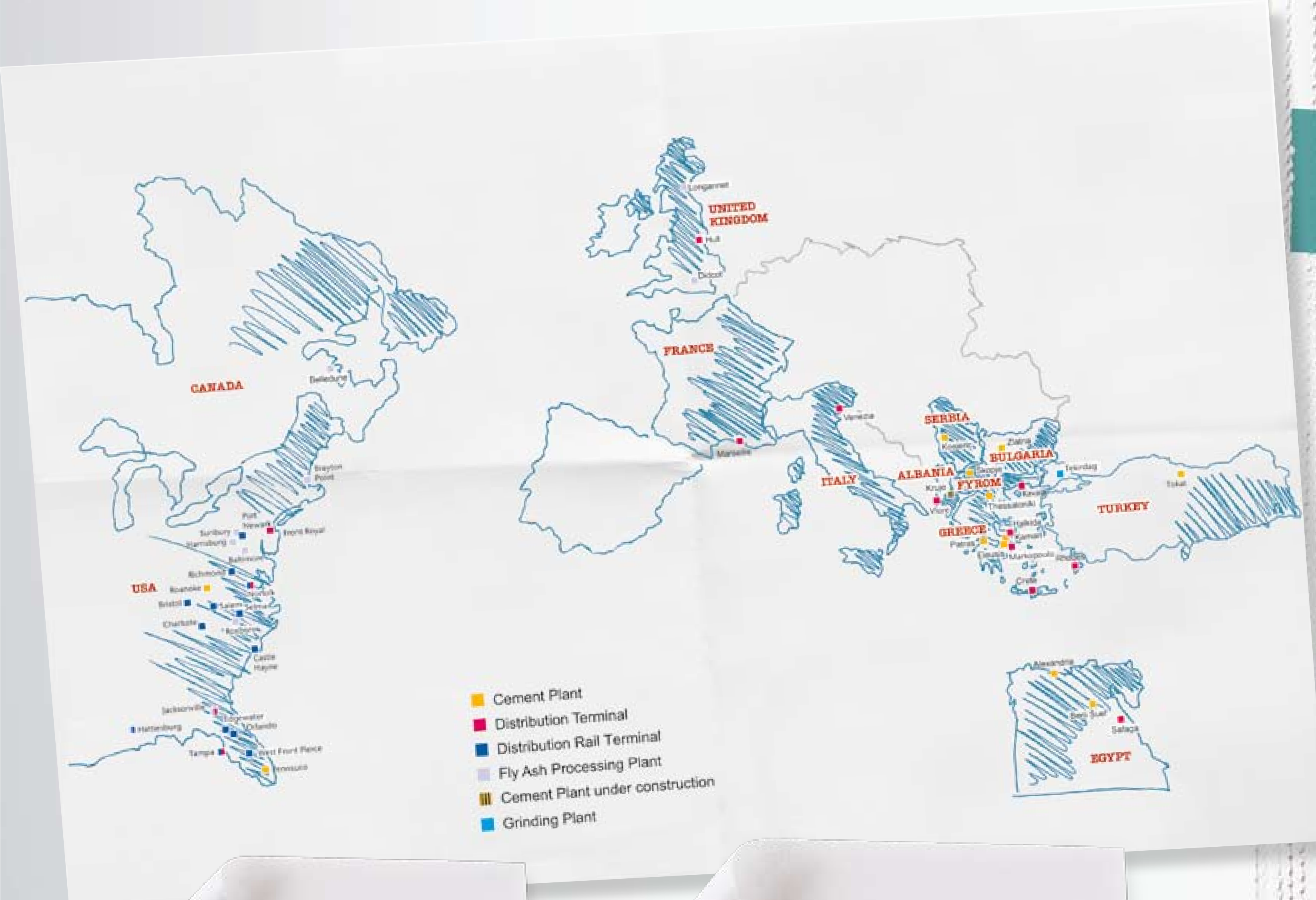
KEY FINANCIALS 2004-2008

(thousand €)	2008	2007	2006	2005	2004
TOTAL ASSETS	3,194,090	2,325,864	1,976,612	1,802,864	1,533,767
INVESTED CAPITAL	2,509,873	1,741,587	1,407,247	1,317,409	1,065,223
SHAREHOLDERS' EQUITY [1]	1,396,056	1,172,827	1,080,189	922,988	650,519
TURNOVER	1,578,458	1,496,915	1,568,109	1,341,727	1,142,474
EBITDA	380,052	427,926	480,671	389,173	318,472
EARNINGS BEFORE TAX AND MINORITY INTEREST	210,016	300,346	380,823	293,068	242,605
EARNINGS AFTER TAX AND MINORITY INTEREST	208,224	239,739	259,185	210,128	176,951
BASIC EARNINGS PER SHARE	2.53	2.85	3.07	2.50	2.11
NET DIVIDEND	35,510	63,399	63,338	50,598	43,747
DIVIDEND PER SHARE	0.42	0.75	0.75	0.60	0.52
NUMBER OF SHARES AS OF DECEMBER 31st	84,546,774	84,532,574	84,485,204	84,330,124	84,129,224
INTEREST COVERAGE RATIO	4.87	9.52	14.71	11.40	12.66
NET DEBT TO EBITDA RATIO	2.93	1.34	0.68	1.01	1.30
RETURN ON INVESTED CAPITAL [2]	9.9%	15.5%	19.3%	17.9%	17.4%

[1] Shareholders' equity has been restated for 2005 due to a change in the accounting treatment of dividends payable to shareholders, as required by IFRS.
[2] Net Profit after taxes and before Minority interest divided by Average Invested Capital.

KEY NON-FINANCIALS 2005 - 2008

	2008	2007	2006	2005
DIRECT EMPLOYMENT	6,504	6,034	5,891	5,681
TRAINING MANHOURS PER EMPLOYEE	23.5	29	18	15
EMPLOYEE LOST TIME INCIDENT FREQUENCY RATE	3.42	3.15	4.75	5.87
DIRECT CO_2 EMISSIONS (kg/t of product)	685	689	690	698
ENVIRONMENTAL INVESTMENTS (m. €)	26.6	30.8	36.8	17.9



In 2008, TITAN produced across all its sites:

- **17.2 million tonnes** of cement and cementitious materials
- **5.4 million m^3** of ready mix concrete
- **18.6 million tonnes** of aggregates

TITAN has more than **6,500 employees** worldwide

TITAN owns and operates:

- **12 cement plants** in Greece, USA, Bulgaria, FYROM, Serbia, Egypt and Turkey
- **141 ready mix concrete facilities**
- **47 quarries***
- **9 concrete block plants**
- **8 fly-ash processing units**
- **1 dry mortar plant**
- **Cement distribution terminals** in Greece, USA, Italy, France, UK, Albania and Egypt
- Its own **road and sea distribution fleets**

** Includes quarries for aggregates and cement production*

To Our Shareholders

The world changed in 2008. The outbreak of an unprecedented crisis in the global credit system and in the global economy has triggered the change of an era.

After several years of growing demand for building materials, short and medium term expectations have been revised sharply downwards. For the Titan Group, 2008 was a year of declining financial performance, adaptation to the new facts and a redefinition of priorities.

During the year, continuing fall in demand for building materials in the USA, reduced cement consumption in Greece and skyrocketing prices of solid fuels resulted in considerable pressure on the Group's profitability. This pressure was only partly mitigated by the positive contribution of the acquisitions in Egypt and Turkey and by the increased cement consumption in South Eastern Europe and Egypt.

In the USA, the housing market continued to decline in 2008, which further reduced demand for building materials. Property prices fell sharply reflecting the oversupply of homes on the market. New housing starts were further reduced, causing dramatic declines in sales volumes. According to the Portland Cement Association, cement consumption in the USA fell in 2008 by 15% compared to 2007. Florida, which represents more than half of the Group's US operations, was particularly hard hit. Consumption there fell by 26% in 2008, following the 29% drop of 2007. Overall, the Group's turnover in the USA was reduced by 18% compared to 2007 and EBITDA dropped by 60% to €43 million.

Demand for building materials in Greece declined for the second year in a row, mainly due to a slowing housing market. Cement consumption fell by an estimated 7%, compared to 2007. Despite the market downturn, the Group continued its long-term strategy of vertical integration and acquired companies active in the ready-mix concrete and aggregates businesses.

As a result, the Group's turnover in Greece and Western Europe showed a slight increase. The sharp spike in energy costs during the year affected operating profitability, which ended the year at €168 million, lower by 13% compared to the previous year.

In South Eastern Europe, strong demand in Bulgaria and Serbia, combined with the contribution made by the increased production capacity in Bulgaria led to a 37% increase in turnover and a 8.5% increase in operating profits to €105 million. The Group's position in the region will be further strengthened in early 2010, when the new cement plant under construction in Albania begins operations, adding 1.5 million tonnes of cement to the Group's capacity.

In our Eastern Mediterranean region, results surged ahead on the back of growing demand in Egypt and significant acquisitions in Egypt and Turkey. Turnover in the region rose by 173% and EBITDA by 105%, reaching €64 million. At the same time, the expansion of the Beni Suef plant by 1.5 million tonnes is progressing on schedule and the launch of the new production line is expected in the last quarter of 2009. This addition will increase the Group's capacity in the dynamic Egyptian market by more than 40%.

Overall, Group turnover increased by 5% to €1,578 million and Group EBITDA declined by 11% to €380 million. Net profit, after minority interests and provision for taxes, was lower by 13% at €208 million. The Board of Directors is recommending the distribution of the minimum statutorily required dividend of €0.42 per share issued, compared to €0.75 in 2007. This recommendation reflects the importance of preserving liquidity in order to face the challenges of 2009.

In 2008, the Group invested €587 million with a view to expanding its operations and continuously improving its installations. The most important investments were: the buyout of our partner's 50% stake in the joint venture in Egypt, the expansion into Turkey through the acquisition of a 50% share in Adocim Cimento, the purchase of an additional 22% stake in our existing subsidiary in Serbia, the construction of a greenfield plant in Albania and of a 2nd production line in one of our plants in Egypt, the acquisition of smaller ready-mix and aggregates companies in Greece, as well as a number of other investments aimed at improving environmental sustainability and reducing our carbon footprint, through the use of best available technologies and increased consumption of waste materials and alternative fuels.

As a result of this extensive investment program, the Group's net debt increased from €569 million to €1,114 million.

Following several years of positive absolute and relative performance, and after reaching a record high in the first half of 2007, the share price of TITAN Cement SA fell in 2008 by 55% closing the year at €13.90. This performance compares favourably to that of the Athens Stock Exchange index during 2008 (-65.5%) and is comparable to the performance of our peers in the building materials sector internationally. During 2008, TITAN continued the share buyback program approved by the General Assembly. In total 2,107,429 shares, representing 2.49% of the share capital, were purchased during the year, bringing the share capital held by the Company at the end of 2008 to 3.78% of the total.

The outlook for 2009 is clouded by the ongoing crisis in the global credit system and its impact on the economy. A deep recession or, at the very least, a significant deceleration of growth has taken hold in most countries. The global economy as a whole is expected to contract for the first time since the second World War.

Demand for our products is impacted significantly. In the USA, the Portland Cement Association is forecasting a further reduction of 17% in cement consumption during 2009. In Greece, the decline in demand for building materials is expected to accelerate, driven by the drop of the housing market. A sharp contraction is predicted in South Eastern European markets. In contrast, demand is expected to continue to rise in Egypt, easing the placement in the market of additional volumes after the anticipated launch of the 2nd production line in Beni Suef.

If solid fuel prices remain at levels well below last year's throughout 2009, this should progressively contribute to a reduction in production costs, thus somewhat reducing the pressure on profitability.

Beni Suef plant, Egypt

Our priorities for 2009 focus on generating positive cash flow for the reduction of debt, reducing production and operating costs and restricting new capital expenditures. At the same time, the Group continues to invest in the completion of two new production facilities in Albania and Egypt, the operation of which will have a positive effect on results starting in 2010.

Although the world may have changed in 2008, giving rise to new challenges, we believe that the fundamentals on which Titan has built its business, namely a focused strategy on building materials and a values-driven approach to doing business, remain firmly in place.

The Group is committed to the four axes of its strategy: the geographic diversification of the core cement business, the continuous improvement of our competitiveness, the vertical integration into related building materials, and the focus on human resources and Corporate Social Responsibility. No matter how deep the crisis ends up being, demand for housing and infrastructure to better people's lives will eventually recover and, with it, demand for high-quality, cost-effective building materials.

The crisis has, if nothing else, strengthened our belief that operating according to our values, principles and standards is good business practice. Open communication with our shareholders and key stakeholders on the most significant, material and relevant issues to our business has become even more important than before.

At TITAN we have a long-standing commitment to corporate responsibility, aligning the implementation of our strategic objectives with our corporate values and international standards and best practices, as particularly defined by U.N. Global Compact and the World Business Council for Sustainable Development. As reported in 2007, a wide-range independent assessment process, aiming to support our endeavours for continuous improvement, led to an A+ assurance level, according to GRI (G3, 2006).

In 2008 we continued to review our management systems, policies and practices.

In Greece, we launched a new, innovative effort, organising the 1st Multi-Stakeholders' Forum, engaging in a proactive process of dialogue with key stakeholders and enhancing transparency, trust and even consensus building on important issues. The outcome of this process encourages us to continue to pursue the reduction of our social and environmental "footprint", while at the same time, "doing more good".

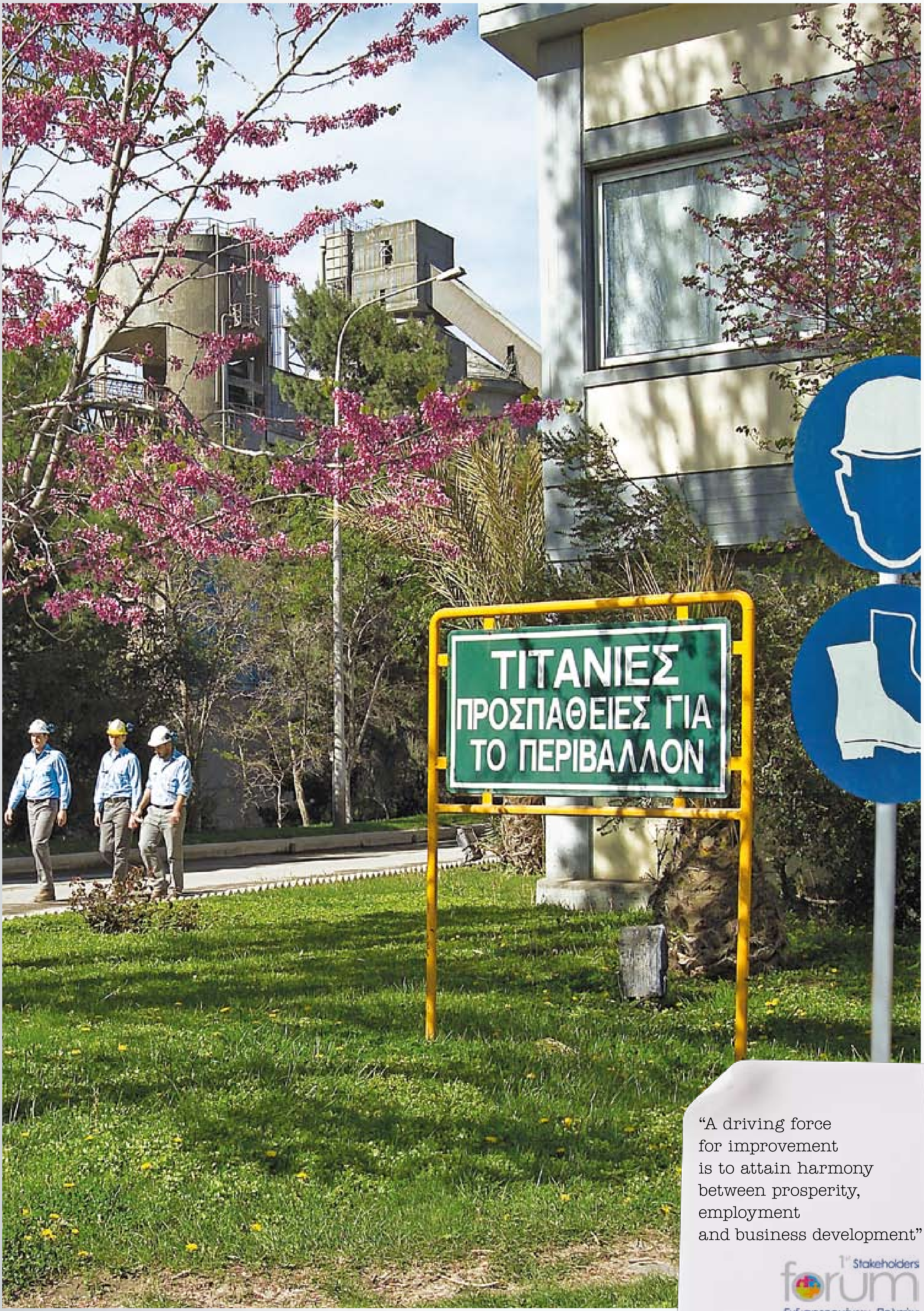
Our commitment to live up to our values is also visible in the construction of our new cement plant in Albania in line with a detailed Environmental and Social Impact Assessment Study targeted to minimize the potential impact and maximize benefits and perspectives for sustainable development.

In the context of the Cement Sustainability Initiative, we are participating in a proactive effort to propose a global "sectoral" approach to facing the challenges posed by the prospect of global warming. At the same time we are continuing our focus on reducing our carbon footprint.

These and other actions and initiatives are highlighted in this report, as well as the related CSR report for 2008. Although the Report to Shareholders and the Corporate Social Responsibility Report are presented as two separate reports, they should be viewed as an integrated whole.

I would like to take this opportunity, on behalf of all our shareholders, to thank all the employees who are part of the TITAN family for their efforts and their commitment. Their engagement and dedication allow us to face the current challenges with optimism and confidence.

Dimitri Papalexopoulos
Managing Director



Kamari plant, Greece

"A driving force for improvement is to attain harmony between prosperity, employment and business development"

Group Overview 2008

TITAN is a broad-based international cement group, with its headquarters in Athens, Greece.

Since the 1990s, TITAN has pursued a twin expansion strategy of geographical diversification and vertical integration, always considering cement as its core business. Throughout its history TITAN has aimed to combine operational excellence with respect for people, society and the environment.

Today, the Group has operations in Greece and Western Europe, the USA, South Eastern Europe and the Eastern Mediterranean, producing cement, ready-mix concrete, concrete blocks, dry-mix mortars, fly-ash and aggregates.

In 2008, 60% of Group Turnover was generated outside of Greece and Western Europe and 35% by building materials other than cement.

Greece and Western Europe

Business

- Four cement plants, generating over 6 million tonnes
- Thirty two ready mix concrete facilities with a total production of 2.3 million m^3
- Quarrying 11.8 million tonnes of aggregates
- Three cement import and distribution terminals

Financial

Turnover: € 633.0m
EBITDA: € 168.5m

Market

- Pursuing vertical integration and geographical reach through acquisition of ready mix concrete plants and quarries in Greece
- Deceleration of the housing market
- Cement demand from infrastructure works only partially offsets decline in private construction

United States of America

Business

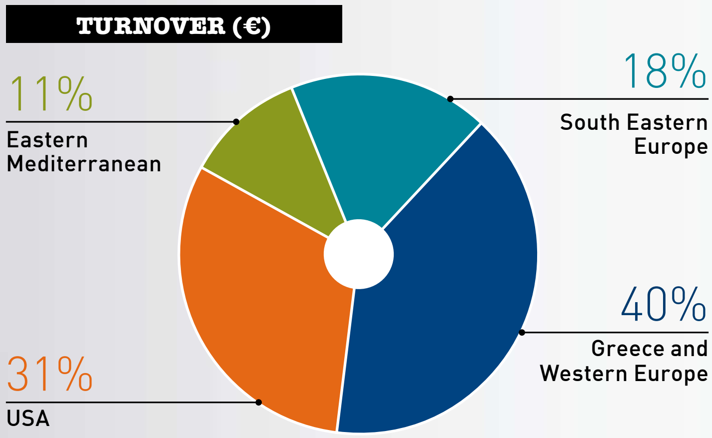
- Two cement plants, with a total production capacity of 3.1 million tonnes per year
- Three import and distribution terminals
- Ninety six ready mix concrete facilities with a total production output of nearly 3 million m^3 in 2008
- Quarrying nearly 7 million tonnes of aggregates in 2008 (pending Lake Belt litigation in the USA)

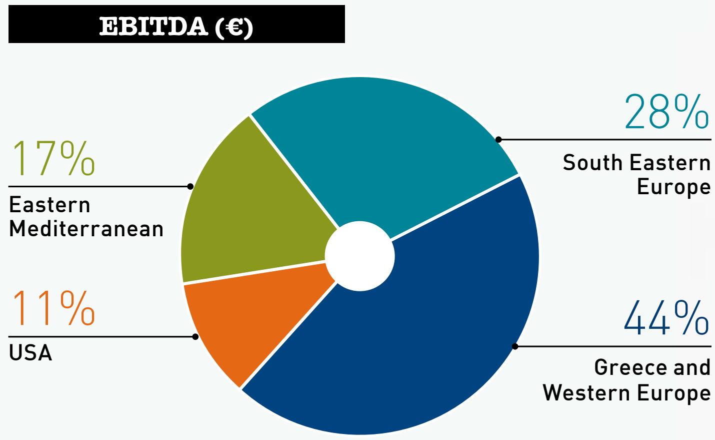
Financial

Turnover: € 483.9m
EBITDA: € 42.8m

Market

- Deepening of the housing market crisis, especially in Florida
- Demand for building materials declines across all sectors and product lines
- Demographic trends remain strong





South Eastern Europe

Eastern Mediterranean

Business

- Operations in Bulgaria, Former Yugoslav Republic of Macedonia, Serbia and Albania
- Three cement plants with combined production capacity over 3.1 million tonnes per year
- New cement plant under construction in Albania with production capacity 1.5 million tonnes
- Five ready mix concrete facilities in Bulgaria, one in the Former Yugoslav Republic of Macedonia and two cement terminals in Albania

Financial

Turnover: **€ 287.3m**
EBITDA: **€ 105.3m**

Market

- Enhanced performance of the region in 2008
- Construction of greenfield cement plant in Albania, with annual production capacity 1.5 million tonnes, expected completion early 2010
- Expansion of Group's operations in Albania through imports in anticipation of operation of the new plant

Business

- Two cement plants in Egypt (acquisition of Lafarge's 50% stake) with combined capacity 3.4 million tonnes
- Construction of new line to increase production by 1.5 million tonnes in Egypt (last quarter 2009)
- One cement and one grinding plant in Turkey (50 – 50) joint venture in Adocim Cimento

Financial

Turnover: **€ 174.2m**
EBITDA: **€ 63.6m**

Market

- Operating performance in Eastern Mediterranean more than doubles in 2008
- Strong underlying market conditions in Egypt
- Market challenges in Turkey

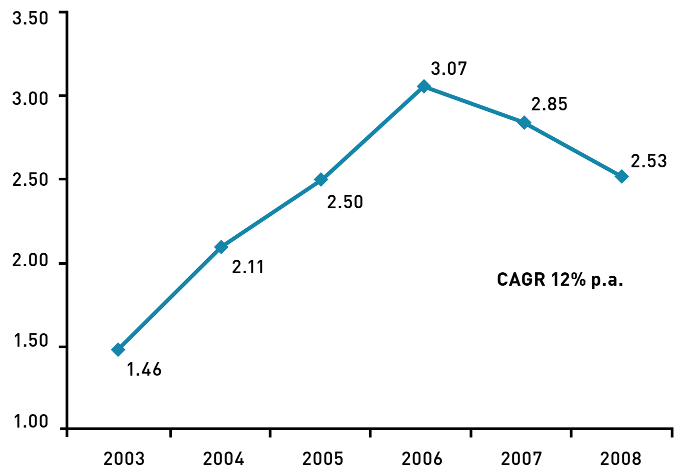
Highlights

Financial

In 2008, the progressively worsening economic climate affected our financial performance. In our mature markets, we faced an increasingly difficult business climate, more pronounced in the USA by the deepening of the housing crisis and the economic recession, but also evident in Greece with the slowdown of construction activity and surge of energy costs. On the other hand, our emerging markets regions in South Eastern Europe and the Eastern Mediterranean posted significant performance improvements. For the TITAN Group overall, 2008 marked the 57th consecutive year of profitability and the 106th year of industry experience, consistently aiming to combine operational excellence with respect for people, society and the environment.

Despite the deepening crisis and the inevitable impact of the economic cycle on the demand for construction materials, we remained focused on implementing our long term strategy. To this end, in 2008 we followed an ambitious investment program, investing €587 million in acquisitions and expansion of activities.

EARNINGS PER SHARE

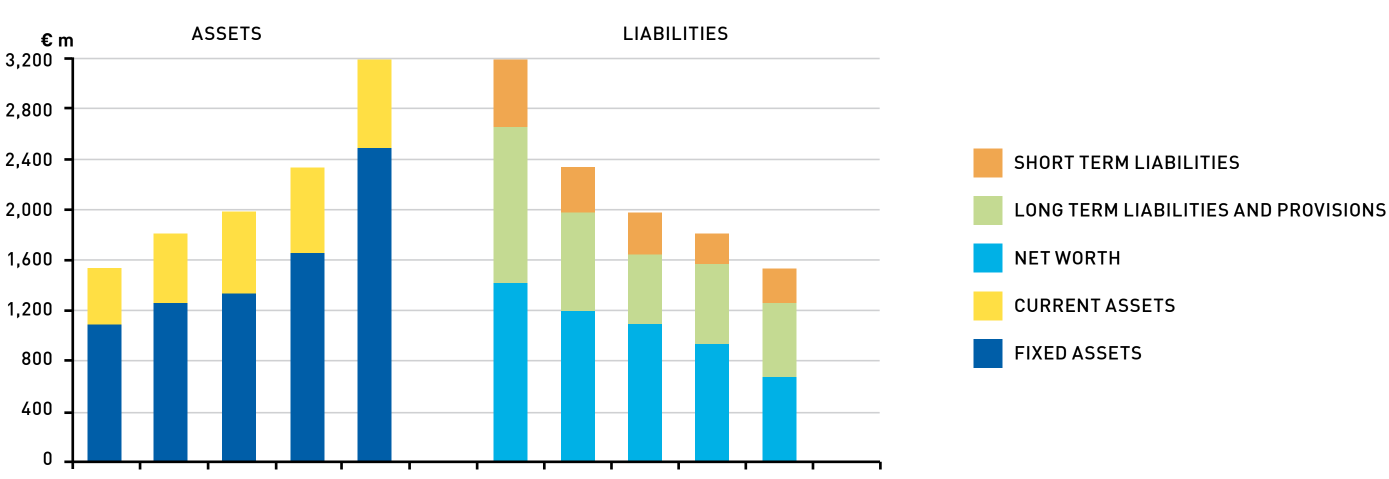


Acquisitions

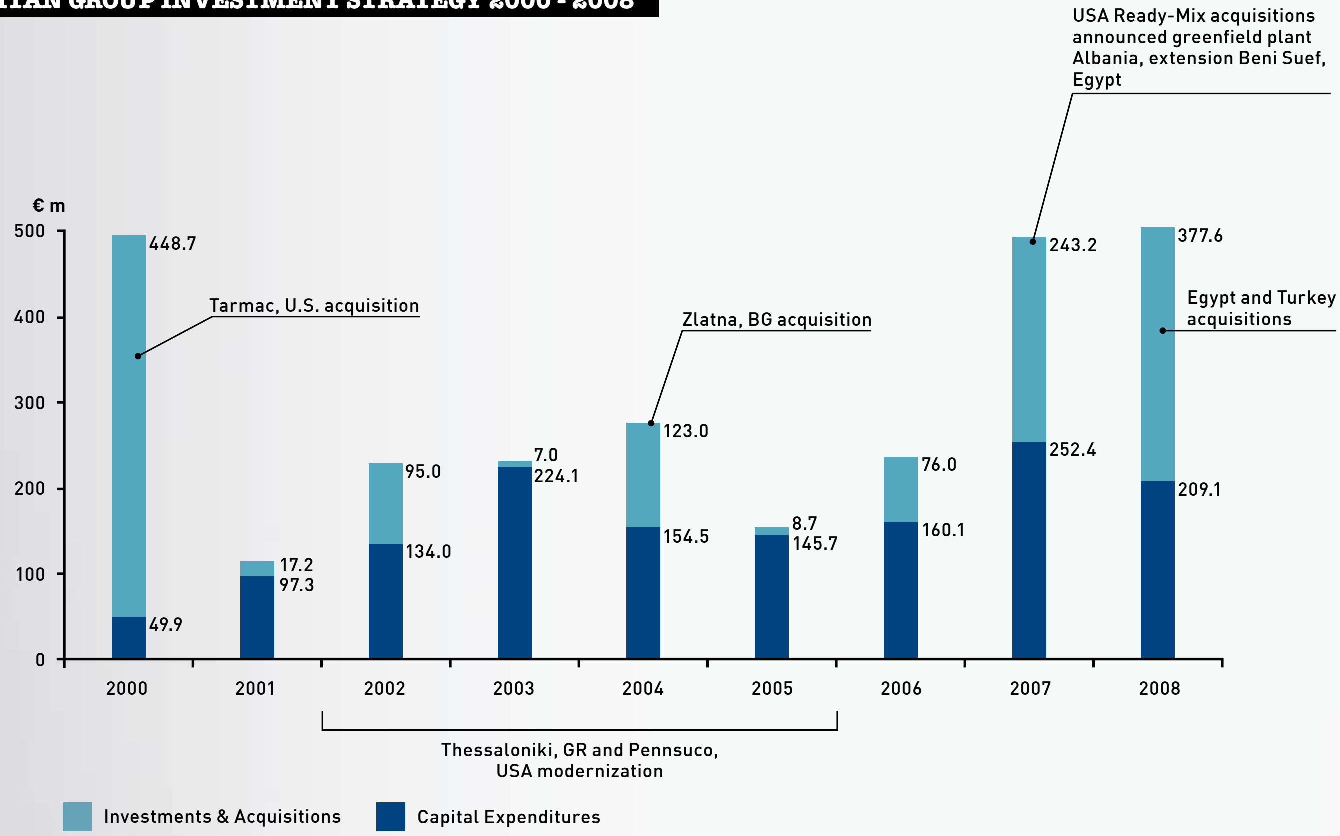
During the year we made a number of investments and related announcements for acquisitions in our core cement business and associated sectors, as well as set up plans for future activities.
Highlights include the acquisitions of:

- The remaining 50% share of the joint venture in Egypt to which the Egyptian companies Beni Suef Cement Company and Alexandria Portland Cement Company belong. The two plants have an annual production capacity of 3.3 million tonnes.
- A 50% share in company Adocim Cimento Beton Sanayi ve Ticaret A.S. in Turkey. The company's production capacity is 1.5 million tonnes annually.
- Domiki Beton SA, a ready-mix concrete and aggregates company, Vachos Quarries SA and Thisvi Quarries SA, both aggregates companies in Greece, by our subsidiary Interbeton Construction Materials SA.
- The minority stake of 22.1% in the Group subsidiary Titan Cementara Kosjeric A.D. Following the acquisition's completion, the Group holds 96.3% in the company.

TITAN GROUP BALANCE SHEET 2004 - 2008



TITAN GROUP INVESTMENT STRATEGY 2000 - 2008



Expansions

The construction of two important projects was continued in 2008. These projects aim to further increase the Group's production capacity in countries with positive demographic trends and development potential.

The first project relates to the construction of a new plant (of a capacity of 1.5 million cement tonnes per annum) in Kruje, Albania, expected to start operations in the beginning of 2010. The total investment by the end of 2008 was €77 million.

The second project relates to the construction of a new production line in our Beni Suef plant in Egypt (also with a capacity of 1.5 million cement tonnes) which is expected to be completed in the last quarter of 2009. The total investment by the end of 2008 was €76 million.

Separation Technologies, our subsidiary which is acting in the installation and operation of fly-ash processing units, in 2008 continued to expand with the launch of new plants in North America and the United Kingdom.

Besides acquisitions made and organic growth, expansion of activities, investment in upgrading our assets and developing new products was strong in 2008, in line with our strategic commitment to continuously improve productivity.

Furthermore, in 2008 we continued our investments for the reduction of carbon dioxide emissions through the use of the best available technologies and increased consumption of alternative fuels. These investments amount to €27 million.

CSR Developments

- 1st National Stakeholders' Forum in Greece (Athens, Kamari Plant, Oct. 2008)
- 1st independent evaluation in accordance with international standards (see results and suggestions for improvement, Annual Report 2007 and www.titan-cement.com)
- 1st CSR & SD Report in Greece with independent evaluation and assurance at GRI (G3) Application Level A+
- Top position in Accountability Rating 2008 for Greece
- Separation Technologies, a TITAN subsidiary awarded by USA State for reduction of CO_2 emissions and development of "Green Products"

TITAN

Turnover: **€1,578 m**

EBITDA: **€380 m**

Net Profit: **€208 m**

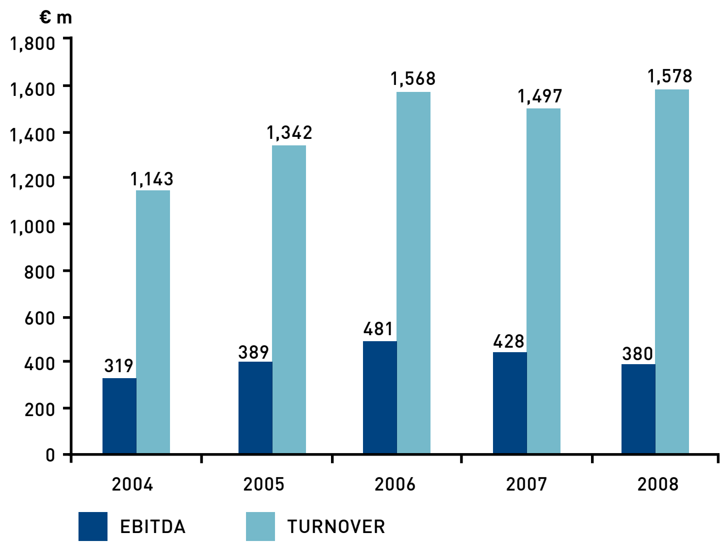
Investments: **€587 m**

Environmental Investments: **€27 m**

More than
6,500 employees

Highlights

TITAN GROUP PERFORMANCE HIGHLIGHTS 2004-2008

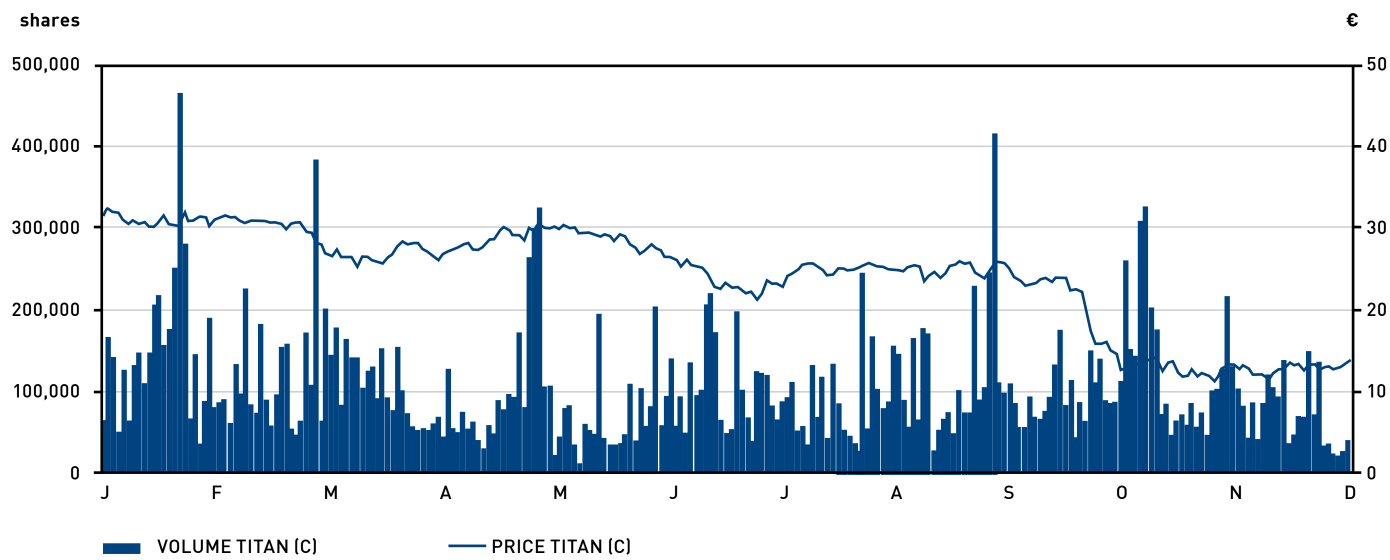


SUMMARY OF KEY PERFORMANCE INDICATORS

- ROIC: 9.9% (2007: 15.5%)
  ROIC = Net Profit After Taxes (before minorities) / Average Invested Capital
- Leverage: 2.93 (2007: 1.34)
  Leverage: Net Debt / EBITDA
- Earnings Per Share: €2.53 (2007: €2.85)
- Dividend Per Share: €0.42 (2007: €0.75)
- Stock performance (TITK): -55.4% yoy
  -1.3% p.a. (2003-2008), +12.3% p.a. (1993-2008)
- Historical Beta: 0.84

For further information please refer to p.22-24

2008 DAILY VOLUME OF TRANSACTIONS AND PRICE OF TITAN COMMON SHARES

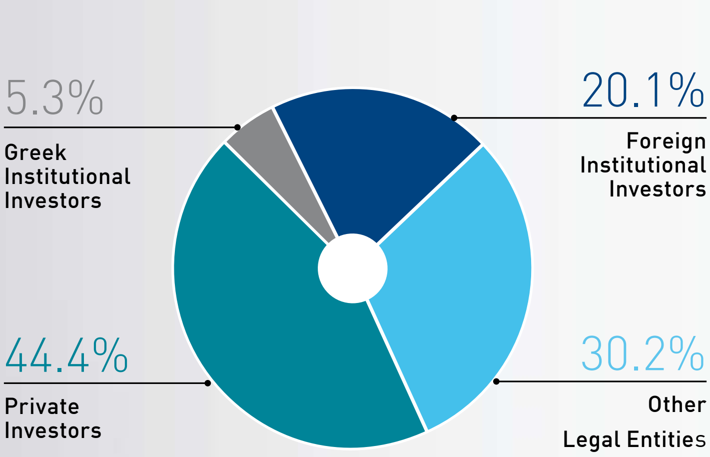


SOURCE: Reuters

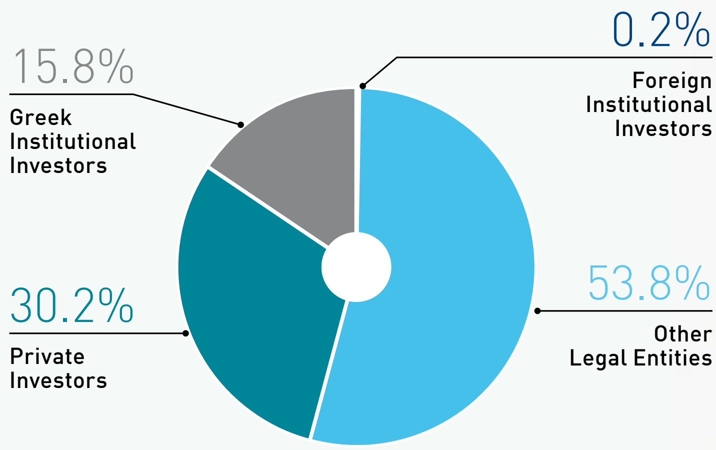
2008 DAILY VOLUME OF TRANSACTIONS AND PRICE OF TITAN PREFERENCE SHARES

SOURCE: Reuters

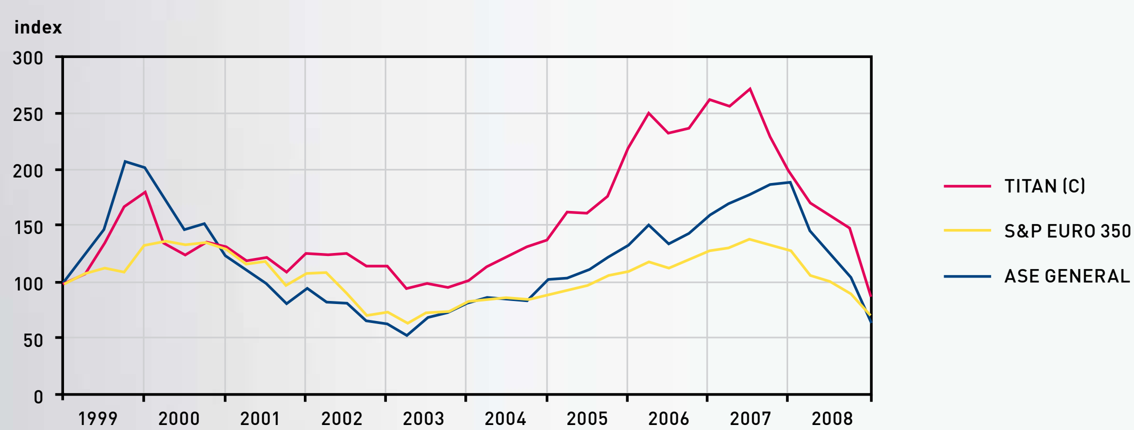
TITAN COMMON SHARES AS AT 31.12.2008



TITAN PREFERENCE SHARES AS AT 31.12.2008

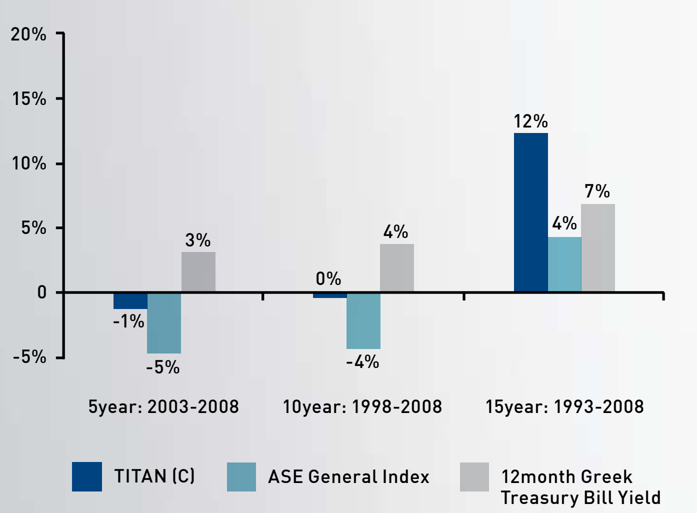


Share price performance of TITAN Common shares vs. the S&P Euro 350 index and the ASE General index (31.12.1998 = 100)



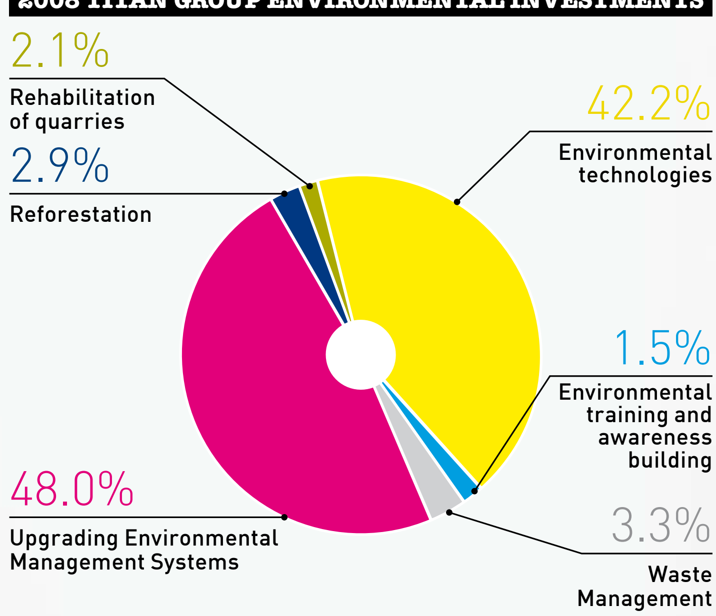
SOURCE: Reuters

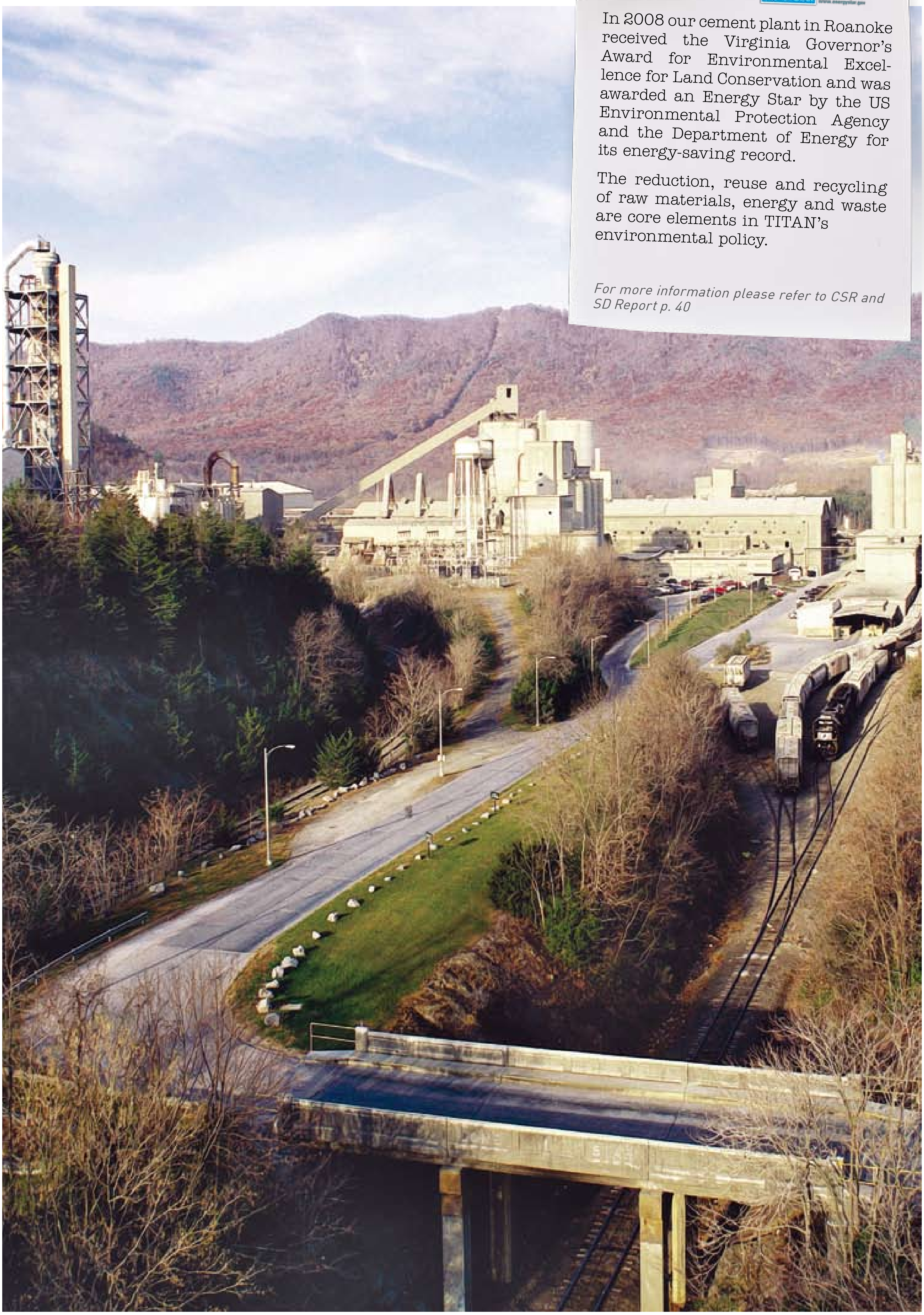
AVERAGE ANNUAL COMPOUND RETURN ON TITAN COMMON SHARES *



** Dividend reinvestment included*

2008 TITAN GROUP ENVIRONMENTAL INVESTMENTS





In 2008 our cement plant in Roanoke received the Virginia Governor's Award for Environmental Excellence for Land Conservation and was awarded an Energy Star by the US Environmental Protection Agency and the Department of Energy for its energy-saving record.

The reduction, reuse and recycling of raw materials, energy and waste are core elements in TITAN's environmental policy.

For more information please refer to CSR and SD Report p. 40

Roanoke plant, Virginia, USA

Enhancing Sustainable Growth

Our Values which underpin our Corporate Strategy, have served us well throughout 100 years of sometimes turbulent history. We use them actively to drive all our activities and operations across 12 countries in Europe, the Eastern Mediterranean and North America.
They remain as relevant today, as they ever were.

- **Integrity**
- **Continuous Improvement**
- **Commitment to Results**
- **Value to the Customer**
- **Know-how**
- **Corporate Social Responsibility**

These values are the cornerstone of our four-tier Corporate Strategy of:

- **Geographic Diversification**
- **Continuous Competitiveness Improvement**
- **Vertical Integration**
- **Focus on Human Capital and CSR**

By committing us to the long term, our strategy leads us to constantly invest in our physical, technological and human assets to achieve and enhance sustainable growth and ensures that we mitigate the risk of downturn in particular segments and local markets.

Corporate values and strategy focus us on achieving our Governing Objective **to grow as a multi-regional, vertically integrated cement producer, combining an entrepreneurial spirit and operational excellence with respect for people, society and the environment.**

Furthermore, the Code of Conduct defines our responsibilities towards all groups which are affected directly or indirectly by our business activities, such as shareholders, customers, employees, business associates and society at large.

For more information please refer to CSR and SD Report p. 11

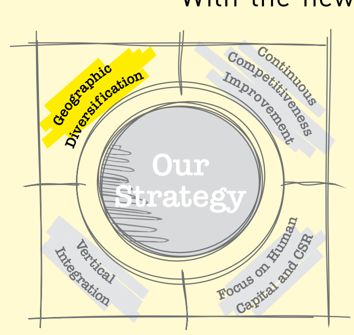
The examples that follow show our strategy in action.

Our Strategy in action

Expansion of operations in Egypt

Gaining and increasing a presence in a number of markets gives the opportunity of sales growth and diversifies risk across multiple regional markets.

In 2008 TITAN doubled the size of its operations in Egypt by acquiring Lafarge's share in Lafarge-Titan Egyptian Investment, a 50/50 joint venture. The company, renamed TITAN Cement Egypt, owns two cement plants, Beni Suef Cement Co. and Alexandria Portland Cement Co., both located near heavily populated areas: Cairo and Alexandria. The two plants' combined annual cement production capacity is approximately 3.3 million tonnes.



The new organizational structure of our operations has come at a time when TITAN Cement Egypt is called upon to cope with increasing domestic demand, driven by the robust growth of the construction sector, as well as with intense competition, as new capacities rapidly come on stream.

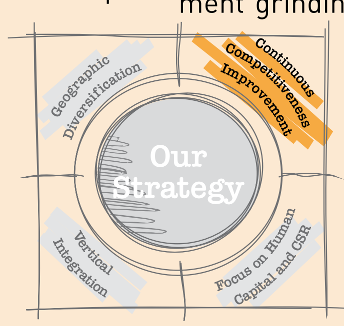
In 2008 investment in the construction of the second production line at the Beni Suef Cement Plant progressed according to plan. The new line is designed according to best available technologies in cement manufacturing and will result in improved environmental performance and reduced thermal and electrical energy consumption (vertical raw mill, bag filter, calciner, cooler). With the new line, which will commence operation in the last quarter of 2009, TITAN Cement Egypt's annual production capacity will reach nearly 5 million tonnes, marking an almost 50% increase of our presence in this growing, emerging market.

The Egyptian cement market has been growing steadily over the last few years. In 2008 cement consumption is estimated to have reached about 38.7 million tonnes. Strong demand for cement is largely fuelled by the strong liquidity from the Gulf States despite the current financial crisis. The Egyptian government's recent announcement that it will invest EGP30 billion (approx. €4 billion) for infrastructure and construction projects further underpins a strong future outlook.

For further information please refer to p.36

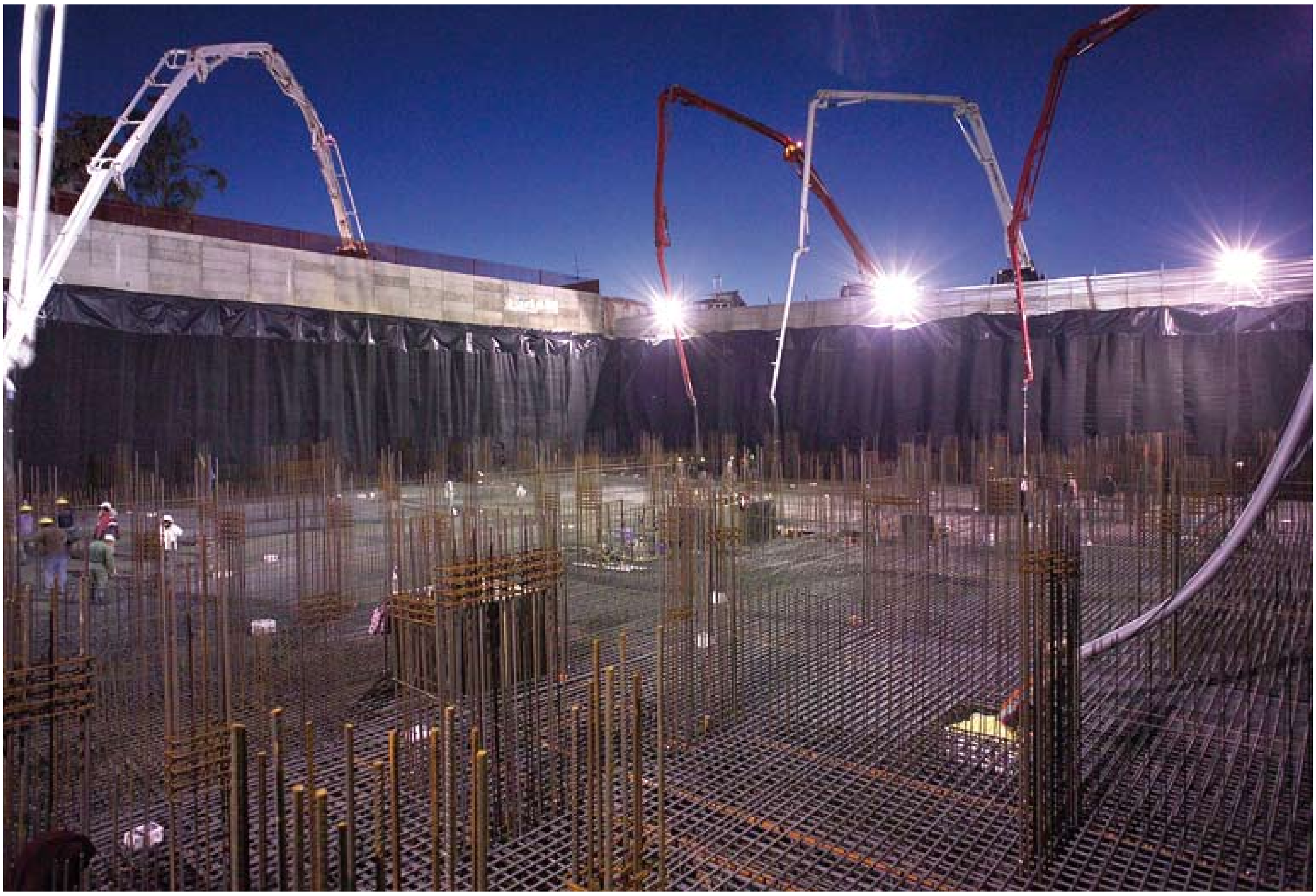
Last stage of modernization at Thessaloniki plant

In order to increase productivity and profitability, we at TITAN continually invest in modernization and the introduction of new technologies to reduce the consumption of costly and environmentally scarce resources. Since maintaining the highest levels of competitiveness is critical to retaining a successful position in cyclical markets such as the building materials sector, continuous efforts to improve our efficiency are an integral part of TITAN's development strategy.



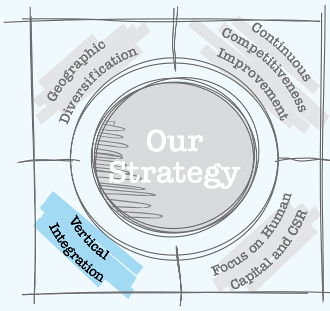
Our plant in Thessaloniki, Greece was upgraded in August 2003 with a new kiln line of clinker annual production capacity of 1.5 million tonnes. The company proceeded the following year with the installation of a new vertical cement grinding mill, fitted to the highest technological standards. On the back of improved operational know-how and successful results in terms of delivering products of superior quality and reducing our environmental impact by decreasing electricity consumption, we decided to install a twin vertical mill. The operation of the second mill in spring 2007 completed the full modernization of the Thessaloniki plant in all phases of production.

The simultaneous operation of the two new vertical cement grinding mills yielded superior results in terms of reduced energy consumption and increased production capacity, which became more apparent in 2008, the first year of full operation. Furthermore, the installation of state-of-the-art bag filters has resulted in a more efficient and environmentally friendly operation overall. We now have the flexibility to rapidly switch production between different types of cement, while guaranteeing the quality of our products. This has substantially speeded up our ability to respond to market needs, enhancing our competitiveness and ensuring consistent satisfaction of our customers.



Building our Ready Mix Concrete Network in Bulgaria

Seeking to benefit from as many aspects of the cement value chain as possible, TITAN is moving into related building materials sectors including ready mix concrete, concrete blocks, aggregates, dry mortars and fly-ash. Doing so gives better access to new margins in areas where our financial strength, our sector knowledge and expertise give us an advantage. This enables us to spread the risk of being a single-product business, as well as to compete successfully with local and global players. We are actively building vertical integration as a major element of corporate strategy in our largest markets: Greece and the USA. Recently, we also expanded our vertical integration strategy to South Eastern Europe, with a particular focus on Bulgaria.



In 2008, on the back of growing demand for building materials in Bulgaria, our Zlatna Panega plant, took a series of actions towards further vertical integration and the enhancement of production capacity of our existing ready mix concrete production units. In this context, one of the ready mix plants located near the capital, Sofia, was upgraded with the installation of new mixing equipment and a new ready mix concrete production unit which commenced operations in Veliko Tarnovo in November 2008. At the same time, the Group is actively considering the expansion of its ready mix plants network in different parts of the country, aiming at building a competitive advantage in the sector and serving increasing needs for infrastructure work, commercial projects and residential construction.

Despite the temporary shutdown of one of Sofia's units for equipment upgrade during the summer season and the November start-up of the new, fifth ready mix plant at Veliko Tarnovo, Zlatna Panega Beton, our ready mix business in Bulgaria registered solid turnover and volume growth in 2008.

For further information please refer to p.34

Building a new cement plant in Albania

The construction of the new cement production plant in Albania is one of the most challenging projects undertaken by TITAN Group during the last decades. As reported in 2007, this project attracted the interest of the International Finance Corporation (IFC), the development branch of the World Bank, and of the European Bank for Reconstruction and Development (EBRD). In November 2008 the two Banks joined forces with TITAN Group and signed a contract for their participation with both equity and debt financing in ANTEA Cement SA, the Group's subsidiary in Albania. Construction of the new plant is guided by principles reflecting TITAN's values and new management systems are being developed to ensure the profitability and sustainability of ANTEA.

Based on the results of the environmental and social impact assessment (for further information please refer to: www.antea-cement.com), construction of the new plant began in May 2008, along with the introduction of an environmental and social action plan consisting of the following elements:

- An integrated Environmental Management System in accordance with the ISO 14000 series of standards
- An integrated Social Responsibility Management System in accordance with the SA8000 standard.
- An integrated Occupational Health and Safety Management System for the construction of the new plant and road safety.

Additionally, a three-year social community plan was introduced to examine all claims raised by local stakeholders, identify opportunities and explore new perspectives for sustainable development.

Proactive stakeholder engagement was achieved through concerted communication efforts, including a new website dedicated to the ANTEA project, communication offices in the neighbouring villages, a local liaison committee comprising representatives of all interested parties, and a Group steering committee appointed by TITAN to coordinate and monitor performance at all levels.

For more information please refer to CSR and SD Report p.12

Financial Review 2008

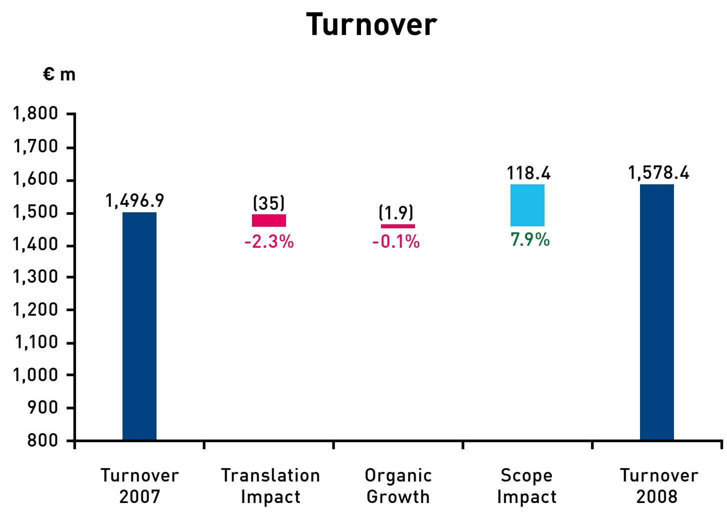
Group Financial Results

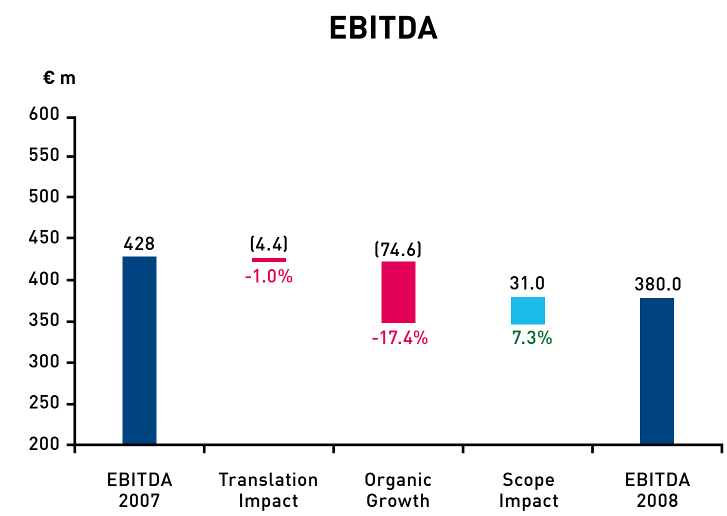
During 2008, Group turnover increased by 5%, bringing full year turnover to €1,578m. At constant exchange rates, turnover increased by 8%. EBITDA reached €380m, which represents a decline of 11% (or 10% excluding the impact of foreign currency translation). Excluding the impact of translation and of acquisitions, full year turnover was flat, while EBITDA declined by 17%. As a result, Group net profit after taxes and minority interests decreased by 13%, reaching €208m. It should be noted that the reported income tax for the year was close to zero due to extraordinary positive items. Annual earnings per share stood at €2.53 compared to €2.85 in 2007.

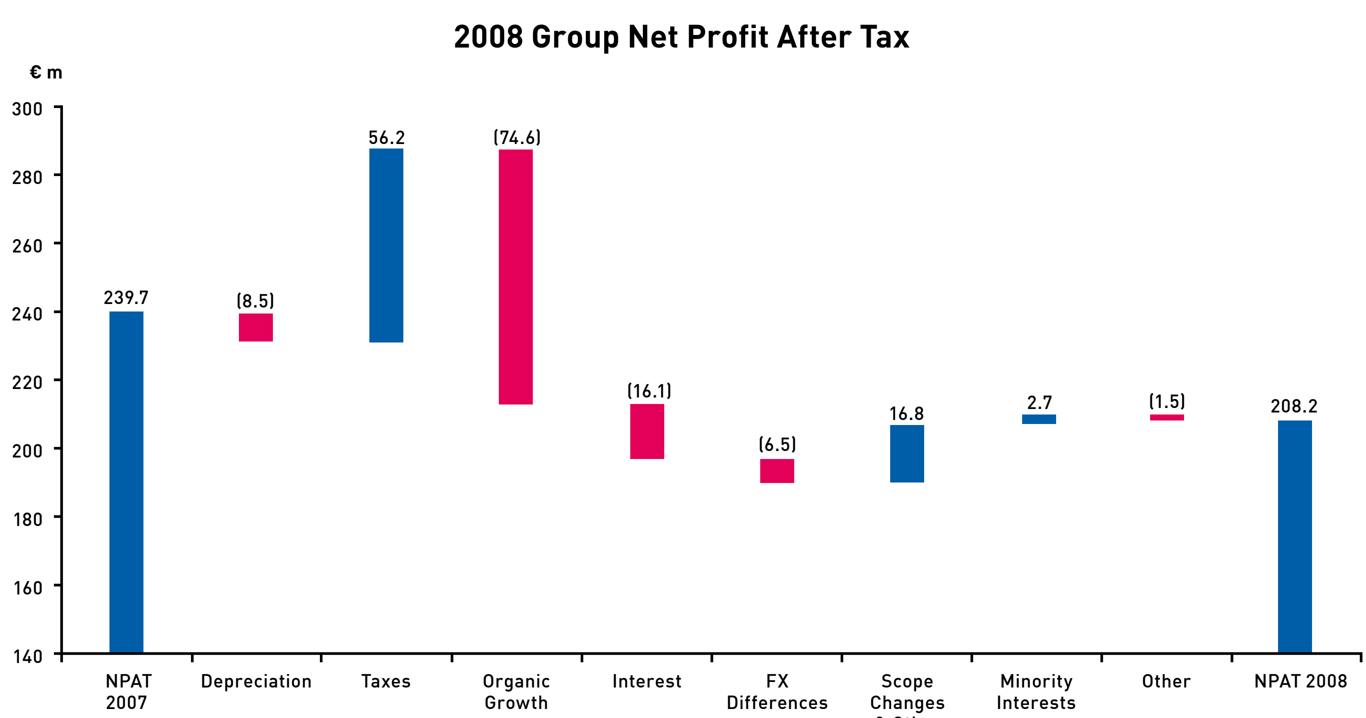
The most significant impacts on the Group balance sheet relate to acquisitions made in Egypt and Turkey and CAPEX, mainly for the new plant in Albania and the new production line in Egypt, which resulted in a net debt increase by €545m since the beginning of 2008. The Group invested €587m during the year, of which €378m was in acquisitions, which resulted in consolidated net debt of €1,114m at the end of December. At the same time, financing costs increased by 51%, reaching €52m.

Furthermore, we made investments of €27 million in environmentally friendly technologies, environmental management, waste management, rehabilitation of quarries and training.

On the basis of its share buy-back program, TITAN has purchased 2,107,429 shares during the year, representing 2.49% of the Share Capital, at the total price of €56.4 million.







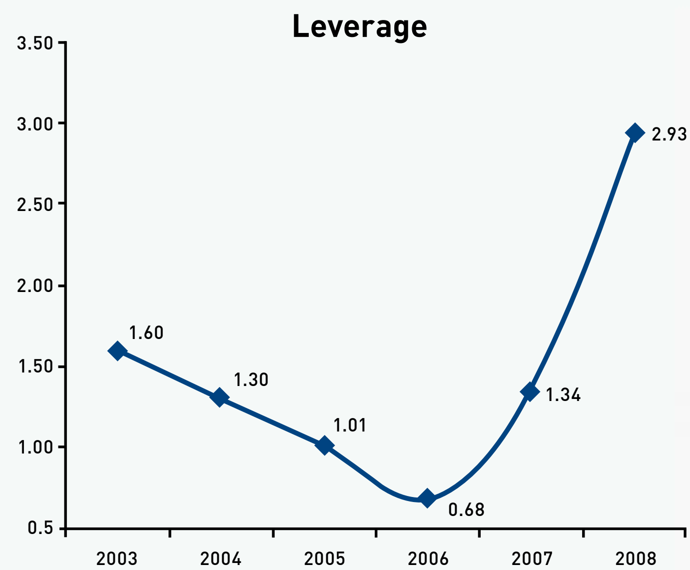
In response to the global financial crisis, management is emphasising cash-flow generation and de-leveraging, coupled with cost reduction and control of capital expenditure. The Group's liquidity has improved significantly in the last quarter of the year and following the amendment of some of the financial covenants on the major borrowing facilities during the second half of 2008, the Group has ample headroom under all its covenants.

Despite the market downturn, TITAN launched an ambitious investment programme aimed at the long-term opportunities that will be available when the global financial crisis recedes. These investments led to an increase in leverage from 1.34 to 2.93 and, naturally, reduced return on invested capital for the year to almost 10%. Returns on these investments are expected over the coming years.

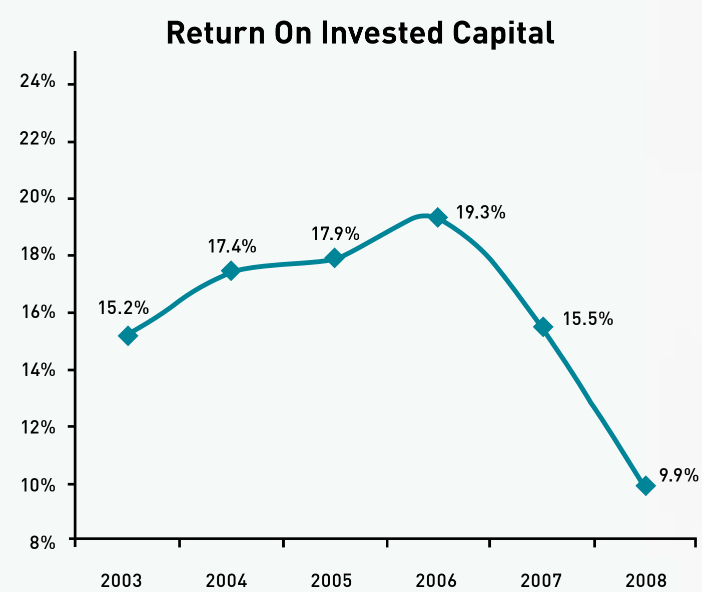
The Group continues to deliver strong growth year on year, with a solid business profile based on geographic diversification and good historical profitability. For the period 2003 - 2008, Earnings Per Share grew at the rate of 12% per annum. TITAN's stock price closed the year at €13.90. Despite market performance in 2008, the stock has delivered solid growth for long term investors of 12% per annum over the last 15 years.

For more information please refer to p.12-15

Aggregates business, USA



Leverage: Net Debt to EBITDA ratio



Return on Invested Capital: Net Profit after Taxes and before Minorities divided by Average Invested Capital

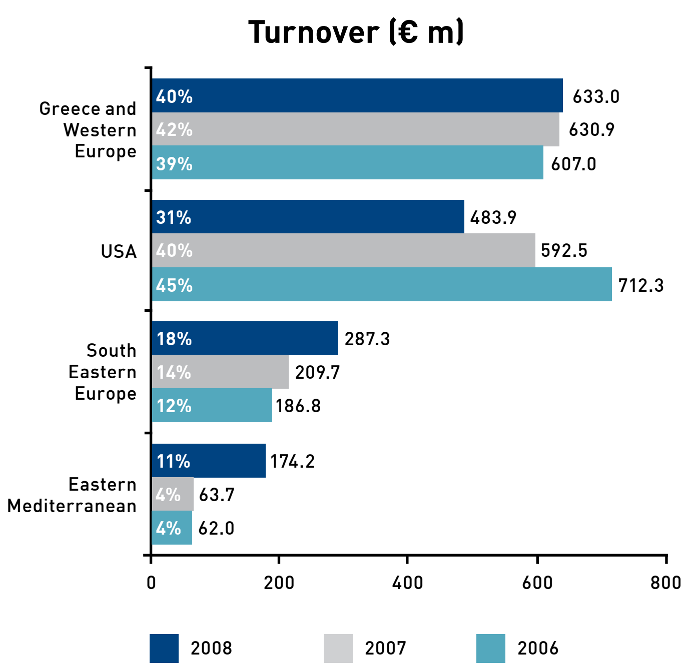
Parent Company Financial Results

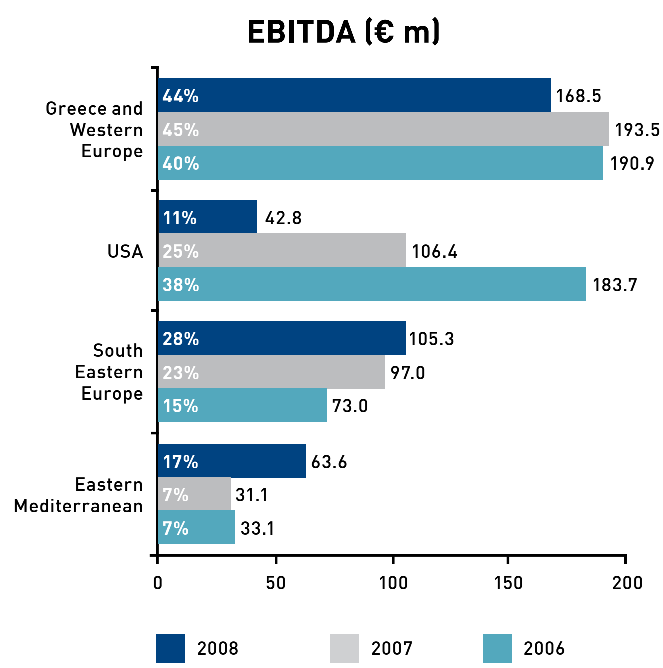
In 2008, the Company achieved sales of €549 million, an increase of 2.4% compared to 2007. Operating profits (EBITDA) were reduced by 13%, reaching €148 million, reflecting a reduction in domestic sales, increased costs and lower margins mainly due to the high prices of solid fuels. Net profits were reduced by 10.8%, down to €106 million.

Significant Post - Balance Sheet Events

On January 30th 2009, the District Court of the Southern District of Florida, USA, overturned the decision issued by the USA Circuit Court of Appeals in May 2008 and vacated all the mining permits for the quarries in the Lake Belt area of Miami-Dade County. This ruling related to nine permits granted by the USA Army Corps of Engineers to various companies, including TITAN's Tarmac America. The Company and the other mining permittees have appealed the order.

TURNOVER AND EBITDA BY REGION 2006-2008





EXCHANGE RATES FOR THE TRANSLATION OF MAIN CURRENCIES

Foreign Currency per Euro	Year end rate			Average rate		
	2008	2007	Movement +/- (%)	2008	2007	Movement +/- (%)
USA Dollar (USD)	1.3917	1.4721	5.5%	1.4726	1.3797	-6.7%
Japanese Yen (JPY)	126.14	164.93	23.5%	151.53	162.11	6.5%
British Pound (GBP)	0.9525	0.7333	-29.9%	0.8026	0.6873	-16.8%
Canadian Dollar (CAD)	1.6998	1.4449	-17.6%	1.5656	1.4663	-6.8%
Egyptian Pound (EGP)	7.6752	8.1223	5.5%	8.0131	7.7728	-3.1%
Bulgarian Leva (BGN)	1.9558	1.9558	0.0%	1.9558	1.9558	0.0%
Macedonian Dinar (MKD)	61.4123	61.2016	-0.3%	61.2800	61.1900	-0.1%
Yugoslav Dinar (RSD)	88.6010	79.2362	-11.8%	81.9100	80.0900	-2.3%
Turkish Lira (TRY)	2.1488	1.7170	-25.1%	1.9138	1.7800	-7.5%

Note: All Balance Sheet accounts are calculated at year end rates.
All Profit and Loss accounts are calculated at average rates.

Review of Business Activities

CEMENT

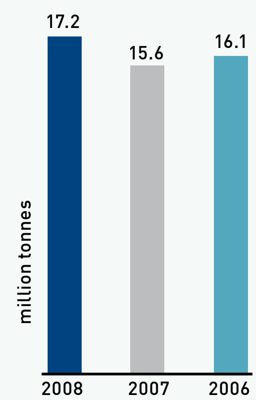
Cement is a substance with the ability to harden upon contact with water (hydration reaction). It is made by grinding clinker, gypsum and/or other cementitious materials to a fine powder. The fine powder consists of hydraulic calcium silicates and aluminates that when mixed with mineral aggregates (like sand, gravel or crushed stone) and water acts as the binding agent to form concrete.

TITAN produces Portland cement, masonry cement and other cementitious materials, such as processed fly-ash, while through extensive R&D is able to offer various types of blended cements for specific applications.

Performance 2008

In 2008 Group sales of cement and cementitious materials, like processed fly-ash, increased by 10% to 17.2 million tonnes. Growth is primarily due to the first time inclusion of the operations in Turkey following the acquisition of a 50% equity stake in Adocim Cimento, the increase of cement deliveries in the region of South Eastern Europe and in demand and sales growth in Egypt.

Sales of cement*



** joint-venture sales and cementitious materials included*

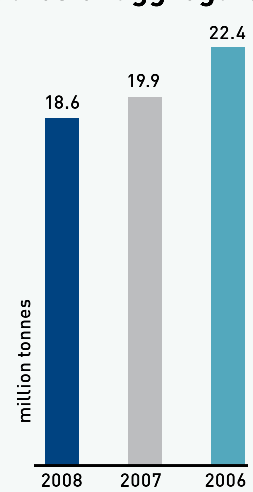
AGGREGATES

Aggregates include crushed stone, gravel and sand. Aggregates differ in their physical, mechanical and chemical properties, granularity and hardness. The main use of aggregates is the manufacture of concrete or concrete products, like building blocks. Other applications include the construction of roads, railway tracks etc.

Performance 2008

Sales of aggregates posted a 7% decline compared to the previous year reaching 18.6 million tonnes. The decrease reflects to a great extent the deteriorating conditions in residential construction in the USA and the slow-down of the market in Greece.

Sales of aggregates



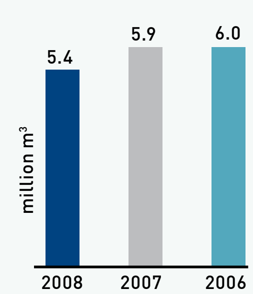
READY MIX

Concrete is produced by mixing cement, water, and aggregates. One cubic meter of concrete mixture contains approximately 300 kg of cement, 150 liters of water and 2 tonnes of aggregates. Depending on the formula selected, the concrete produced has different properties aimed to address our customers' diverse needs.

Performance 2008

Sales volumes of concrete declined by 8% compared to the previous year, reaching 5.4 million cubic meters. This decrease of volumes, similar to the levels posted by aggregates sales, reflects the weak market conditions for construction in the USA and the downturn of Greece.

Sales of ready mix



CSR and Sustainability Review

Embedding corporate social responsibility and sustainable development in TITAN Group's decision-making and daily operations is a constant endeavour supported and encouraged by our engagement with employees and other key stakeholders.

For TITAN CSR is a step beyond compliance; it is a conscious and voluntary pledge to do better. It is not only a matter of ethics or even social responsibility, but also good business practice that creates value.

2008 was marked by dramatic changes for society and business. Focus on responsible corporate practices has become even more important and transparency, integrity and application of sustainability principles prevail in the social agenda. TITAN has continued the implementation of its strategy focused on "branching out and adding value" within the sphere of its influence and particularly its own operations, employees and business partners, shareholders, customers and local communities.

For the TITAN Group two issues are the top priorities, safety at work and climate change.

- 2008 was not a good year for our safety performance. With deep regret we recorded the occurence of five fatalities (three contractors' employees, one direct employee and one third party involved in a traffic accident). Our efforts to increase awareness, upgrade management systems in accident prevention, change attitudes and establish a strong safety culture are continuously enhanced, coordinated by the Group Health and Safety Committee with the support of top experts. Despite last year's setback we are still targeting our safety performance to be among Cement Sustainability Initiative's (CSI) top quartile by the end of 2010.
- 2008 has also marked the fifth anniversary of TITAN's endorsement of and commitment to the WBCSD/CSI. An overview of our progress during these years according to the Agenda for Action agreed among core members indicates that the TITAN Group has met most of its environmental targets set in 2006 with significant reductions in CO_2 (14.8%) and other air emissions (dust, NO_x and SO_x), constantly improving its performance and incorporating new management tools. For TITAN last year was also rich in other sustainability and environmental activities and achievements. These include reforestation and quarry reclamation projects, continuous efforts to develop eco-friendly products, to improve our energy and natural resources conservation record, to actively support biodiversity etc. –in general to mitigate impacts of our environmental footprint.

At the same time, new initiatives were undertaken to further improve relations and constructively engage in dialogue with our people, our investors, our customers, suppliers, with communities and other key stakeholders.

Stakeholders Forum, Kamari plant, Greece

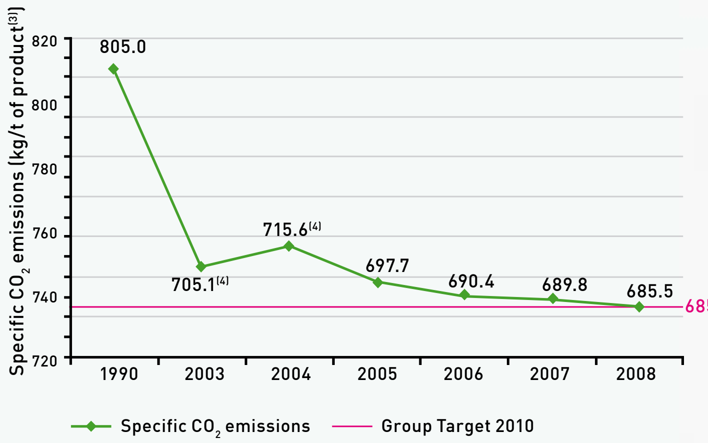
- In Greece, we organized the 1st Stakeholders' Forum. Representatives of different stakeholder groups were invited to participate in an overall review and discussion of our strategy, priorities and practices. The Forum's conclusions and recommendations covered all aspects of our policy and practices including human resources development, safety at work, environmental protection and sustainable development, local communities, transparency and accountability, communication and sharing best practices. TITAN is placing particular emphasis on utilizing the Forum's outcome as a valuable guide, a "compass" for its future plans and actions.
- In Albania, the construction of a new cement plant goes hand-in-hand with the application of TITAN Group standards in safety, environmental protection, community relations and supply chain management.
- Being among the first 500 companies worldwide that signed the U.N. Global Compact, the TITAN Group has always encouraged the dissemination and adoption of the ten Global Compact principles, related to human rights, labor rights, environmental stewardship, transparency and corruption. In 2008 the TITAN Group was instrumental in the establishment and development of national Global Compact Networks in Greece and in FYROM.
- Engaging with our suppliers was another step-forward made last year with respect to practicing our values and meeting our voluntary commitments. In cooperation with Volkswagen, Hewlett Packard and L'Oreal we launched a new electronic Guide for Responsible Supply Chain Management. This has been the main outcome of a two-year collaboration involving more than 30 European and multinational companies and stakeholders' representatives. The Guide is linked to our new website and offers information, training courses and self-assessment tools for all interested parties.
- The independent assessment and verification process introduced in Greece, in 2007, was expanded to our South Eastern European operations last year, supporting our continuous improvement efforts.

During 2008 we continued and intensified our endeavours in two other key CSR areas:

- Facilitating the use of Employee Direct Communication Line through advanced intranet applications
- Implementing long-term community development and partnership programs as well as our action plan for the restoration of fire-stricken areas

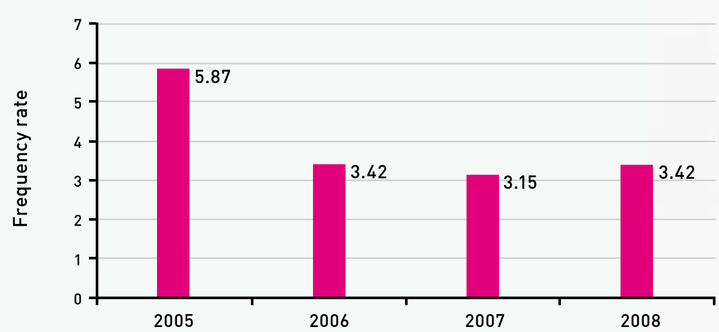
For more information please refer to CSR and SD Report

SPECIFIC GROSS DIRECT CO_2 EMISSIONS[1,2]



[1] *Calculation of specific emissions based on the equity held by TITAN Group in year 2006.*
[2] *CO_2 emissions do not include emissions related to vehicles and mobile equipment.*
[3] *Product equals cementitious product as defined by WBCSD/CSI.*
[4] *Recalculated on cementitious product base according to WBCSD/CSI.*

LOST TIME INJURY FREQUENCY RATE



Thessaloniki plant, Greece

Greece and Western Europe

Overview of the market

Economic activity in Greece decelerated in 2008, especially in the second half of the year, due mainly to the weakening of domestic demand. Real growth rate reached 2.9% in 2008 compared to 4.0% in 2007. Following the rise in fuel and commodities prices to record levels, inflationary pressures accelerated and the average annual inflation rate reached 4.2%.

In contrast to the surge seen over the last five years, a contraction of construction activity, especially in the housing sector, led Gross Fixed Capital Formation to fall by 0.5%.

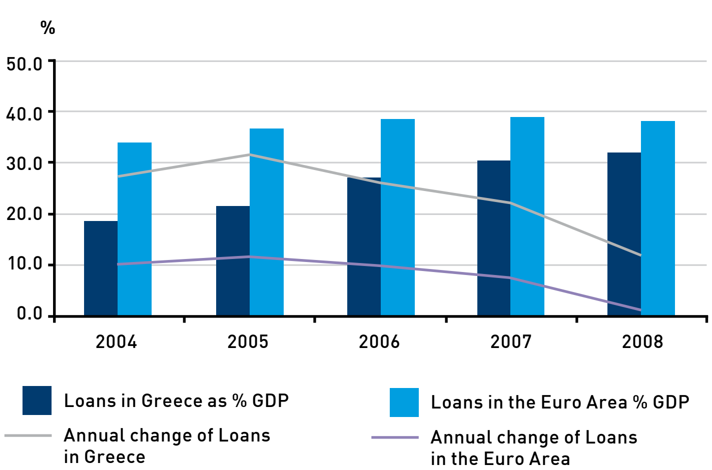
Building activity was negatively affected by a combination of the reduced volume of housing permits issued (-17% in 2008, compared to 2007), the excess housing inventory, and constraints of bank financing.

In 2008, housing credit expansion continued to slide. Growth rate of housing loans was 12% in 2008, compared to 21% the year before. Despite credit expansion, housing loans in Greece still remain lower as a percentage of GDP (31.8%), than the respective figures in the Euro area (38.1%).

In 2008, the Group's turnover in Greece and Western Europe showed a marginal increase of 0.3% compared to 2007, reaching €633 million. The unprecedented increase in the price of solid and liquid fuels affected operating profitability, EBITDA, which declined to €168 million, a 13% reduction compared to 2007.

MORTGAGES IN GREECE AND THE EURO AREA

Annual changes in outstanding balances and loans as a percentage of GDP



SOURCE: European Central Bank, Bank of Greece, European Commission.

Cement

In 2008, cement consumption in Greece is estimated to have decreased by 7-8%, following a 5% reduction in 2007 as compared to 2006. The annual decrease of 2008 started with a small decline in the beginning of the year, culminating in a significant drop in the last quarter. This trend looks set to continue as a result of the economic crisis that erupted in the early autumn of 2008.

The fall in cement consumption in the past year is mainly due to a large decline in private consumption (residential construction), where numbers of finished and unsold houses on the market is high.

At the same time, energy costs surged. Prices of solid fuels reached unprecedented levels until the autumn of 2008, when they began to de-escalate. The cost of electricity marked a 10% increase in the second half of the year, on top of an equal increase in 2007. As a result, over a period of 7 months electricity tariffs increased by 21%.

Investments in fixed equipment, in our cement plants, focused on environmental issues (reduction of CO_2 emissions), health and safety at work, and the use of alternative fuels.

GREECE

	2008*
GDP (real growth rate)	2.9%
Population (millions)	11.2
Cement Production (million tonnes)	14.0
Cement Consumption (million tonnes)	10.1

** Estimates*
Sources: Bank of Greece, European Commission, Company estimates

Cement exports

Cement export volumes increased during the year, mainly due to the slowdown of the domestic market.

Exports to the USA were reduced further compared to the previous year, because of the continued decline of the housing market and the significant increase in freight rates.

However, the lost export volumes to the USA were almost entirely replaced by exports to West African destinations.

Exports to the Group's terminals in Europe were stable, while cement exports to Albania increased significantly in view of the Group's new cement plant coming on stream in early 2010.

Ready-mix concrete

The slowdown in construction affected the course of our company's Concrete Division, reducing sales by approximately 5-6%.

In 2008, a series of activities was undertaken for the restructuring of our productive capacity. Through new investments (Domiki Beton in Crete) and the consolidation of activities (including the closure of three concrete production units in northern Greece) we optimized our operations.

In 2008, INTERBETON launched a series of new products (such as INTERFILL, INTERPUMP and GAIAFILL), to meet specific customer needs, designed by the Company's research team.

Port of Elefsina plant, Greece

Aggregates

Sales of aggregates from the Group's quarries increased by 3% compared to the previous year. This increase was supported by the quarries of Domiki Beton SA and LATEEM SA, which were acquired in 2007.

During the year an increasing number of the Group's quarries progressed on the process of certification according to ISO 18001 for health and safety and according to ISO 14001 for environmental management.

In 2008, the Group expanded further by acquiring 100% of the quarries of Thisvi and Vachou and the remaining 49% of LATEEM SA.

In the same year, the quarries of Vachou and Leros began the process for the installation of new aggregates production units.

Dry Mortars

Despite the crisis in construction, sales volumes of our subsidiary for dry mortars, INTERMIX, showed only a slight decline compared to 2007, expanding its presence in new markets.

The past year also saw the beginning of investments for the construction of a second dry mortar INTERMIX production unit in Thessaloniki.

Porcelain

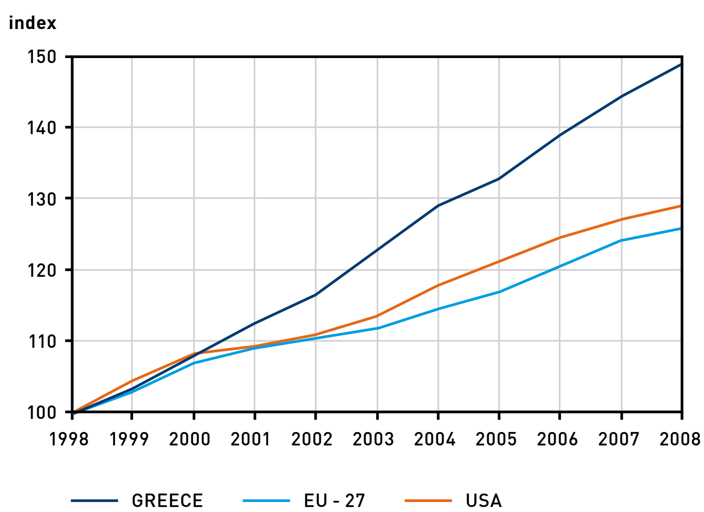
In the retail sector, IONIA, our porcelain business, maintained 2008 turnover at the same level as 2007. The growth trend of the first half of the year was offset by the decline of the market due to the economic crisis in the last quarter.

In the professional sector, following a restructuring plan, in December 2008 the company signed a distribution agreement with Yalco, regarding the professional porcelain product line, effective as of February 2009.

As a result, IONIA is able to focus on the growth and development of its retail operations, while at the same time capitalising on the opportunities provided by the strong sales network of its distributor, Yalco, both in Greece and abroad.

CHANGES IN GDP IN GREECE, THE EUROPEAN UNION AND THE U.S.A.

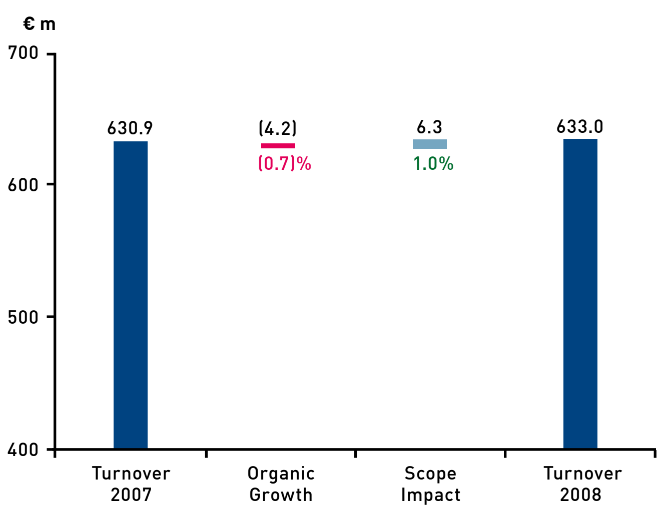
(constant 2000 prices,1998 =100)



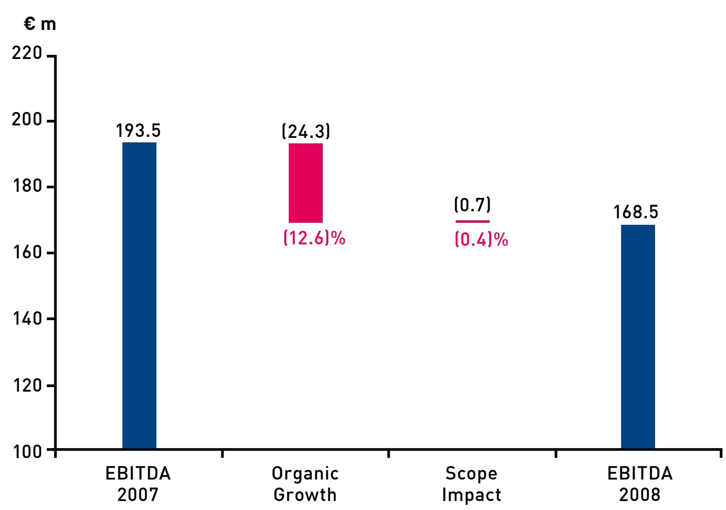
SOURCE: European Commission, Autumn 2008.

2008 FINANCIAL RESULTS - GREECE AND WESTERN EUROPE

Turnover



EBITDA



Drepano plant, Patra, Greece

USA

Overview of the market

In 2008, as measured by real GDP growth, the USA economy expanded at an estimated annual rate of 1.1%. The economic downturn accelerated as the year progressed with 2008's fourth quarter GDP contracting by 6.3% on an annualized basis. This primarily reflects the continued dramatic decline in residential fixed investment, a rapid deceleration in personal consumption expenditures, and a slow down in the rate of growth of state and local government expenditures. On the other hand, increased federal government expenditures and improved export conditions provided some support to the economy.

The employment picture also deteriorated in 2008 and by year-end, unemployment stood at 7.2% (compared to 4.9% at December 31, 2007) with more than half of the job losses occurring in the last quarter of the year.

Headline inflation, stoked by higher energy and food prices, increased to 3.8% in 2008, but "core" inflation (excluding energy and food) remained low at 1.9%. The low level of core inflation has allowed the Federal Reserve Board to take aggressive policy actions in an attempt to place a floor under the ailing economy.

In 2008 residential construction spending declined by an estimated 27% year on year, with housing starts deteriorating to the lowest level in more than fifty years. In addition to the ongoing difficulties faced by the housing sector, tighter credit conditions and declining business sentiment led to a substantial downturn of the non-residential sector. Combined, USA construction spending declined 5.5% - to $1.07 trillion during the year.

In the wake of the decline in construction activity, cement consumption for the year fell by more than 15% to an estimated level of 96.5 million tonnes. Imports, were reduced to 12% of USA demand, standing at 11.5 million tonnes in 2008, while cement capacity utilization is estimated to have fallen to approximately 70% in 2008. For the full year, average selling prices of cement across the USA were broadly stayble. Many markets, however, were under increasing pricing pressure by year-end.

According to USA Geological Survey estimates, in 2008 the value of total cement production was about $9.4 billion and the value of total sales (including imported cement) about $10.6 billion.

USA Operations

The ongoing housing market crisis had an intense negative impact on demand, and sales volume across all lines of our products were strongly impacted.

Reflecting the difficult trading environment, TITAN America's results came under significant pressure in 2008 with turnover and operating EBITDA slipping by approximately 18% and 60% respectively, compared to 2007. The disappointing outcome in 2008 resulted primarily from the deterioration in market demand and the impact on margins from higher energy, raw material, and transportation costs.

Florida

According to the USA Geological Survey, cement consumption in Florida declined to 6.2 million tonnes in 2008 from 8.2 million tonnes in 2007 and 12.2 million tonnes in 2006, a two year decline of approximately 50%. Lower cement volumes, when combined with higher energy and raw material costs and a higher degree of reliance on sales to industry participants at lower margins, weighed on cement profitability.

As in the case of cement, ready-mix concrete and concrete block demand in Florida came under pressure for the second consecutive year. Higher input costs and reduced volumes resulted in a difficult trading environment. On the other hand, aggregates profitability rebounded, having benefited from a mid-year lifting of the ban on mining in the Lake Belt mining moratorium (see below).

In May 2008, the U.S. Court of Appeals for the 11th Circuit reversed a lower Court's May 2006 decision and the ruling invalidating mining permits issued under Florida's Lake Belt plan - including the permit issued to our Pennsuco quarry, issued in July 2007. As part of its ruling, the Court of Appeals remanded the case for rehearing by the lower Court. On January 30, 2009, the lower Court entered a Final Judgment, setting aside all of the 2002 Lake Belt permits. The Company and the other mining permittees have appealed the January 30, 2009 order on the basis that the lower Court's analysis remains flawed and fails to grant the appropriate level of deference to the USA Army Corps of Engineers (the "Corps") in its role as the permitting agency. Following the earlier lower Court ruling, the Corps undertook to prepare a Supplemental Environmental Impact Statement ("SEIS") to further study and document the effect of mining on the environment, which is expected. The SEIS is expected to be completed in 2009.

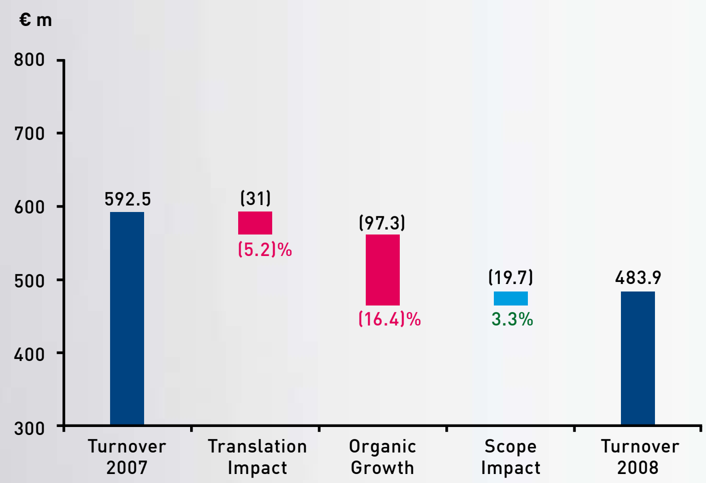
USA

	2008*
GDP (real growth rate)	1.1%
Population (millions)	305.5
Cement Production (million tonnes)	87.7
Cement Consumption (million tonnes)	96.5

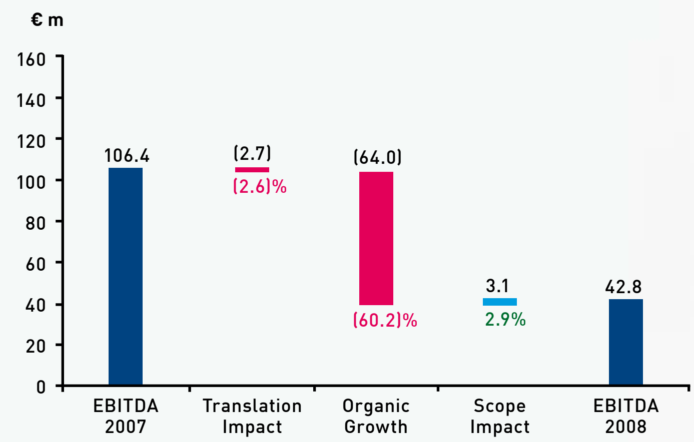
** Estimates*
Sources: USA Bureau of Economic Analysis, USA Geological Survey, USA Census Bureau, PCA

2008 FINANCIAL RESULTS - USA

Turnover



EBITDA



Mid-Atlantic

As in Florida, cement demand waned in the Mid-Atlantic region in 2008. According to the USA Geological Survey, cement consumption in Virginia and North Carolina declined by more than 15% and 22%, respectively when compared to 2007. Output at the Company's Roanoke Cement plant held up better having benefited from established trading relationships and vertical integration through its Virginia Readymix and S&W Readymix franchises plants. As in Florida, the ready-mix business was challenged by lower market demand and higher input costs.

New York / New Jersey

In Metro New York, the Essex cement import terminal struggled having a challenging year with lower demand and high ocean freight rates, which persisted through the majority of the year before collapsing in the fourth quarter. The high in-bound freight costs had a substantial negative effect on Essex's margins and volumes.

Separation Technologies

Total sales of processed fly-ash, ProAsh, and related materials remained stable year-over-year, in spite of the slow-down in demand for cement and other building materials. However, profitability was constrained by a variety of factors including competitive activity and quality of the unprocessed feed ash at some of the locations.

During 2008, Separation Technologies commissioned a new separator site in Florida but start-up difficulties, since resolved, limited its ability to favorably contribute to profitability. Continued emphasis of green building materials and cost structure emphasis within the ready-mix concrete sector is expected to benefit Separation Technologies' results in 2009 and beyond.

South Eastern Europe

Overview of the market

Our region of South Eastern Europe posted significant growth in 2008. On the back of strong demand mainly in the markets of Bulgaria and Serbia and increased production output from our plant in Zlatna Panega. Turnover showed double digit growth of 37% reaching € 287.3 million, while operating profitability EBITDA increased by 8.5% to € 105.3 million.

Furthermore, the Group is expanding its operating presence in Albania through imported cement, in preparation for the operation of the new cement plant in Boka e Kuqe in early 2010. The addition of the new plant, will increase our capacity and exposure in this emerging region by nearly 50%.

Greenfield cement plant under construction in Boka e Kuqe, Albania

BULGARIA

During 2008, Bulgaria posted strong economic growth recording GDP increase of 6% while maintaining its political stability. Inflation is estimated to have reached about 12.5%, following the global trend of increases in fuel, energy, food and commodities prices.

The cement market continued to grow at an impressive rate and exceeded 2007 levels by about 14%, reaching 4.8 million tonnes. This performance was driven mainly by foreign direct investment, which resulted in tourism and resort construction as well as in a residential and administrative building boom.

TITAN's plant at Zlatna Panega had a record year in cement production and sales. Profitability posted strong double digit growth compared to 2007, due to higher sales volumes and better pricing driven by robust demand for building materials.

Our ready-mix concrete division made a higher positive contribution as well, due to increased sales volumes through the execution of large-scale industrial projects.

Finally, the draft national allocation plan for CO_2 emission rights for the period 2008 – 2012 is unlikely to have a significant impact on our production levels.

SERBIA

During 2008, the Serbian economy registered a relatively high growth rate in line with the previous few years. However, this has not mitigated the major risk for macro-economic stability: the increase of the foreign trade deficit. GDP growth is estimated to have reached 6.1%, mainly driven by services, but also by strong performance in agriculture and industry. After a number of years with high inflation, in 2008 inflation was finally reduced to 6.8%.

Throughout the year the upward trend in demand for building materials in Serbia was maintened, thanks to the strength of the construction sector. Increase of cement consumption at a national level is estimated to have reached about 8%, close to 2.7 million tonnes of cement in total. This market growth, supported by increased exports made from our Kosjeric plant to neighbouring Montenegro, resulted in a significant enhancement of profitability. In 2008 TITAN Cementara Kosjeric achieved record highs in both production and sales performance.

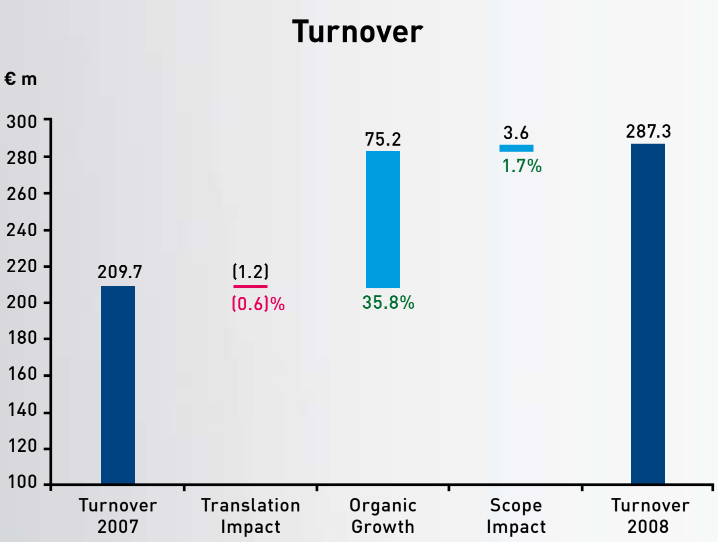
SOUTHEASTERN EUROPE

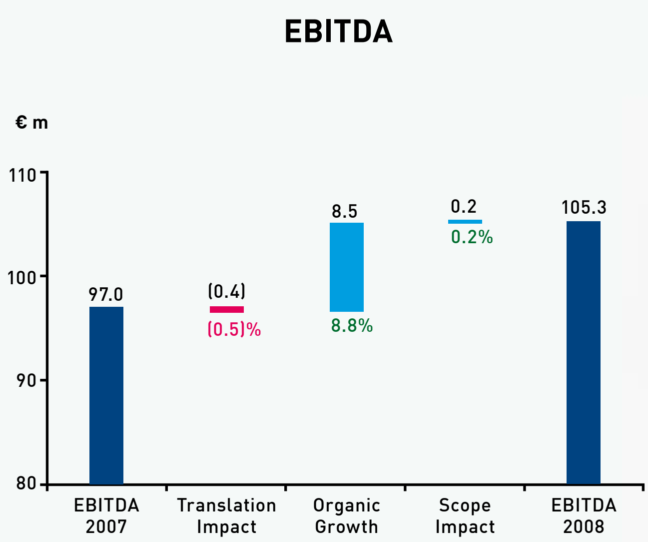
2008*	BULGARIA	SERBIA	FYROM	ALBANIA
GDP (real growth rate)	6.0%	6.1%	5.3%	6.0%
Population (millions)	7.6	7.4	2.1	3.1
Inflation	12.5%	6.8%	8.3%	3.4%
Cement Consumption (million tonnes)	4.8	2.7	0.7	1.9

** Estimates*
Sources: Local State Authorities, IMF, Company estimates

Cementarnica USJE, FYROM

2008 FINANCIAL RESULTS – SOUTH EASTERN EUROPE





FYROM

The Former Yugoslav Republic of Macedonia (FYROM) successfully maintained economic stability during 2008, achieving GDP growth of 5.3%. Inflation increased significantly, reaching 8.3%, largely due to the global spikes in fuel and commodities prices, while unemployment remained at high levels, reaching 33.8%. Public and private sector investments were maintained at the same levels as previous years.

Cement consumption exceeded 2007 levels by about 4%, driven mainly by milder weather, especially in the last quarter of the year. The resolution of the construction industry's licensing issues in late 2007 acted as a further stimulus to commercial and industrial construction in the capital, Skopje. Nevertheless, domestic sales of our cement plant USJE, declined year on year, as imports of bagged cement from Bulgaria and mainly from Albania more than doubled compared to 2007. Cement and clinker exports also declined overall compared to last year.

The substantial loss of domestic sales to imports, together with the sharp rise in fuel, energy and other costs, led to a decline of profitability in 2008, despite better pricing and operational improvements in USJE.

ALBANIA

Albania has enjoyed a steady growth of GDP over the last few years, posting a 6% increase in 2008.

During the year TITAN expanded its operations in the country with increased volumes of cement imported from Greece and the acquisition of a cement distribution terminal in the capital of Tirana, made in anticipation of the operation of the new cement plant in early 2010. Works for the establishment of a greenfield cement plant of a 1.5 million tonnes annual capacity in the area of Boka e Kuqe, close to Tirana are progressing according to schedule. Cumulative spending stood at €77m at the end of the year, out of a €170 million total investment. In November 2008, the International Finance Corporation, IFC and the European Bank for Reconstruction and Development, EBRD acquired a 20% stake each at the plant and committed to debt facilities.

Positive factors for the development of demand for building materials are, strong demand for private construction and high public infrastructure needs. However, the Albanian economy is heavily dependant on its neighbours and, in the context of general economic crisis, relatively vulnerable.

Eastern Mediterranean

Overview of the market

The Eastern Mediterranean was our fastest growing region in 2008, due to the full consolidation of our operations in Egypt at the beginning of May, following the acquisition of the remaining 50% of our joint venture with Lafarge and the proportional consolidation of our 50/50 joint venture with Adocim in Turkey in April. Turnover increased to €174.2 million, while EBITDA more than doubled, increasing by 105% and reaching €64 million, mainly due to scope expansion, but also on the back of better pricing and buoyant demand for building materials in Egypt.

In Egypt, the expansion of the Beni Suef plant by 1.5 million tonnes, which was announced in 2007, is progressing on schedule. Our Egyptian subsidiary is gearing up for the launch of the new production line in the last quarter of 2009. This addition will increase our capacity in this emerging country by more than 40%.

Alexandria plant, Egypt

EGYPT

In 2008 the Egyptian economy grew at a healthy real GDP rate of 7.2%. Inflation reached 18%, while official unemployment reached 8.4% as a percentage of the total labour force. However, the latest figures indicate that inflation is steadily decreasing due to weakening demand and falling international commodity prices.

The Egyptian cement market has been growing steadily over the last few years, reaching 38.7 million tonnes in 2008, 12.4% higher than 2007. Strong demand for cement is driven by the robust growth of the construction sector. Liquidity, largely fuelled by the Gulf States, has kept growth robust and is expected to cushion any shocks to the Egyptian economy from the current economic crisis. The Egyptian government's recent announcement that it will invest EGP30 billion (approx. €4 billion) for infrastructure and construction projects further corroborates a strong future outlook.

During the year, TITAN's operations in Egypt grew both organically and by acquisition. In May 2008, TITAN acquired Lafarge's share in Lafarge Titan Egyptian Investment, a 50/50 joint venture with ownership of two cement plants, Beni Suef Cement Co. and Alexandria Portland Cement Co., with combined cement production capacity of approximately 3.3 million tonnes annually.

The new organisational structure and the full alignment of our Egyptian operations with the Group's operational policy and procedures have led to high performance of both plants and strong sales achievements. Enhanced production performance enabled TITAN Cement Egypt (TCE) to cope with the increasing demand in the domestic market.

Cement prices increased compared to 2007, but only partially covered higher energy prices and royalty increases, a fact which led to an erosion of margins throughout the year. Overall profitability was enhanced through increased sales volumes; both our plants achieved a record last quarter of the year in terms of production and dispatched quantities.

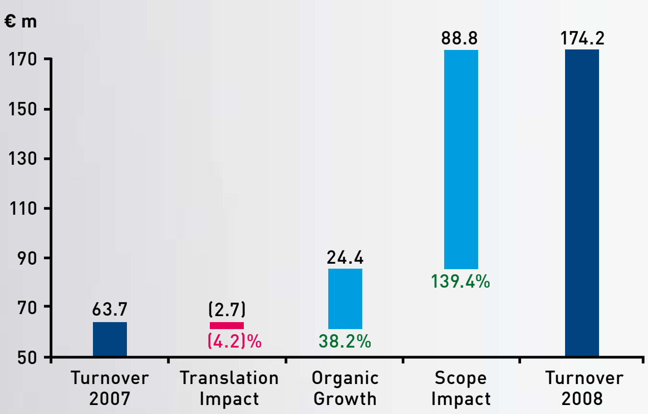
Works for the construction of the second line at the Beni Suef Cement Plant progressed according to plan and production is expected to start in the last quarter of 2009. This will increase production capacity of TITAN Cement Egypt by more than 40%, reaching approximately 4.7 million tonnes per annum, allowing the Group to maintain its leading position in the vibrant Egyptian cement market.

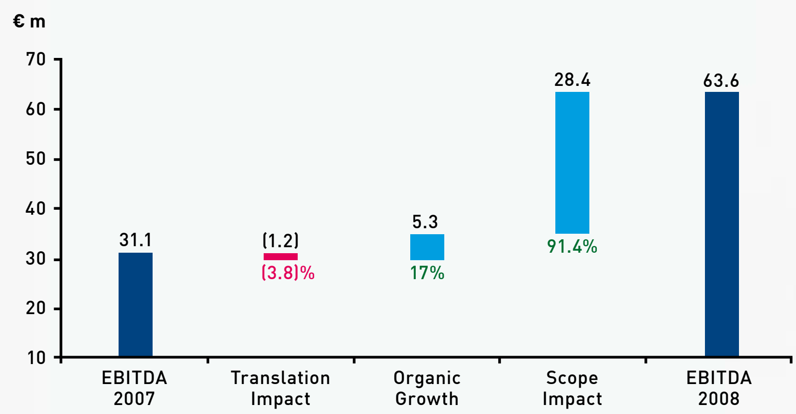
EASTERN MEDITERRANEAN

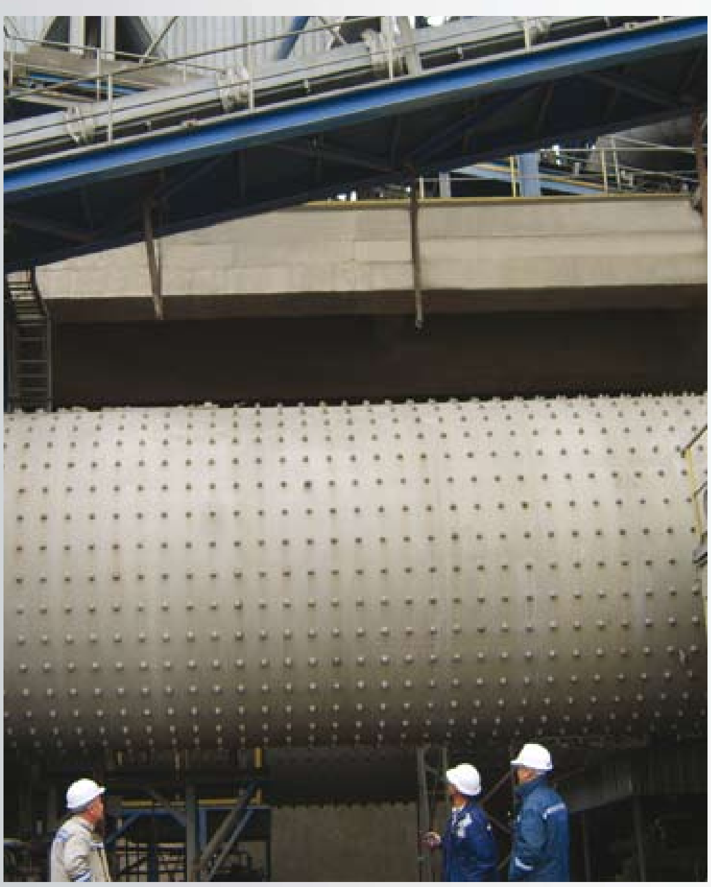
2008*	EGYPT	TURKEY
GDP (real growth rate)	7.2%	1.5%
Population (millions)	76.3	71.5
Cement Production (million tonnes)	39.8	51.4
Cement Consumption (million tonnes)	38.7	40.8

** Estimates*
Sources: Local State Authorities , IMF, Company estimates

2008 FINANCIAL RESULTS - EASTERN MEDITERRANEAN







Adocim plant, Turkey

TURKEY

In 2008 the Turkish economy expanded strongly in the first half of the year, but decelerated rapidly thereafter, with GDP growth of 1.5% for the year overall.

Cement consumption in the country declined by 4%, from 42.5 to 40.8 million tonnes. The slowdown in domestic consumption combined with expanding production capacity, in excess of demand, has been compensated by cement exports that increased by more than 50% compared to the previous year. However, due to the global downturn and unfavourable market conditions in Russia, which was a major export destination, cement exports are anticipated to slow down in 2009. At the same time, production overcapacity is likely to result in further pricing pressures.

In April 2008, TITAN acquired a 50% equity stake in Adocim Cimento Beton Sanayi ve Ticaret AS. The company owns a modern integrated plant in Tokat near the Black Sea, which gives it a competitive advantage in exports to the Black Sea market, as well as a grinding plant in Tekirdag, Marmara, which serves the Istanbul market. 2008 was the first full year of operation of the Tokat cement plant. Despite the downturn of demand, Adocim made a positive contribution to the Group's profitability in 2008.

Corporate Governance

Board of Directors

Chairman

ANDREAS CANELLOPOULOS

Age: 69

Non-executive director

Executive director from 10.6.1971 to 1.3.2006

(13th term in office)

He has been serving as Chairman of the Board of Directors of TITAN Cement Company S.A. since 1996 and was Managing Director from 1983 to 1996.

He is also a member of the Board of Directors of the Paul and Alexandra Canellopoulos Foundation and the Foundation for Economic & Industrial Research.

He was Vice Chairman of the Board of Directors of Alpha Bank from 1995 to 2006 and Board member of Aluminium of Greece, Air Liquide Hellas and other companies.

He was Chairman of the "Hellenic Federation of Enterprises" from 1994 to 2000.

Vice Chairman

DIMITRIOS KRONTIRAS

Age: 73

Independent, non-executive director since 4.6.1998

(4th term in office)

A founding member of Citibank Hellas from 1964 to 1998. In 1988 he became General Manager of "Citibank Hellas" and in 1996 became head of private banking in Athens while also sitting on the Board of Directors of Citibank Switzerland.

He has also served on the Board of Directors of many companies in Greece and abroad.

Managing Director CEO

DIMITRIOS PAPALEXOPOULOS

Age: 47

Executive director since 24.6.1992.

(6th term in office)

Studied electrical engineering at the Zurich Federal Polytechnic and business administration at Harvard University, USA. He initially worked as a business consultant with McKinsey & Company Inc. in the USA and Germany. He has been working with TITAN Cement Company S.A. since 1991 and has held the post of Managing Director since 1996.

He is also a member of the Board of Directors of Lamda Development S.A., the Hellenic Federation of Enterprises, and the Hellenic Federation of Enterprises Committee for Sustainable Development, the Foundation for Economic & Industrial Research, the Hellenic Harvard Institute, the Athens Laboratory of Business Administration (ALBA) and the Foundation for the Hellenic World.

Members

EFTICHIOS VASSILAKIS

Age: 42

Independent, non-executive director since 10.5.2007

(1st term in office)

Studied economics (BA) at Yale University, USA and business administration (MBA) at the Columbia Business School of New York, USA.

He is Vice Chairman and Managing Director of Autohellas S.A. (Hertz) and Vice Chairman of Aegean Airlines S.A. He is also a member of the Board of Directors of Piraeus Bank, Piraeus Leasing S.A., Fourlis S.A. and Ideal Group S.A.

EFTHYMIOS VIDALIS

Age: 55

Independent, non-executive director since 24.5.2004

(2nd term in office)

Studied political sciences (BA) and business administration (MBA) at Harvard University, USA. Between 1986 and 1998 he worked with the company Owen Corning, USA. Between 1998 and 2001 he was Executive Manager and from 2001 to the present day he has been a Board member and Managing Director of S&B Industrial Minerals S.A.

He is also Chairman of the Greek Mining Enterprises Association, a member of the Board and Treasurer of the Hellenic Federation of Enterprises, Chairman of the Hellenic Federation of Enterprises Committee for Sustainable Development and Board member of the companies Raycap S.A., Zeus Real Estate Fund and Future Pipe Industries, Dubai.

GEORGE DAVID

Age: 70

Independent, non-executive director since 19.6.2001

(3rd term in office)

He is Chairman of the Board of Directors of Coca Cola Hellenic Bottling Company S.A. He is also a member of the Board of Petros Petropoulos S.A., Bank of Cyprus and AXA Insurance S.A. and also of the A.G. Leventis Foundation, the Hellenic Foundation for European & Foreign Policy (ELIAMEP) and the Centre for Asia Minor Studies.

SPYRIDON THEODOROPOULOS

Age: 51

Independent, non-executive director since 19.6.2001

(3rd term in office)

Graduate of the Athens University of Economics & Business. He began his career in 1976 with the family dairy products company Recor S.A. In 1986 he took up the post of Managing Director of Chipita and from 1.9.2006 has been Managing Director of Vivartia S.A.

He also sits on the Board of Lamda Development S.A. He has also served as the Chairman of the Union of Listed Companies, as Vice Chairman of the Hellenic Federation of Enterprises and as Vice Chairman of HELEX.

NELLOS CANELLOPOULOS

Age: 45

Executive director since 24.6.1992.

(6th term in office)

He initially worked at Ionia S.A. as a Sales Division executive (1989-1990). Between 1990 and 1996 he worked as a Sales Division executive with TITAN Cement Company S.A. and in 1996 took up the post of Group External Relations Director.

He is Chairman of the Board of Directors of the Paul and Alexandra Canellopoulos Museum and Chairman of the Paul and Alexandra Canellopoulos Foundation.

He is also Vice Chairman of the Board of Directors of the Hellenic Cement Industry Association.

TAKIS CANELLOPOULOS

Age: 41

Executive director since 10.5.2007.

(1st term in office)

Studied economics (BA) at Brown University, USA and business administration (MBA) at the New York University / Stern School of Business, USA.

He initially worked as a financial analyst with AIG and with the EFG Eurobank Financing Division. He has worked with TITAN Cement S.A. since 1995, initially as an executive in the Group Financial Division and since 2001 as the Investment Relations Director. He is also a member of the Board of Directors of Canellopoulos Adamantiadis Insurance Co. (AIG Hellas).

PANAGIOTIS MARINOPOULOS

Age: 58

Independent, non-executive director since 24.5.2004

(2nd term in office)

Graduate of the Athens School of Pharmacy and the Paris Institut d'Etudes Politiques.

He is Chairman of Sephora-Marinopoulos and member of the Board of Directors of Famar S.A., Marinopoulos Bros S.A. and Carrefour – Marinopoulos. He is also a member of the General Council of the Hellenic Federation of Enterprises and the Foundation for Economic & Industrial Research, and a Board member and Treasurer of the N.P. Goulandris Foundation – Museum of Cycladic Art.

ELIAS PANIARAS

Age: 72

Non-executive director

Executive director from 23.6.1995 to 27.9.2007.

(5th term in office)

Studied chemical engineering at the National Technical University of Athens and industrial engineering at New York University, USA.

He has been with TITAN Cement Company S.A. since 1967 and was General Manager from 1995 until his retirement in 2007. He has also served as Executive Manager from June 1996 to May 2007.

He has also served as Chairman of the Hellenic Cement Industry Association (2002-2005) and is a member of the European Cement Association (1996-2009).

ALEXANDRA PAPALEXOPOULOU-BENOPOULOU

Age: 43

Executive director since 23.6.1995.

(5th term in office)

Studied economics at Swarthmore College, USA, and business administration (MBA) at INSEAD, Fontainebleau, France.

She initially worked for the OECD in Paris and the consultancy firm Booz, Allen & Hamilton. She has been working with TITAN Cement Company S.A. since 1992, initially in the Exports Division and from 1997 onwards as the Group Strategic Planning Director.

She is a member of the Board and Treasurer of the Paul and Alexandra Canellopoulos Foundation and sits on the Board of Frigoglass S.A. and Emporiki Bank of Greece.

MICHAIL SIGALAS

Age: 60

Executive director since 4.6.1998.

(4th term in office)

Studied mechanical engineering at Concordia University, Canada.

He worked in Canada from 1973 to 1979 with Prestcold North America Ltd. and from 1980 to 1985 with Hellenic Aerospace Industry, acting as Commercial Manager of that company from 1983 to 1985.

He has been with TITAN Cement Company S.A. from 1985, having held managerial posts relating to exports, trade, the Middle East and SE Europe. He is currently the Middle East / SE Europe and International Trade Director.

APOSTOLOS TAMVAKAKIS

Age: 52

Independent, non-executive director since 2004

(2nd term in office)

Graduate of the Athens University of Economics & Business, with postgraduate studies in Econometrics and Economic Mathematics. He has worked with Mobil Oil Hellas, the Investment Bank, ABN-AMRO as Asst. General Manager and as Deputy Governor of the National Real Estate Bank and National Bank of Greece. For the last 5 years he has been Chairman and Managing Director of Lamda Development S.A. Since March 2009 he has been responsible for strategic and business development of the Latsis Group at Group Administrative HQ in Geneva and remains a non-executive Vice Chairman of Lamda Development S.A. He is also a member of the Board of Vivartia S.A. and Panathinaikos FC, a member of the Hellenic Federation of Enterprises General Council, and sits on the Board of the Foundation for Economic & Industrial Research and the Hellenic-American Chamber.

VASSILIOS FOURLIS

Age: 49

Independent, non-executive director since 2007

(1st term in office)

Holds a Masters degree from the University of California, Berkeley (Masters Degree in Economic Development and Regional Planning) and a Masters degree from Boston University/Brussels (Masters Degree in International Business).

He is Chairman of Fourlis S.A. and House Market S.A. (Ikea).

He also sits on the Board of Vivartia S.A., Frigoglass S.A. and Piraeus Bank.

Board of Directors Committees

Audit Committee

DIMITRIOS KRONTIRAS
Independent, non-executive director

EFTHYMIOS VIDALIS
Independent, non-executive director

VASSILIOS FOURLIS
Independent, non-executive director

Remuneration Committee

GEORGE DAVID
Independent, non-executive director

PANAGIOTIS MARINOPOULOS
Independent, non-executive director

ELIAS PANIARAS
Non-executive director

Nomination & Corporate Governance Committee

SPYRIDON THEODOROPOULOS
Independent, non-executive director

APOSTOLOS TAMVAKAKIS
Independent, non-executive director

EFTICHIOS VASSILAKIS
Independent, non-executive director

Corporate Social Responsibility Committee

THEODOROS PAPALEXOPOULOS

Member of the Board of Directors of TITAN Cement Company S.A. from 1969 to 2004. Executive Director from 1979 to 1988 and Vice Chairman of the Board from 1988 to 1996.

Founding member and Chairman of the Citizens Movement for an Open Society.

Founding member and First Vice Chairman of Transparency International Greece.

NIKOLAOS ANALYTIS

Member of the TITAN Cement Company S.A. Board of Directors from 1989 to 2007.

Chairman of the Hellenic Network for Corporate Social Responsibility

Chairman of the Economic and Social Committee of Greece from 2004 to 2007.

NELLOS CANELLOPOULOS
Executive Director

Executive Committee

DIMITRIOS PAPALEXOPOULOS
Managing Director

IOANNIS GEORGAKAKIS
Group General Counsel

NELLOS CANELLOPOULOS
Group External Relations Director

CHARALAMBOS MAZARAKIS
Group Chief Financial Officer

SOCRATES BALTZIS
Executive Director Greek Region

ARIS PAPADOPOULOS
USA Region Director

ALEXANDRA PAPALEXOPOULOU - BENOPOULOU
Group Strategic Planning Director

MICHAIL SIGALAS
Middle East, S.E. Europe and International Trade Director

Corporate Governance

TITAN Cement S.A. has put in place and implements corporate governance rules which reflect international best practices and which go beyond the requirements laid down by law. Management is firmly committed to the continuing integration of new rules and practices into Company operations which promote transparency, responsibility, reliability, sustainable development and corporate social responsibility in every aspect and field of activity of the Group and its entire web of relationships with shareholders, employees, customers, suppliers, contractors and society.

Composition and operation of the Board of Directors and Committees

Applicable Rules:

At the recommendation of the Nomination and Corporate Governance Committee, the composition and operation of the Board of Directors and the Board Committees is ruled by the following principles:

A. The majority of the Board members must be independent, non executive directors, and may not be nominated for election for more than four terms.

B. The Chairman and the Vice Chairman of the Board of Directors must be chosen among the non-executive directors and at least one of them must be an independent, non-executive director.

C. The members nominated by the Board for election by the General Meeting must not be older than 75.

D. The Board Committees, when discussing technical issues, may utilize the services of financial, legal and other technical consultants

E. The operation of the Board of Directors and the Board Committees must be evaluated annually.

F. The non-executive directors may hold separate meetings.

Line-up of the Board of Directors and Committees

The current Company Board of Directors was elected by the General Meeting of Shareholders of 10.5.2007 and will serve for a 3-year term in office which will expire at the 2010 Ordinary General Meeting at the latest.

The majority of Board of Directors members are independent, non-executive directors, that is to say individuals who hold no more a 0.5% shareholding in the Company and who have no relationship with or dependence on the Company or affiliated entities and who come from fields which are not in competition with the Company. They have all been nominated on the basis of their professional and scientific acclaim in fields which give them the opportunity to make a substantive contribution to shaping company policy and to further growth and development of the Company.

The five (5) executive members of the Board of Directors come from the core Shareholders and senior executives of the Company and occupy the one third only of the total number of seats in the Board.

The Chairman is a non-executive director and the Vice Chairman is an independent, non-executive director.

The Board of Directors has its own Secretariat, the head of which in exercising her duties does not report to any other department of the Company.

Board of Directors Committees

The work of the Board of Directors is assisted by the following Committees:

Audit Committee

The Audit Committee is comprised exclusively of independent, non executive directors who have extensive management, accounting and auditing knowledge and experience. The Committee's extensive auditing powers include supervising the work of the Group Internal Audit Department, which reports directly to the Committee, monitoring the proper and effective implementation of the internal audit system and the risk management system, auditing the financial statements before they are approved by the Board of Directors, nominating certified public accountants who are then recommended by the Board of Directors to the General Meeting of Shareholders and monitoring issues relating to the retention of their independence and objectivity and monitoring the financial reporting procedures implemented by the Company. The Committee is also responsible for supervising and monitoring the implementation of the confidential reporting procedure which involves employees reporting any infringement of Company values or the Company Code of Conduct to management via the hotline which has been in operation since 1.1.2008.

Remuneration Committee

This Committee is comprised of three non-executive directors, two of whom are independent. Its task is to examine and submit proposals on all manner of pay and remuneration for directors who offer their services to the Company on an employment contract or retainer fee basis and for senior management executives, fields in which the three members of the Committee have proven knowledge and experience.

Nomination & Corporate Governance Committee

This Committee is comprised of three independent, non-executive directors with extensive experience in business administration and corporate governance. The task of this Committee is to nominate suitable candidates for membership of the Board of Directors, to plan for the succession and continuity of Company Management and to offer opinions on the correct implementation of corporate governance principles in relation to the relevant legislation and best international practices.

Corporate Social Responsibility Committee

This Committee is comprised of two former directors who have been very active in the field of corporate social responsibility and who have won acclaim in that field, plus one executive director with significant experience in this field. The task of this Committee is to offer advice and support to Company Management in relation to planning strategy and coordinating activities on corporate social responsibility issues.

Executive Committee

The Company's Articles of Association provide for an Executive Committee comprised of 4 executive directors and 4 senior management executives which is responsible for supervising the operation of various Company departments and coordinating their activities. Any of the persons who have acted as chairmen, directors and executive directors of the Board of Directors are entitled to participate in the activities of the Executive Committee.

Penssuco plant, Florida, USA

Evaluation of Board of Directors and Committee activities during 2008

In 2008, the Board of Directors met 9 times, while the Audit Committee met 6 times, the Executive Committee 22 times, the Corporate Social Responsibility Committee 12 times and the Remuneration Committee once.

The activities of the Board of Directors, Audit Committee, Remuneration Committee, Nomination & Corporate Governance Committee during 2008 and the individual contribution of each member were evaluated by the directors by filling out a special, detailed questionnaire. The Nomination & Corporate Governance Committee presented the results from these questionnaires to the Board of Directors along with proposals on how to further improve the operations and performance of the Board of Directors and its Committees.

Remuneration of Board of Directors and Committee members during 2008

In 2008, the remuneration of members of the Board of Directors, the Remuneration Committee and the Nomination & Corporate Governance Committee remained the same as that for 2007 while the remuneration of members of the Audit Committee rose since its workload increased significantly in 2008.

More specifically, the 15 directors received a total of €216,000 net for their participation in the Board (€14,400 for each director).

The following remuneration was also paid for the participation of directors in the following Committees:

The three members of the Audit Committee received a total of €28,800 net (€9,600 for each member) compared to a total of €21,600 net (€7,200 for each member) in 2007.

The three members of the Remuneration Committee received a total of €14,400 net (€4,800 for each member).

The three members of the Nomination & Corporate Governance Committee received a total of €14,400 net (€4,800 for each member).

Members of the Corporate Social Responsibility Committee and Executive Committee did not receive any remuneration.

The annual salaries for 2008 for 6 directors who provided their services to the Company on the basis of an employment contract, the bonus they received for achieving the 2007 targets and the number of stock options granted in 2008 were decided by the Board of Directors following a recommendation from the Remuneration Committee, based on their performance and the achievement of specific business targets. Moreover, the annual remuneration of one director who offered his services to the Company on the basis of independent service provision arrangement had been set by decision of the General Meeting of Shareholders of 10.5.2007.

In light of the above, the salaries and all manner of gross pay for the seven directors who offered their services to the Company on the basis of employment contracts or independent service provision arrangement amounted to €1,746,829 in 2008 compared to € 1,551,564 in 2007.

Six of the seven directors received a bonus for achieving targets of € 440,000 in total, compared to a corresponding figure of € 449,294 in 2007, and also received a total of € 169,200 due to their participation in the profit distribution for 2007 compared to € 331,478 received in 2007 due to their participation in the profits distribution for 2006.

In 2008, the five executive directors were granted stock options for 30,000 ordinary shares in the Company in line with the stock option plan approved by the General Meeting of Shareholders on 29.5.2007. Those options will mature under certain conditions in November 2010.

For further information please refer to p. 47

In 2008, no executive director exercised their stock options.

Internal Audit

Internal audits are carried out by the Group Internal Audit Department which is an independent department which reports to the Board of Directors' Audit Committee. The Internal Audit Department's duties include, inter alia, checking compliance with the Company Rules of Procedure, checking the legitimacy of remuneration and all manner of benefits paid to members of the Company Management in relation to decisions of company bodies, checking compliance with Company obligations deriving from the financial legislation and decisions of the Hellenic Capital Market Commission and checking Company relationships and transactions with related parties and with companies in which Company directors or shareholders have a holding of at least 10%.

Internal audits are currently carried out by 15 executives in Greece and abroad, who have the necessary academic and professional training to carry out their work.

Campostella ready-mix, Norfolk, USA

Shareholder Information and Services

Shareholder relations and the provision of information to shareholders have been assigned to the following departments:

Investor Relations Department

The Investor Relations Department is responsible for providing on-time, valid, full and well-rounded information to investors and financial analysts in Greece and abroad so as to build long-term relations with the investing community and to safeguard the Group's strong reputation.

The Group Investor Relations Director is Mr. Takis Canellopoulos, 22a Halkidos St., 111 43, Athens tel: 210-2591163, fax: 210-2591106, e-mail: ir@titan.gr.

Shareholder Services Department

This Department is responsible for providing immediate and full information to Shareholders and for facilitating them when exercising the rights granted to them by the law and Articles of Association of the Company.

More specifically, the Shareholder Relations Service ensures that Shareholders receive immediate, full information about the distribution of dividends, decisions to issue new shares and the manner in which and time at which rights can be exercised, the acquisition of treasury stock and the disposal or cancellation of such stock, and is also responsible for providing information about General Meetings and their decisions, distributing the annual financial report under Article 4 of Law 3556/2007 to the shareholders attending the Ordinary General Meeting of Company Shareholders, dispatching all published company reports in hard copy or electronic format to any stakeholder (annual and interim financial reports, prospectuses, periodic and annual financial statements, etc.), keeping and updating the list of Company shareholders and communicating with ATHEX on shareholder-related issues.

Corporate Announcements Department

This Department is responsible for Company compliance with the obligations contained in Law 3556/2007 on the disclosure of regulated information cited in Article 3(p) of that law (privileged information, transaction disclosures, etc.), for compliance with Hellenic Capital Market Commission decisions issued pursuant to Laws 3340/2005 and 3556/2007, for Company compliance with the obligations contained in Article 2 of Decision No. 5/204/14.11.2000 of the Hellenic Capital Market Commission on the immediate confirmation or refutation of unconfirmed information, for Company communication with the Hellenic Capital Market Commission and ATHEX and for sending published company reports to all competent authorities and the mass media.

Responsible for the two above departments
is Mrs. Nitsa Kalesi, 22a Halkidos St., 111 43 Athens,
tel: 210-2591257, fax: 210-2591238,
e-mail: kalesin@titan.gr.

The Company's website is: www.titan-cement.com, the Reuters code: TTNr.AT, TTNm.AT and the Bloomberg code: TITK GA, TITP GA.

2009 Financial Calendar

Tuesday February 24, 2009	Full Year Results 2008
Thursday May 28, 2009	3 Months Results 2009
Wednesday June 24, 2009	Annual General Meeting of Shareholders
Friday June 26, 2009	Ex-dividend date
Monday July 6, 2009	Dividend Payment
Thursday August 27, 2009	Half Year Results 2009
Wednesday November 25, 2009	9 Months Results 2009
Thursday March 18, 2010	Full Year Results 2009

Stock Option Plans

As a way of encouraging senior executives to identify their own long term personal aspirations with the interests of the Company and its Shareholders, TITAN Cement Company S.A. has introduced since year 2000 Stock Option Plans.

The initial Stock Option Plan (the 2000 Plan) which was approved by the General Meeting of Shareholders of 5.7.2000 had a vesting period of three years (2001-2003) and expired in 2007.

In 2004, a new Stock Option Plan was adopted (the 2004 Plan) again with a three-year vesting period (2004-2006) following the decision of the General Meeting of Shareholders of 8.6.2004, in the context of which 67 senior executives of the Company and Group companies and 4 executive directors were granted the option to purchase 387,030 ordinary shares in the Company at a sale price for each share equal to the nominal price of the Company's share.

The 2004 Plan provided that the options granted would vest after three years and after that date the beneficiaries would be entitled, without other conditions, to acquire only 1/3 of the number of options granted, whereas the ability to exercise the other 2/3 options would depend on the performance of the Company's ordinary shares in relation to the average performance of the ATHEX FTSE 20, ATHEX FTSE 40 and ATHEX General indexes and the shares of pre-selected companies in the building materials sector worldwide.

In line with those conditions, of the total of 387,030 options granted, only 189,490 stock options matured and of those, 162,050 stock options have already been exercised (108,480 in December 2006, 39,370 in December 2007 and 14,200 in December 2008). 26,940 mature stock options can still be exercised before December 2009, otherwise they expire.

The General Meeting of Shareholders of 29.5.2007 approved a third three-year Plan (the 2007 Plan) which states that senior executives of the Company and Group companies and executive directors in 2007, 2008 and 2009 shall have an option to acquire 1,000,000 ordinary shares in the Company. That option is exercisable over a three-year vesting period and the sale price is equal to the nominal value of the share at the time the option is exercised. After that vesting period expires, the number of options which may be exercised by beneficiaries is variable. The first third depends on the average EBITDA of the Company and its net profits in relation to the return on 3-year Greek treasury bonds during the relevant three-year period. The second third depends on the performance of the Company's ordinary shares in relation to the performance of the shares of 12 companies in the building materials sector internationally and the other third depends on the performance of the Company's ordinary share in relation to the average performance of the ATHEX FTSE 20, ATHEX FTSE 40 and FTS Eurofirst 300 indexes.

The 2007 Plan favours the long-term retention of a significant number of shares by executives because it introduces an obligation to hold 50% of the shares until they acquire a specific minimum number of shares and any infringement of that requirement will result in a reduced number of options being granted in the next stock option plan.

In implementation of the 2007 Plan, in 2007 and 2008 options to purchase 142,950 and 169,470 ordinary shares of the Company were granted to 87 senior executives of the Company and its affiliated companies, including 5 executive directors. These options will mature in November 2009 and 2010 respectively, in which case they can be exercised provided the above conditions specified in the Plan are met.

Detailed description of all above Stock Option Plans is available at the link:
http://ir.titan.gr/home.asp?pg=stockoption

Zlatna Panega plant, Bulgaria

Risks and Uncertainties

Financial Risk Factors: The Group's activities create a number of financial risks, including foreign exchange and interest rate risks, credit risks and liquidity risks. The Group's overall risk management programme focuses on the fluctuations of financial markets and aims to minimise the potential adverse effects of such fluctuations on the Group's financial performance. The Group does not carry out transactions of a speculative nature or transactions which are not related to its commercial, investment or borrowing activities.

In 2008, the financial products used by the Group consisted mainly of bank deposits, loan agreements, transactions in foreign currency at current prices or with futures, overdraft bank accounts, accounts receivable and accounts payable, investments in securities, dividends payable and obligations stemming from lease contracts.

Liquidity Risk: Liquidity is managed via a combination of cash and cash equivalents and approved bank credit, projected operating needs and loan maturities. The Group manages the risks which may arise due to insufficient liquidity by procuring that committed bank credit is always available for use. The existing available and unused approved bank credit extended to the Group is sufficient to face any potential cash flow shortage.

As of 31st December 2008, the Group had sufficient cash and cash equivalents (equal to € 94m) and available unutilized committed facilities so that it is in a position to more than adequately service its short and medium term liabilities.

Interest Rate Risk: 21% of total Group debt is based on fixed interest rates. Out of the 79% of floating debt, 52% is based on pre-agreed interest rate spreads. As a result, base interest rate volatility has a small impact on cash flow and P&L.

The fact that the Group's credit standing has been downgraded has had a limited effect on the cost of borrowing because, based on agreed credit lines, it was converted to an increase in the loan spread by 35 base points (0.35%).

The exposure of liabilities and investments to interest rate risk is being monitored on a budgetary basis. The Group's funding has been set up according to a predefined combination of fixed and variable interest rates in order to reduce the risk posed by fluctuating interest rates. The ratio of fixed to variable interest rates of the Group's net debt is determined by market conditions and the Group's strategy and funding needs. Interest rate swaps may also be used, solely as a means of reducing cash flow exposure to floating interest rates and to change the above combination of fixed and variable interest rates, where this is deemed necessary. The Group did not use any interest rate derivatives in 2008.

It is the Group's policy to constantly monitor interest rate trends and the duration of its financing needs. Therefore, the decision on the duration and on the balance between fixed and variable cost of a new loan is taken on an ad hoc basis. As a result, all short-term loans have been taken out with variable interest rates. The medium-term loans are based partly on fixed and partly on variable interest rates.

Foreign Currency Risk: The Group's exposure to foreign currency risk stems primarily from existing or expected cash flows in foreign currency (imports / exports) and from investments abroad. This risk is dealt with in line with approved policies.

FX risk is managed primarily through the use of natural hedges and foreign currency forwards. As per Group policy, liabilities should be denominated in the same currency as the cash flow generated from operating activities. The assets that generate the cash flow, unless in exceptional circumstances, should also be denominated in the same currency.

The currency risk of the equity of Group subsidiaries in the USA has thus been partly hedged through borrowing in USA dollars.

In other markets in which the Group is active, the company's borrowing needs are evaluated and, if possible, the funding takes place in the currency corresponding to the asset which is being funded or is to be funded. As an exception, the Group's investments in Turkey and Egypt are shown in Turkish lira and Egyptian pounds and part of the corresponding funding is expressed in euros and yen. The Group has decided that the cost of refinancing the obligations from euro to Turkish lira and Egyptian pounds is such that this is not a financially attractive option at the moment. This matter is being reconsidered regularly.

Credit Risk: The Group faces no significant credit risks. The receivables from clients originate mainly from an extensive and broad client base. The financial standing of clients is constantly monitored by the Group companies.

Wherever this is deemed necessary, additional insurance cover is requested as credit guarantee. A special computer application checks the amount of credit extended and the credit limits of the accounts. Provisions for losses due to depreciation are made in the case of special credit risks. At the end of 2008, it is deemed that there are no significant credit risks which are not already covered by insurance as a guarantee for the credit extended or by a provision for doubtful receivables.

A potential credit risk also exists in cash and cash equivalents, in investments and in derivative contracts. In these cases, the risk may arise from the counterparty's inability to fulfil its obligations towards the Group. In order to minimise this credit risk, the Group sets certain limits on the level of exposure for each individual financial institution, in line with certain policies approved by the Board of Directors. Also, in the case of deposits, the Group only carries out transactions with established credit institutions of a high credit rating.

Other Risks

Aiming to remain among leaders in our sector with respect to a proactive approach in corporate social responsibility and sustainable development we have been engaged in a more systematic analysis and monitoring of all relevant issues that are considered critical for our business and our key stakeholders.

Apart from internal audits, an independent assessment was conducted in Greece in 2007 and in our South East European operations in 2008.

The main criteria used for this analysis are:

- significant current or potential impact on the Company
- significant concern to stakeholders
- with a reasonable degree of control by the Company

The outcomes are presented in the CSR and SD Report.

For more information please refer to CSR and SD Report p.42

Compliance with TITAN's standards

Mandatory and voluntary commitments are guiding our efforts to build a robust and effective management system to monitor and support communication and compliance with TITAN values and standards.

A new Code for Procurement was distributed to our suppliers together with material explaining TITAN social and environmental commitments. In the framework of our responsible supply chain management initiative (web link) a number of activities have been scheduled for next years.

For more information please refer to CSR and SD Report p.27

The Employee Direct Communication Line that was introduced in 2007 to support better monitoring of compliance with our values and Code of Conduct in Greece has been furtherly expanded with a new intranet tool that allows communication with additional means. A total of seven "calls" were received and examined the fisrt year of the operation of this system in 2008. All "calls" were initially codified as human rights management issues and solved with consultation given by an appointed management committee in which the members are:

- One member of the Board of Directors
- Director of the Internal Audit Department and
- Social Services Manager in Greece

Kosjeric plant, Serbia