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site map

Overview

Titan's Head Office, Athens, Greece

Titan continues to drive forward on the path to achieve our governing objective of being a multi-regional, vertically integrated cement producer, combining an entrepreneurial spirit and operational excellence with respect for people, society and environment.

Titan's values are embedded in our culture. Heading the list of values is integrity, committing to and delivering results, know-how, continuous improvement, value to our customers and corporate social responsibility.

Our core activity and competency is cement production and trade.

The Group's priorities continue to be:

- Expand the core business of cement through organic growth and acquisitions
- Vertically integrate in related building materials
- Continuously improve cost and competitiveness
- Develop our human resources and demonstrate Corporate Social Responsibility

Titan was the first Greek company to sign the United Nations Global Compact Initiative that aims to safeguard human rights, labor rights and protection of the environment. Titan is the founding member of the Hellenic Network of Corporate Social Responsibility, and is a member of the World Business Council for Sustainable Development and the Cement Sustainability Initiative.

The Titan Group of companies are located in four main geographical areas:

- Greece and the European Union
- United States of America
- South East Europe
- Eastern Mediterranean

Titan is one of three companies listed on the Athens Stock Exchange since 1912.

Highlights

HIGHLIGHTS

- Consolidated Turnover
  € 1,104 million
- Net Profit after Taxes and Minority Interests
  € 169 million
- Net Investments in Fixed Assets
  € 154 million
- Integration of Zlatna Panega in Bulgaria to Group and disposal of Plevenski
- Purchase of minority interest in Cementarnica Usje A. D. in FYRoM
- Completion and start up of new kiln line in the Pennsuco plant in Florida, USA
- Positive volume performance across all products in 2004
- Cement sales [1]
  14.3 million tons [2]
- Aggregate sales
  20.8 million tons
- Ready Mixed Concrete
  5.0 million cubic meters

[1] Includes cement and cementitious materials
[2] Includes joint ventures

Thessaloniki plant, Greece

Operations

The year 2004 has been, in several respects, a transition year for Greece and Titan -and in particular Athens- as the focus of the world's attention in the summer of 2004 was on the Olympic Games. The 28th Olympiad was successfully held after 7 years of preparation. In the race to complete related infrastructure work during the first half of 2004 in the Attica area, Titan benefited from the resulting surge of demand for building materials.

As demand slowed down in Greece in the second half of 2004 – as expected – the Group benefited from an improved contribution from its international operations.

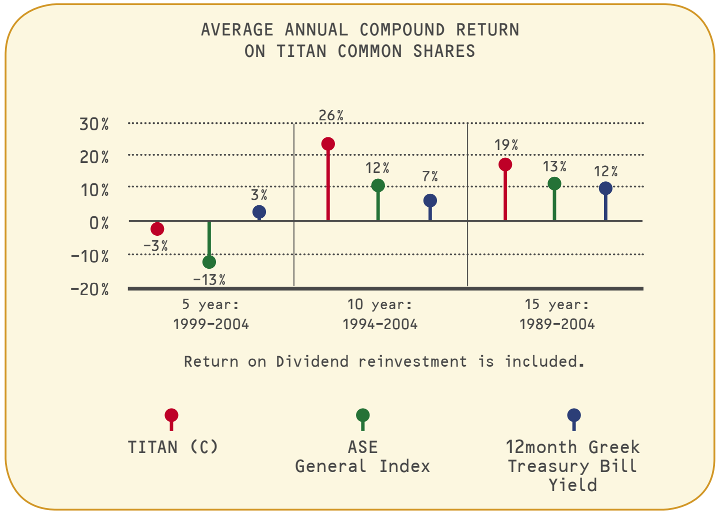
Market conditions were buoyant in the Unites States, despite the negative impact on our operations of cement shortages in the first half of the year and hurricanes in Florida in the second half. The timing of the completion of the Pennsuco plant modernization, slightly ahead of plan in the summer, proved fortuitous. The new state-of-the-art kiln line is now running at full capacity, providing much needed incremental cement to feed the continuing growth in demand in Florida. In addition, it allows us to begin to realize substantial benefits from reduced production costs from an efficient and environmentally friendly facility. Our new terminal in Tampa also opened during December, and will provide further flexibility for the expansion of our operations.

Our investment in Separation Technologies, which owns a proprietary technology to beneficiate fly-ash, has started to show returns with a strong growth in volumes from new facilities in the USA and encouraging expansion prospects outside the USA as well.

In our South East Europe region, demand was particularly strong in Bulgaria and to some extent in Serbia. The acquisition of Zlatna Panega A.D. in Bulgaria, together with the sale of Plevenski and the acquisition of the minority stake in Usje was completed in April 2004 after the approval from the Bulgarian Authorities. The Zlatna facility and operations have been swiftly and efficiently absorbed into the Group and have already made a significant positive contribution to our results.

In Egypt, operating results also improved in 2004. Although domestic demand declined, the reorientation of excess production capacity towards exports allowed prices to increase strongly in local currency.

In total the Group sold over 14 million tons of cementitious materials in 2004, over 20 million tons of aggregates and over 5 million cubic meters of ready-mix concrete. With the additional capacity in the USA and the restructuring of our investments in South East Europe, the Group's overall cement production capacity now exceeds 16 million tons per annum.



Financial Results

Group turnover was up 6.6% to € 1,104 million for the year, and would have been up 11% at constant exchange rates. Operating EBITDA grew by 9.4% to €323 million (+12.8% at constant exchange rates). Net profit for the Group, after minorities and taxes, grew by 35.2 % to a record € 168.9 million.

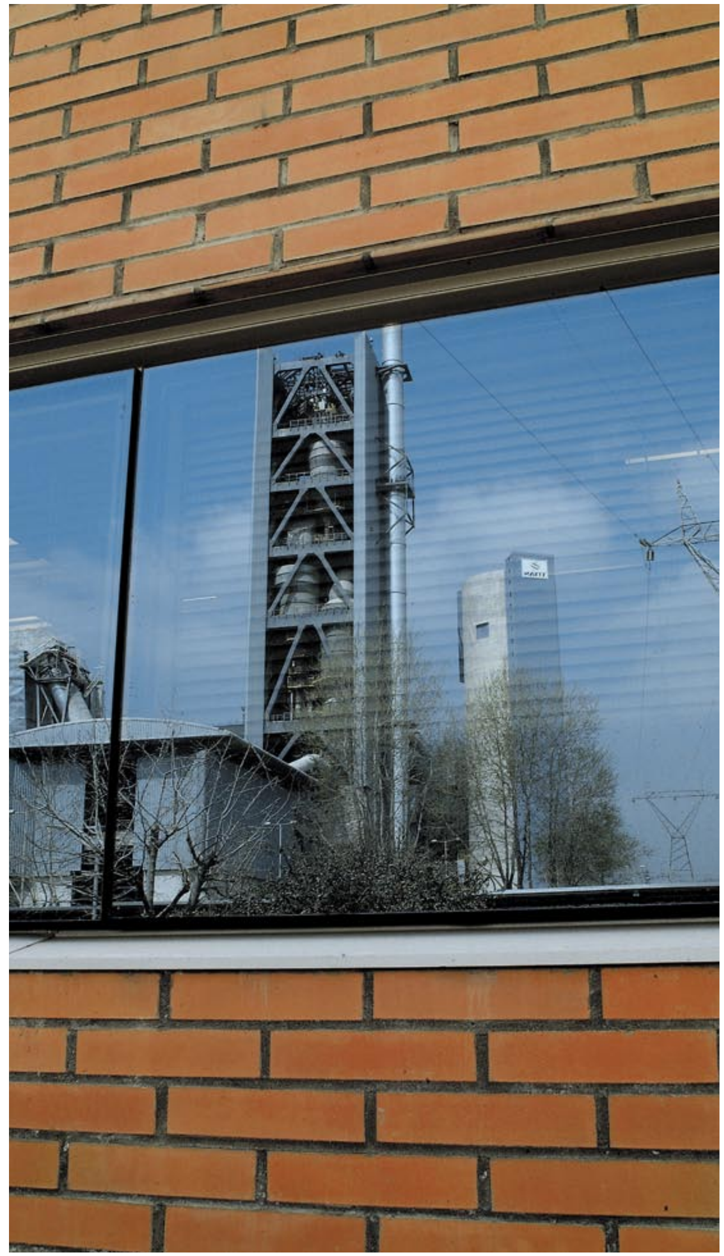
Capital expenditure amounted to € 154 million in 2004, the largest single project related to the completion of the Pennsuco facility in Florida.

In light of those results the Board of Directors recommends approval of a net dividend of € 0.52 per share compared to last year's figure of € 0.475. The Board also recommends the distribution of a sum of € 2.65 million to over 500 managers and employees who have been instrumental in delivering those results.

This is the last year in which we report according to Greek Generally Accepted Accounting Principles (GAAP). Starting with the first quarter of 2005 we will be officially reporting in accordance with International Financial Reporting Standards (IFRS).

With a view to better informing our shareholders on the transition, we are also providing herein results under IFRS for 2003 and 2004. As you can see in a subsequent section of this report, our results are slightly better under IFRS, without being materially different.

The main changes relate to the consolidation of our Egyptian operations (proportionate consolidation as opposed to equity consolidation used under Greek GAAP), the calculation of depreciation (useful life of assets versus tax-accelerated depreciation in Greece) and taxes (recognition of deferred tax liabilities), as well as the recording of foreign exchange differences.



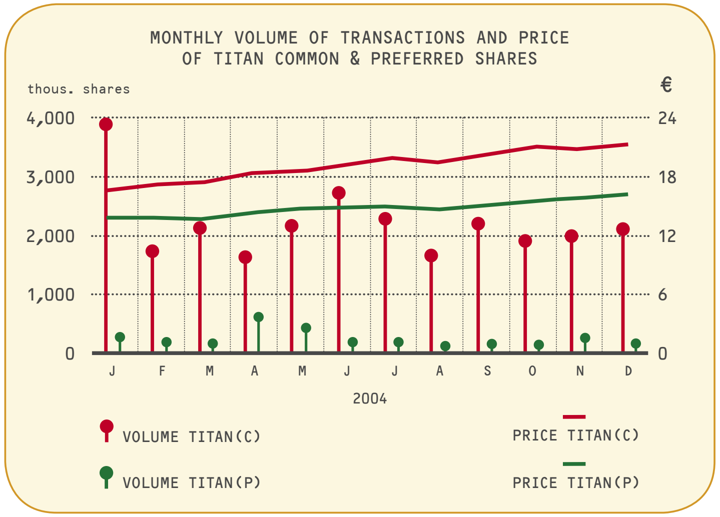
The new production line at Thessaloniki plant, Greece

Shareholders' report

Corporate Governance

Titan has always strived to address issues of corporate governance responsibly, both in substance and in form. A separate section of this report addresses the Group's relevant practices.

During 2004 we expanded the number of working committees of the Board of Directors to better reflect best practices. The Remuneration and Succession Planning Committee was split into a Remuneration Committee and a new committee to focus on Succession Planning and Corporate Governance. We also formalized the existence of an already functioning – and quite active – Corporate Social Responsibility (CSR) Committee. A full CSR & Sustainability Report, under the title 'Branching Out & Adding Value', accompanies the 2004 Annual Report, providing information on our efforts, our successes and our shortcomings.



Outlook

The outlook for 2005 is mixed. All regions will be impacted by high solid fuel and energy costs. The demand outlook varies by region.

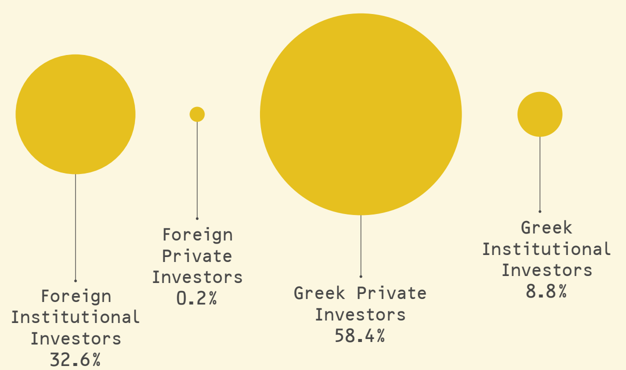
In Greece, demand is expected to continue to decline in 2005, especially compared to a strong first half in 2004. Cost inflation, including the impact of the EU directive on chromium and higher input costs, will only partially be mitigated by the realization of operational improvements from our capital investments.

In the United States, the immediate outlook seems quite positive, with strong demand and solid pricing power, combined with the first full year of operation of the new kiln line in Pennsuco.

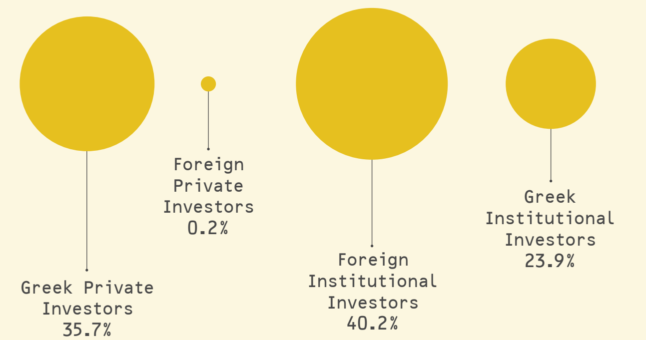
We anticipate another strong year in Bulgaria, but remain more cautious on Serbia and the Former Yugoslav Republic of Macedonia. In Egypt there are encouraging signs that the decline in demand of the past few years may reverse during 2005.

In summary, despite the anticipated slowdown in Greece, we feel reasonably confident that we can continue to grow profitably in 2005.

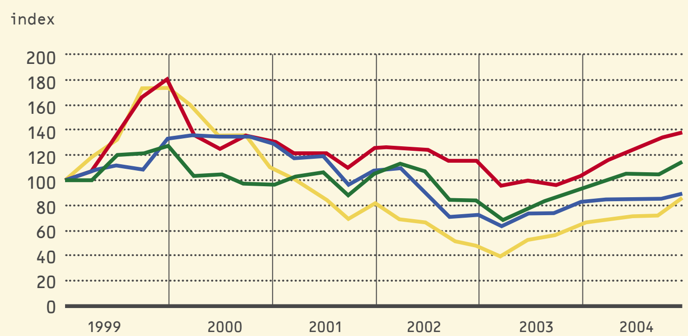
TITAN COMMON SHARES AS AT 31.12.2004



TITAN PREFERRED SHARES AS AT 31.12.2004

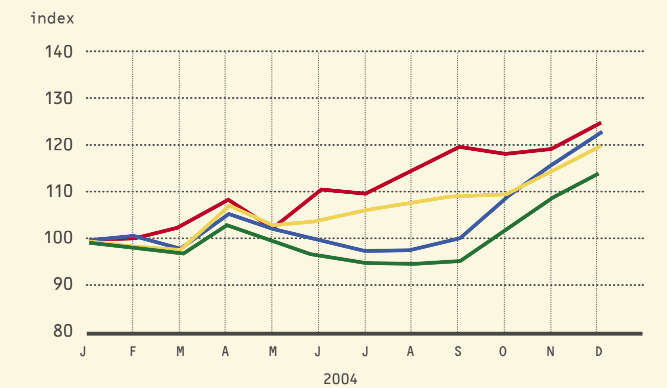


SHARE PRICE PERFORMANCE OF TITAN COMMON SHARES
VS AVERAGE OF 5 LARGEST GLOBAL CEMENT PRODUCERS,
THE S&P EURO 350 INDEX AND THE MSCI-GREECE INDEX
(31.12.1998=100, data up to 31.12.2004)



SOURCE: Reuters

STOCK PRICE INDICES
(Closing Price at month end)
January 2004=100



SOURCE: Athens Stock Exchange

World and European economies

The World Economy

Following a period of economic expansion in 2003 and early 2004, growth in the global economy has started to gradually return to lower levels but remained robust overall despite high oil prices. World trade has been a major factor supporting growth and contributing to the relative robustness of the world economy. Factors supporting growth include low borrowing rates and strong investment activity, in particular in emerging countries. The pace of world GDP growth registered 3.5% in 2003. In 2004 the world economic activity growth has been 5%, the highest since the seventies.

However, high oil prices, the persistence and partial worsening of global current account imbalances, as well as concerns about fiscal developments in some countries, together with mixed signals from major economies have increased the uncertainty surrounding developments in the global economy.

Inflationary pressures generally remained low, as second-round effects of commodity price increases have not fully materialized against a background of strong competition in goods markets and subdued developments in labor markets.

The overall outlook for the world economy remains favorable, as growth becomes more broad-based both in terms of regions and sectors. At the same time, however, there are more indications that the current cycle, while likely to remain robust, has passed its peak.

The European Economy

Following the turnaround in the second half of 2003, economic activity in the EU gathered momentum in 2004. Supported by the continued buoyancy of global growth and trade, the growth rate is projected to have been 2.4% in the EU in 2004. The main contributing factors include accommodative macroeconomic policies, low inflation, supportive financial conditions and progress in structural reforms.

The recovery is underpinned by an acceleration of investment expenditures and a more gradual pick-up in private consumption. Compared to previous economic upturns, external demand has continued to be the main support of the pick up for a longer period of time.

The tempered labor market response in the prolonged downturn has been followed by a slow response in the upturn. The rise in the unemployment rate was quite subdued in comparison to previous cycles. The unemployment rate stabilized at 9.0% in 2004.

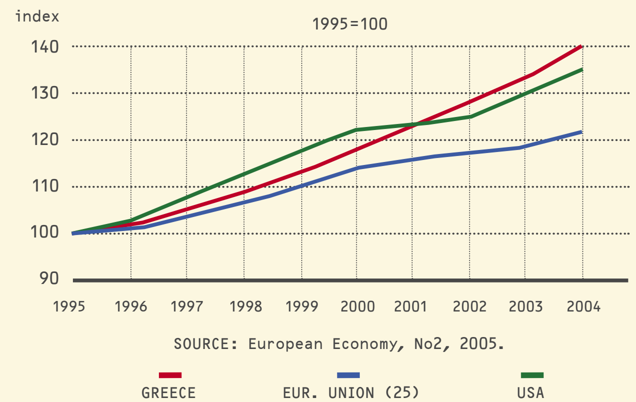
Inflation remained sticky in 2004, buoyed by such factors as energy price hikes and rises in indirect taxes. In the EU inflation is expected to be 2.1% in 2004. The projected rate for 2005 is slightly lower.

The monetary policy was assessed as supportive to economic activity in 2004. Real short-term and long-term interest rates remained close to their historic lows. With the real interest rates remaining relatively stable, movements of monetary conditions were caused by changes of the Euro exchange rate.

Following a moderate easing of fiscal policies the recovery will probably coincide with a modest tightening of discretionary spending. Based on current policies, the general government deficit is set to 2.6% of GDP in 2004.

Summing up, although economic perspectives recovered in 2004 the persistent of higher oil prices is expected to dampen growth to 2.0% in the EU in 2005.

GDP CHANGES (at constant 1995 prices)
IN GREECE, IN THE EUROPEAN UNION AND IN THE U.S.A



SOURCE: European Economy, No2, 2005.

Main Operating Companies of the TITAN Group (31.12.2004)

GREECE	PARTICIPATION % [1]
INTERBETON CONSTRUCTION MATERIALS S.A.	100
QUARRIES GOURNON S.A.	100
TITAN CEMENT INTERNATIONAL TRADING Co. S.A.	100
NAFTITAN S.A.	100
EUROPEAN UNION	
INTERTITAN S.A	100
TITAN CEMENT U.K. LTD	100
FINTITAN SRL	100
U.S.A.	
TITAN AMERICA LLC	100
S.E. EUROPE	
ZLATNA PANEGA A.D.	99.99
CEMENTARA KOSJERIC A.D.	74.28
CEMENTARNICA USJE A.D.	94.84
EASTERN MEDITERRANEAN	
BENI SUEF CEMENT Co.	50
ALEXANDRIA PORT. CEM Co.	44.23

[1] Participation of the TITAN Group

Financial results

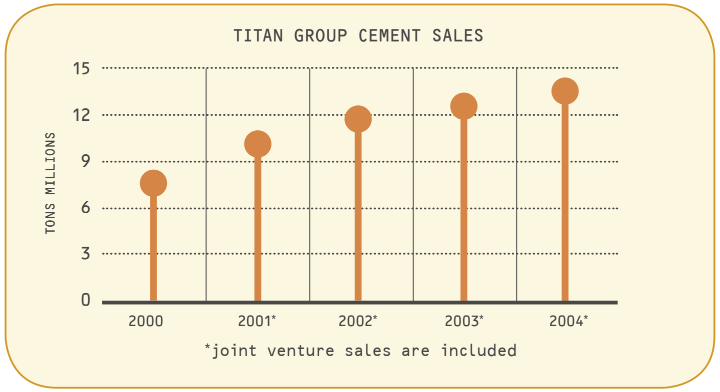
Group Financial Results

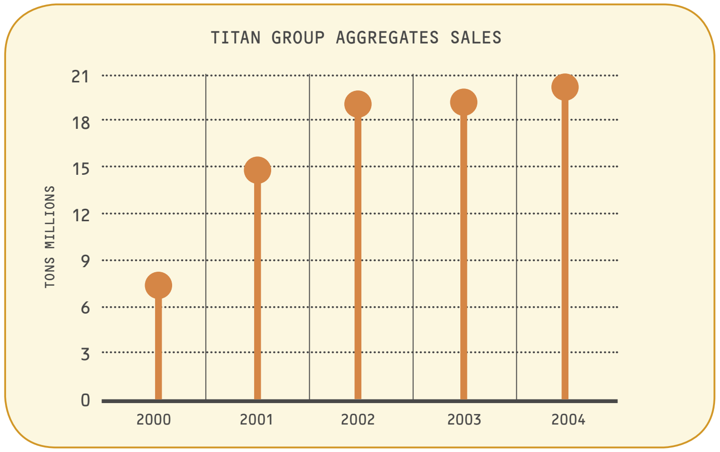
Volumes across all products were ahead of 2003. By market, the USA, Bulgaria and Serbia all performed above expectations. The expected slow down in the Greek domestic market materialized in the second half of the year and a continued softness in Egypt was noted.

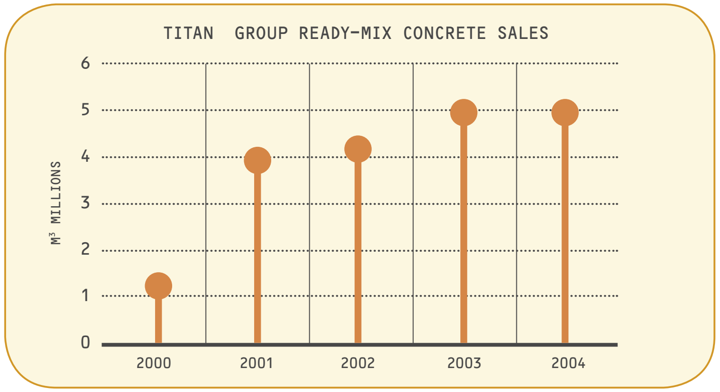
Group Turnover, Operating EBITDA and Net Profit after Taxes have all recorded double digit growth, year on year, over the period 2000 through 2004. Turnover has increased at a compounded annual growth rate of 15% year on year and Operating EBITDA at 13% per annum. Net Profit after Taxes has grown strongly by over 16% per annum.

Total Group Cement and Cementitious material volumes grew by 7% to 14.3 million tons and Aggregates were up 4% to 20.8 million tons. Ready-mix volumes were marginally up 1% versus the prior year and totaled 5 million cubic meters. Block sales were up 9% for the full year. Fly-ash performed well, although from a small base.

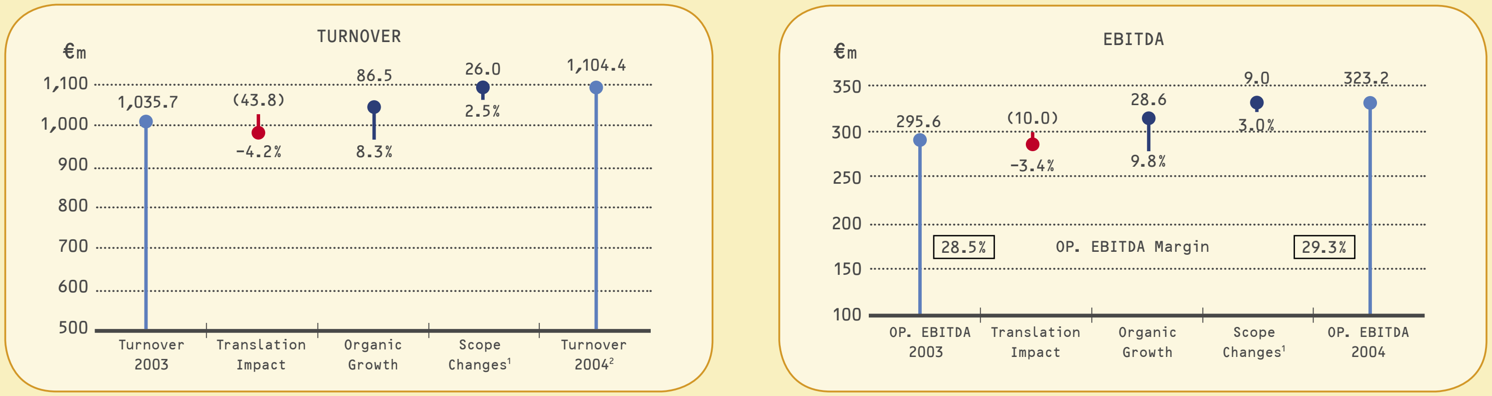
In 2004, Turnover of the Group reached €1.1 billion just over 6% ahead of 2003. Excluding the impact of foreign currency translation, turnover was up 11%. Operating EBITDA for the full year was € 323.2 million, up 9.3% versus the prior year and 12.8% excluding the impact of translation. The impact of translation is mitigated by our FX policy, where we recorded gains on our US dollar borrowings at the Titan parent company of € 19.5 million in the year.







GROUP TURNOVER AND OP. EBITDA 2004



[1] Addition of Zlatna and disposal of Plevenski from 01.05.04
[2] Group turnover does not include Egypt as consolidated on an equity basis

Ship loading at Elefsina plant, Greece

Financial results

Growth from our international regions has more than offset some softness in Greece, mainly as a result of the post Olympics slowdown. Greece now represents just over 47% of turnover, and nearly 57% of Operating EBITDA from 64% in the previous year.

Cement and Cementitious materials is core to the Group's profitability, in line with our primary objectives of establishing ourselves as major regional cement manufacturer. Cement represents 69% of Operating EBITDA in 2004, in line with 2003.

Net profit after taxes for the Group in 2004 was a record €168.9 million, up 35.2% versus the previous year. Apart from the improvement in Operating EBITDA for the year of € 28.6 million, the Group also benefited from positive foreign exchange impact of € 20.8 million, mainly as a result of gains on the US loans in the parent company, versus losses from the translation of the Egyptian pound in 2003. We also benefited from a decrease in minority interests as a result of our acquisition of the minority stake previously held in our Usje plant by Holcim. The Zlatna acquisition has had a significant positive impact on the Group and we expect this to continue through 2005 in the growing Bulgarian market. These positive impacts to our earnings were partially offset by the accelerated depreciation of our investments in Greece that brought Net Profit down by € 20 million. We have also benefited from a change in the Greek Tax Code for accounting for doubtful debts. This has required us to release provisions to the bottom line and benefits Net Profit by some € 8.4 million before taxes. Provisions for staff leaving indemnities have been fully provided for, in line with our latest actuarial valuation.

Earning per share was € 2.01 up 34.9% versus 2003. Titan stock also performed well in 2004 up from € 16.19 to € 21.80 at the close of the year.

The US dollar continued to weaken in 2004 and closed the year 8% down versus the Euro. The Egyptian pound remained stable against the US dollar revaluing slightly by 1%. There was also a significant devaluation of the Yugoslav Dinar in Serbia by 16% during the year, but no other significant variances in exchange rates were noted. There have been no significant changes to be noted in our FX management policy for 2004 and we continue to hedge our US dollar assets through US dollar debt locally in the most part and by US dollar loans held at the parent company for a portion of the remainder, mitigating the translation risk on earnings in US dollars.

The main movements on the consolidated balance sheet of the Group as at 31 December 2004 related to Shareholders Equity that increased by € 64 million year on year under Greek GAAP due to the increase in profits for the Group and the reduction in the minority interests as result of the restructuring of our interests in South East Europe.

Net debt as of 31 December 2004 - which includes the debt not consolidated of our Egyptian subsidiaries, where we continue to hold part of this financing in Yen denominated debt that has been swapped to US dollars through forward contacts - was € 414 million and improved by € 61 million since the beginning of 2004. This is mainly a result of the completion of Pennsuco and other major CAPEX programs as well as the revaluation of our US dollar debt in Euros.

Return on invested capital consistantly remained above the Group's WACC (Weighted Average Cost of Capital) and reached 18.6% in 2004 against 15.2% in 2003. Leverage, as measured by Net Debt over Operating EBITDA, was 1.28 versus 1.60 on 31st December 2003.

This is the first year the Group is publishing IFRS financial statements. The key differences between Greek GAAP accounting and IFRS that affect the Group are:

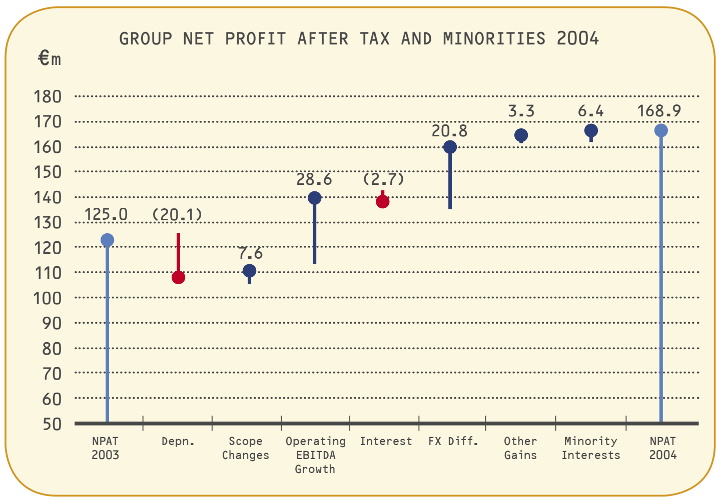
- The Group's subsidiaries in Egypt are consolidated on a proportionate basis in our IFRS results versus the equity method under Greek GAAP.
- Greek GAAP allows us to depreciate our Capex programs in Greece on a tax accelerated basis whereas IFRS requires us to depreciate assets over their economic useful lives. Also, in this respect, we have maintained our fixed asset base at historical cost and have not chosen to revalue to current market value.
- Deferred tax was not recognized under Greek GAAP; therefore we have now recognized the full deferred tax liabilities of the Group.
- The Group has also recognized in our balance sheet the full liability for staff leaving indemnities.
- Goodwill has been reclassified as an asset on the balance sheet as this was previously written off to equity under Greek GAAP and in accordance with IFRS 3, as an early adopter, Goodwill is stated at the fair value and has not been depreciated.
- Employee profit sharing that was previously shown as a distribution of reserves has been expensed in the P&L account and has a negative impact on reported profits.
- In accordance with the standards we will account for employee share option schemes from 1st January 2005 where we shall expense annually the movement in fair value of the scheme.
- In the parent company the US dollar loan relating to the initial equity in Tarmac America qualifies as an effective hedge of our investment in the USA and therefore all movements on exchange go directly to equity and not to the P&L as under Greek GAAP, where realized gains on repayments have been recorded in P&L. In this respect US dollar loans will be marked to market at the end of each accounting period.

On an IFRS basis, Turnover for the year is up as a result of the proportionate consolidation of Egypt in our results and this also affects gross profit for the Group. Operating EBITDA under IFRS is slightly better than under Greek GAAP, mainly as a result of the prior consolidation of Egypt on an equity basis that included depreciation, offset by the expensing of the employee profit sharing in the year.

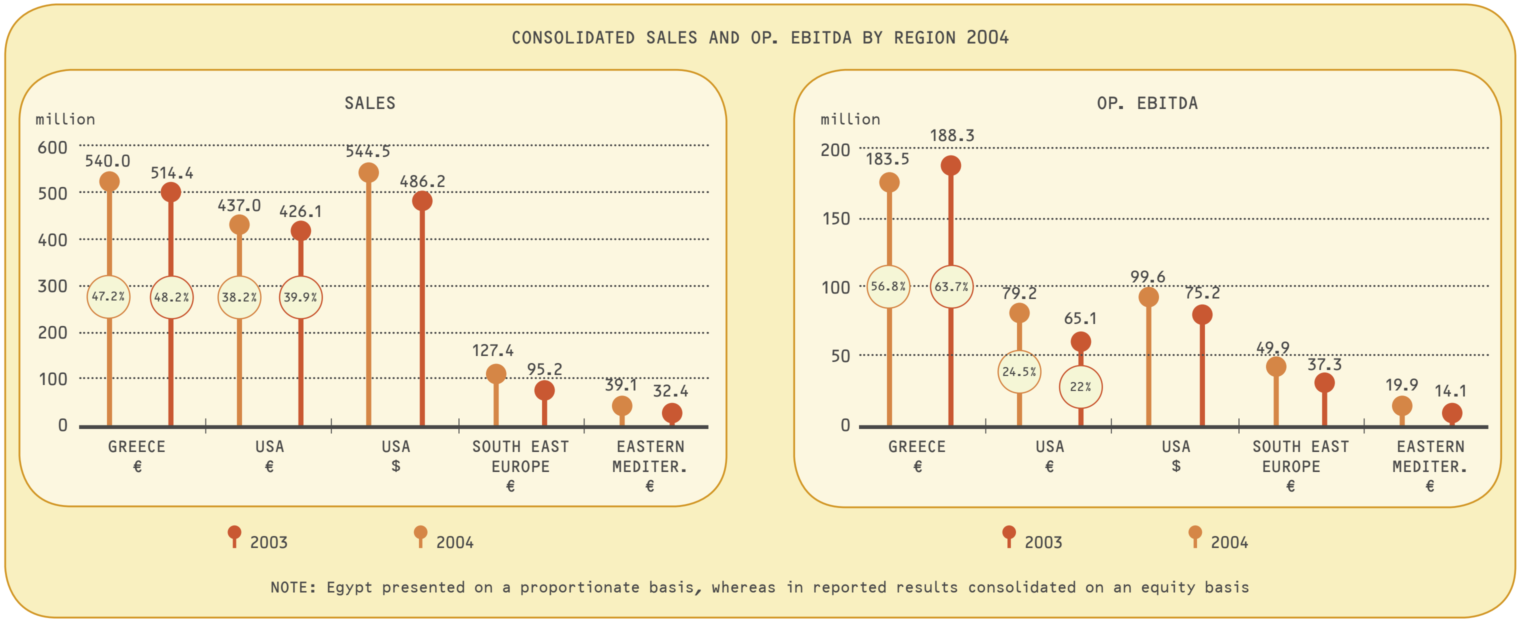
The net impact of adjustments results in a Net Income, as reported under IFRS, of € 177 million versus € 169 million, as reported under the Greek GAAP. This improvement results from a number of factors, the main being the reversal of the accelerated depreciation impact on our Fixed Assets.

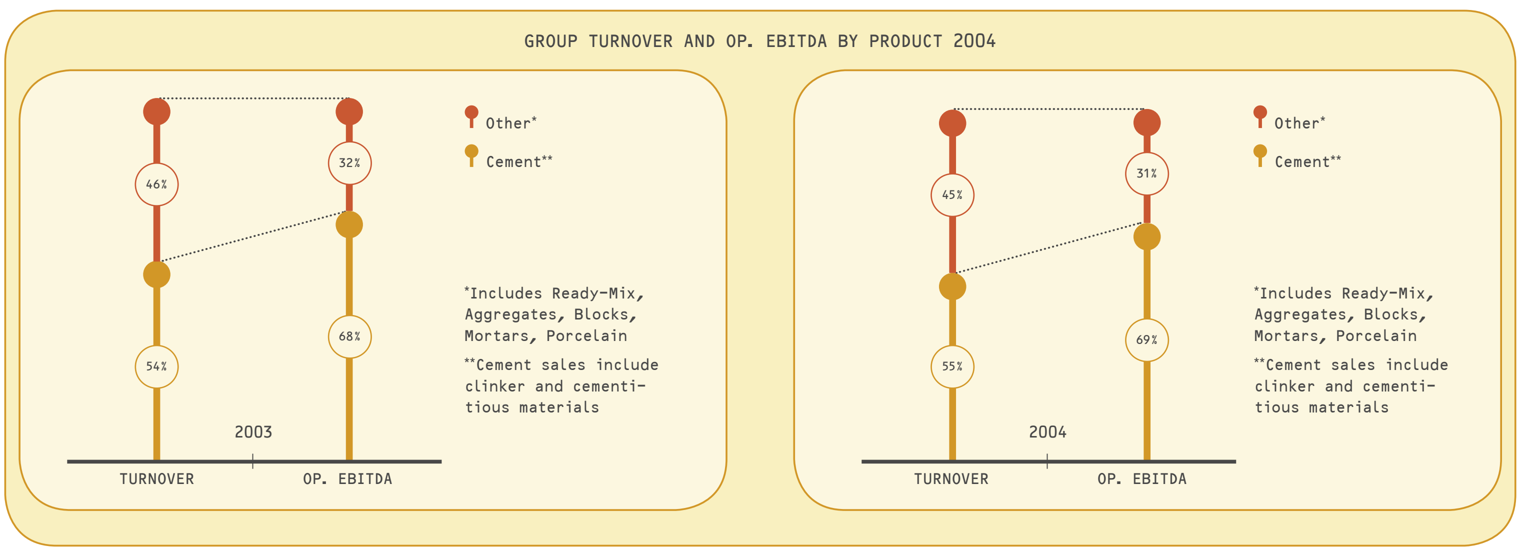
Shareholders' equity on an IFRS basis has improved to € 676 million from € 511 million as reported under Greek GAAP. This represents an improvement of € 165 million in 2004.

The key variances in Shareholders' equity are the restatement of the net book value of fixed assets, the reclassification of gains on the translation of US dollar loans, previously recorded in provisions, and the restatement of Goodwill. The items that negatively impact Shareholders' equity are deferred tax provisions and provisions for staff leaving indemnities.



Financial results





EXCHANGE RATES FOR THE TRANSLATION OF MAIN CURRENCIES

Foreign Currency per Euro	2004		2003		Movement +/- (%)	
	Year end rate	Average rate	Year end rate	Average rate	Year end rate	Average rate
US Dollar (USD)	1.3621	1.2462	1.2630	1.1418	-7.8%	-9.1%
Japanese Yen (JPY)	139.65	133.91	135.050	131.756	-3.4%	-1.6%
British Pound (GBP)	0.7051	0.6793	0.7048	0.6934	0.0%	2.0%
Egyptian Pound (EGP)	8.2679	7.7139	7.7738	6.8114	-6.4%	-13.2%
Bulgarian Leva (BGN)	1.9558	1.9558	1.9557	1.9498	0.0%	-0.3%
Macedonian Dinar (MKD)	61.31	61.39	60.97	61.25	-0.6%	-0.2%
Yugoslav Dinar (CSD)	79.08	72.93	68.19	65.15	-16.0%	-11.9%

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

Control panels, Patras plant, Greece

The Greek Economy

Although decelerating with respect to the previous years, economic activity remained buoyant in 2004, with real GDP growth estimated at 4.2% well above the EU average. Growth was driven by domestic demand, in particular government consumption, linked to the Olympic Games. However, investment growth slowed down significantly compared with 2003, since the bulk of construction investment related to the Olympic Games was fully realized by June 2004.

Employment growth was strong, supported by the economic performance. Yet, the unemployment rate in Greece remained among the highest in the EU.

As the Olympic Games related investments ceased and the government implemented significant budgetary adjustments, domestic demand is expected to decelerate in 2005. Nevertheless the domestic sector will continue being the main driving force of GDP growth. On the back of rising indebtedness and expectations for a deceleration of real disposable income, private consumption is expected to slow down. Public consumption is also expected to sharply decelerate as the government undertakes measures to reduce the excessive deficit. Since the Olympic Games related investments will not be recurring in 2005, growth of fixed capital formation is expected to slow down, albeit still outpacing the Euro zone average.

Clinker storage hall, Thessaloniki plant, Greece

Gross fixed capital formation increased in real terms, for the tenth consecutive year, by 4.9% in 2004, compared to 13.7% in 2003. Investment in equipment of both the private and public sectors rose by 5.8% in 2004, compared to 18.3% in 2003. Investment in construction moderately increased in 2004, 4.0% rise, when real change was 10.9% the year before. This was mainly due to the slowdown of the construction activity post the Olympic Games.

Private building activity, as per volume of planning permits issued in 2004, is estimated to have decreased versus the previous year. This negative development has already been reflected in the investment activity of the housing sector, which in real terms was reduced by 6.5% in 2004.

Housing loans to domestic borrowers continued their upward trend at a pace similar to the one recorded in 2003. This might be attributed to the persisting low interest rates. Given that lending to households as a percentage of GDP is low, when compared to the Euro area average, it can be argued that housing credit will continue to expand and therefore support private building activity.

GREECE	2004*	2003
GDP (real growth rate)	4.2%	4.7%
Population (millions)	11.0	11.0
Cement Production (million tons)	15.0	15.4
Cement Consumption (million tons)	10.4	11.0

*** Estimates**

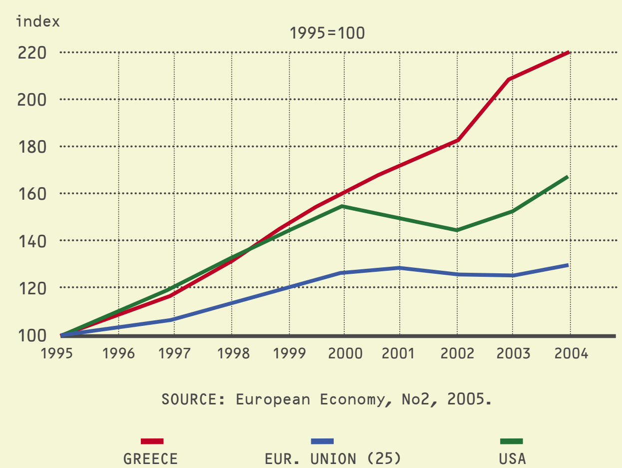
SOURCES: Company Estimates, National Statistical Service of Greece, European Economy, No2, 2005.

INDEBTEDNESS OF DOMESTIC HOUSEHOLDS AS A PERCENTAGE OF GDP

	December 2003		December 2004	
	Greece	Euro area	Greece	Euro area
- Housing Loans	17.5%	37.0%	20.7%	39.2%
- Consumer Credit and Other Lending	8.9%	16.0%	11.3%	16.0%
Loans to Households	26.4%	53.0%	32.0%	55.2%

SOURCE: Alpha Bank, Weekly Economic Report, March 2005.

CHANGES IN GROSS FIXED CAPITAL FORMATION
(at constant 1995 prices)
IN GREECE, IN THE EUROPEAN UNION AND IN THE U.S.A.



SOURCE: European Economy, No2, 2005.

Cement

Cement production rose in Greece during 2004, as the modernized Thessaloniki plant completed its first full financial year of operation and due to a positive base effect from stoppages in our Kamari plant, in 2003, when the clinker cooler was upgraded. In Thessaloniki, we also completed our new cement mill, an investment of € 17m, which constitutes the most recent increment of significant investment in our Greek operations.

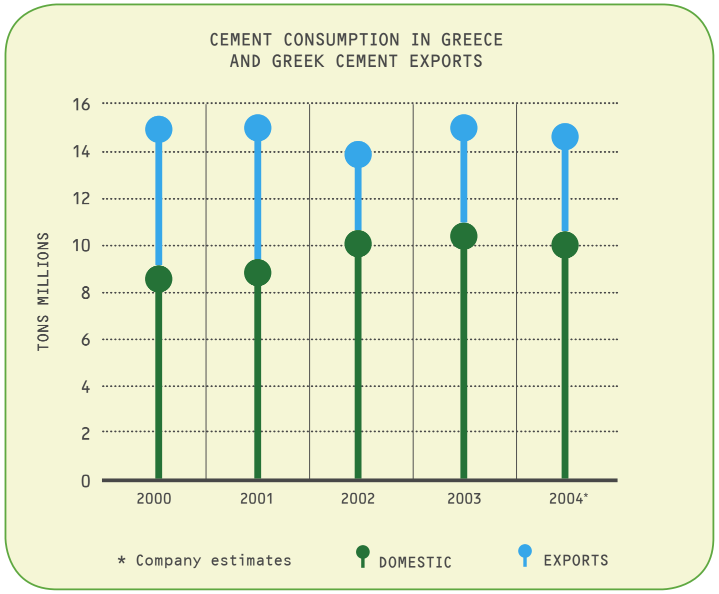
In terms of sales, 2004 was an unevenly split year. During the first half, pre-Olympic completion deadlines spurred demand to new record highs, while during the second half there was a significant slowdown. On average, our domestic sales dropped by 1% and the surplus product was channeled to exports. This is a trend which we expect will carry into 2005, with exports consequently continuing to grow.

The drop is clearly more pronounced in the Attica region, which had benefited more from the Olympic Games related projects, and our plants that are located in Northern and Western Greece outperformed the industry.

Fuel costs were the main drawback for our cost base in 2004. Kiln fuel costs rose 21% per ton of clinker, affecting our production cost, though part of that was mitigated by the softer US dollar, as well as by our efficiency upgrades.

Greece has submitted its National Allocation Plan (NAP) for Carbon Dioxide emissions and we are awaiting for its approval by the EU. The NAP submitted for approval will not have a material impact on our results over the plan period (2005 through 2007). Also, since mid-January 2005, we have successfully started to implement the EU directive on Chromium VI and are fully compliant across all our EU plants.

Our major capital projects are now complete. However, we continue to implement smaller investments to modernize our plants and improve our fuel and overall cost efficiency, as well as our environmental performance.



Ready-Mix Concrete

Like our cement operations, ready-mix concrete saw a very unevenly split year in 2004. Performance was strong in the first half, rising 9% in volume terms, while in the second half there was a significant drop. Full year volumes were marginally down.

At the same time, costs were adversely affected by fuel prices. We have taken the opportunity to grow through acquisition, and have expanded our operations in the Corinth region.

We expect these trends to continue well into 2005, and while we would expect the sector to contract, we will continue to examine carefully any consolidation opportunities that may come up.

Aggregates

In keeping with this trend, aggregate sales also dropped in the second half of 2004, even as they ended the year up by 2.5%.

Going forward, we have commenced a new investment of €12m in the Thessaloniki area (Tagarades), through our subsidiary Interbeton, which will be operational early in the second half of 2005.

Dry Mortars

Dry mortars sales dropped considerably as their stronger concentration in the Attica region multiplied the impact of the end of Olympic Games related projects. However, as they are still at a very low base, penetration continues successfully with new clients. We expect in 2005 to make up for lost ground.

The Patras plant, and the Rio-Antirio Bridge in the background

Greece and the European Union

Exports

Following on from the slowdown in the domestic market, exports rose correspondingly.

Exports to the USA reached 870k tons, both internal and third party, with shortages being a main driver for channeling additional tons in that market. Volumes towards South East Europe were also up, reaching 180k tons as demand in Albania was strong.

In the European Union, exports were channeled mainly through our Group's distribution terminals in the UK, France and Italy, and reached 470k tons.

In addition to exporting from our own production, we continue to be active in the international trading market of cement.

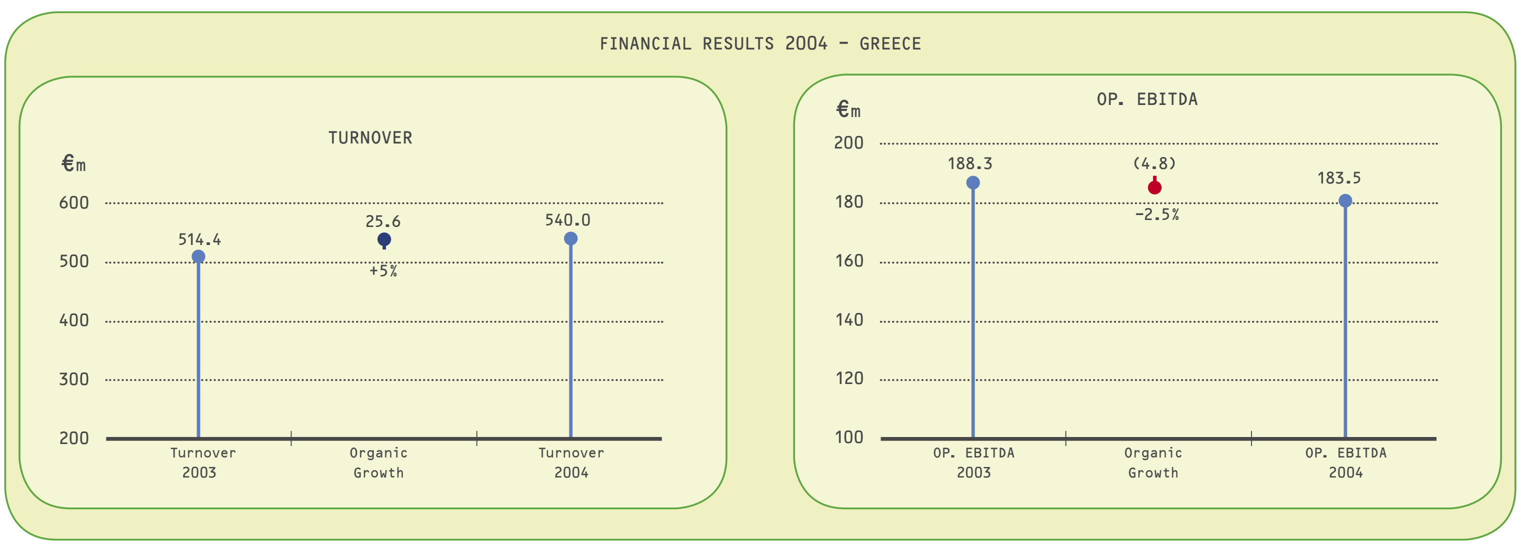
Porcelain

In the face of low cost competition from Asia, in particular China, we have limited local domestic porcelain production and grown our commercial activities through an expansion under the concept of "tabletop" goods. As a result the division's turnover was 5% ahead of last year despite a slight drop in porcelain sales as compared to 2003.

Financials

Turnover was up 5% year on year to €540 million. Operating EBITDA at € 183.5 million was down 2.5%, reflecting mainly the shift in volume from the domestic market to exports during the later part of the year, and the cost increases in solid fuel. This shortfall was partially offset by the continued realization of the operational improvements in Thessaloniki.

We have limited exposure in Greece to the US dollar, as US dollar fuel costs are offset by export revenues in the same currency.



Thessaloniki plant, Greece

United States of America

US Economy

The US economy continued to grow in 2004, and reached an estimated real GDP growth rate of 4.4%, exceeding 2003 growth. Inflation, adversely affected by oil prices, rose by 3.3%, ahead of 2003 even though core inflation was contained at a modest 2.2%.

Interest rates rose for the first time in almost four years with the target federal funds rate reaching 2.25% at the end of the year, versus 1.0% at the beginning, a trend which we expect will continue. Despite the rise in 2004, they are still at relatively low levels.

US Construction Activity and the Cement Industry

Construction spending in the US increased by 9.0% in 2004. The main driver was once again residential construction. Housing starts rose by 5.7% in the country, with the Southeast region outperforming.

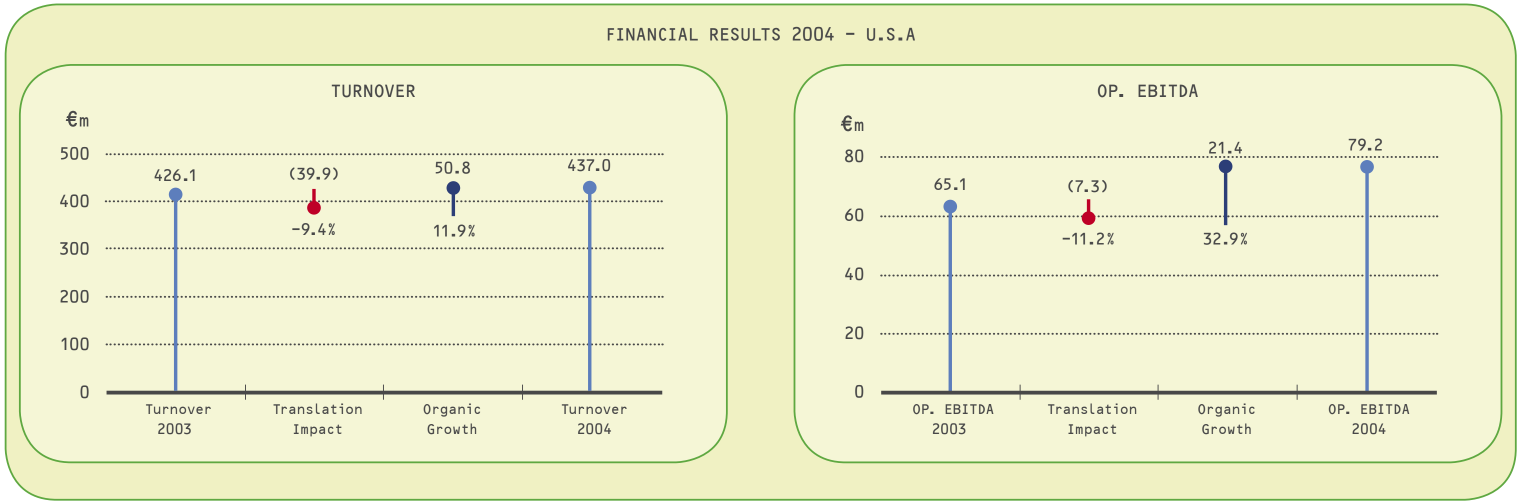
Cement consumption rose by an estimated 6.6% to record levels of 115 million tons in 2004, with the South Atlantic regions outpacing the country and rising by 14.0%. The exceptional hurricane activity hindered demand in 2004, but is likely to be beneficial to the industry in the long term.

The combination of record-high demand and high freight rates, which induced shortages in most regions, coupled with the weakness of the US dollar, supported improvements in pricing across the board.

USA	2004*	2003
GDP (real growth rate)	4.4%	3.1%
Population (millions)	295.2	291.1
Cement Production (million tons)	95.0	91.0
Cement Consumption (million tons)	115.0	108.5

*** Estimates**

SOURCES: U.S. Department of Commerce, U.S. Geological Survey, U.S. Census Bureau.



US Operations

The continuing weakness of the US dollar once again impacted our region's turnover and Operating EBITDA, to the tune of 9% in Euro terms. Despite this, and the concurrent sharp increases in fuel costs, our results in the region improved considerably. The price increases that were implemented across the industry benefited both our regions. In addition, our new kiln line in Pennsuco, Florida, came on stream slightly ahead of schedule, in June. Separation Technologies is gaining ground rapidly, on a combination of capacity increases, expansions and the licensing of its technology to Lafarge Cement UK. Finally, we successfully completed a US Private Placement at favorable long-term rates, replacing short and medium term variable rate debt with long term fixed rate debt.

Pennsuco plant at Miami - Florida, USA

United States of America

Florida

In Florida, our agenda was dominated by the start-up of our new kiln line. This was completed ahead of schedule, in June, and helped alleviate some of the acute shortages experienced in the local market. Shortages still affected our sales volume, especially during the second quarter, as the ready-mix segment of our business was put on allocation.

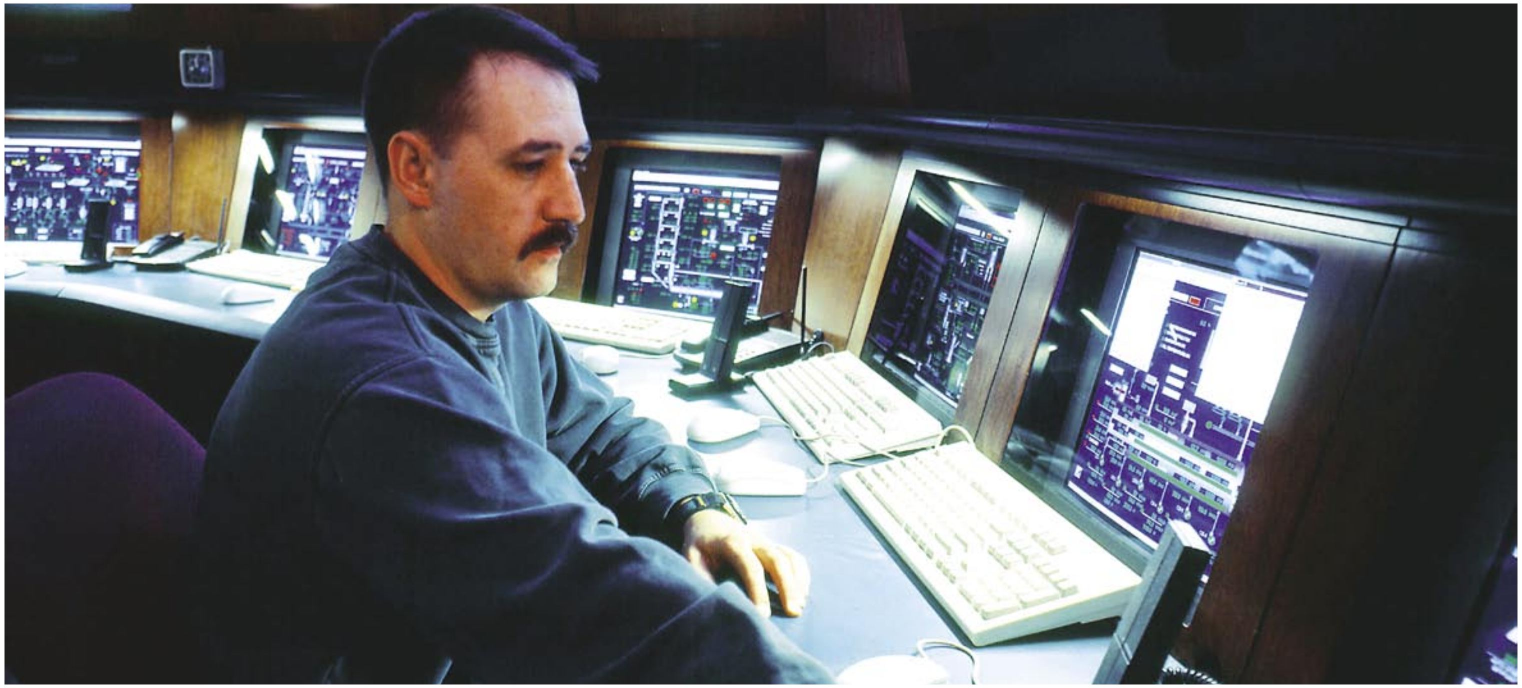
Later in the year, in December, we completed a terminal in Tampa, which is now operational. Finally, at the same time, we expanded our concrete blocks business with the acquisition of the Anchor Block facility in Edgewater.

Mid-Atlantic

We have seen considerable improvement also in our Mid-Atlantic region. Unemployment fell in both Virginia and North Carolina, activity picked up and pricing improved. Further, the recent acquisition of RMC by Cemex will result in the first material integration of the North Carolina cement and ready-mix concrete sectors.

New York / New Jersey

The Metropolitan New York and New Jersey markets remained strong, benefiting both from volume growth and pricing improvements. Despite a tight freight market and supply limitations, volume continued to grow, even if marginally so. We have now started modernization work on our terminal.



Control room, Roanoke plant, Virginia, USA

Pozzolans

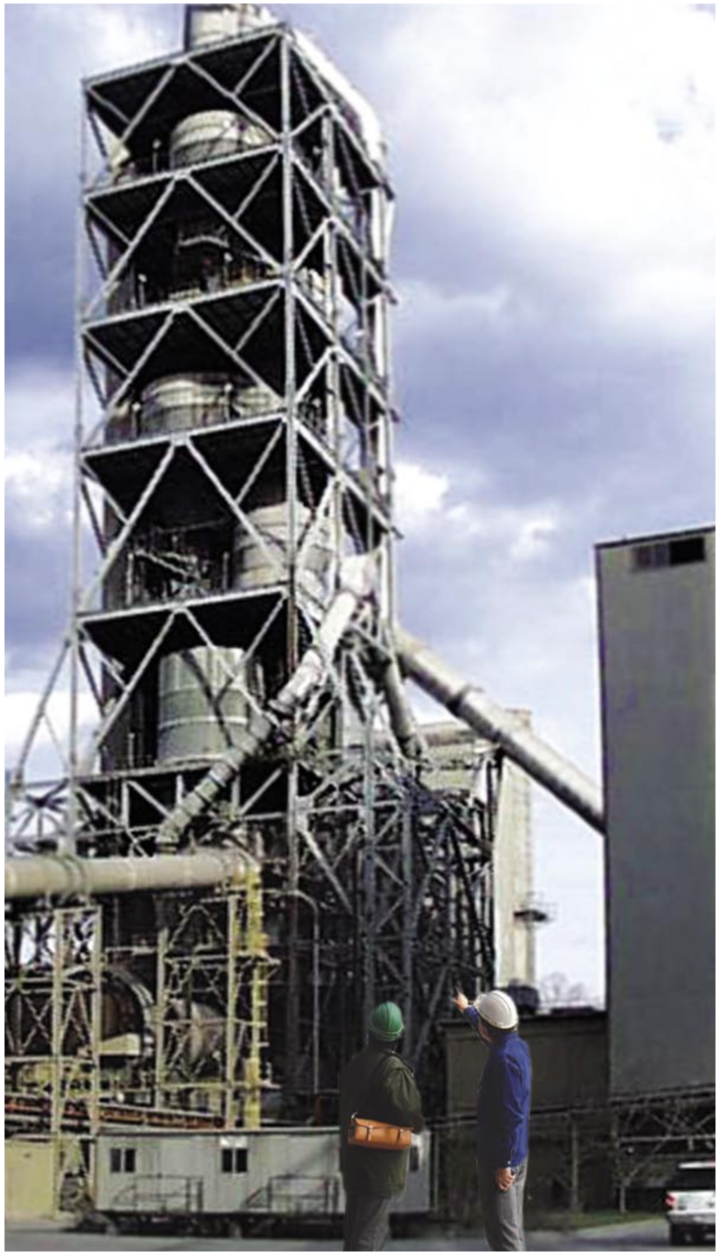
We have expanded our fly-ash processing capacity in Maryland, Florida and Mississippi, while new installations are under way in New Brunswick, Canada and England. At the same time, Separation Technologies licensed the market development rights for the UK and Ireland.

Financials

Turnover in the USA was € 437 million, up from € 426 million in the previous year. This represents a year on year increase at constant exchange rates of 11.9%. Operating EBITDA also increased on the same basis by 32.9% to € 79.2 million, a performance reflecting the strength of our business in the US market.

A new round of price increases successfully took place at the start of 2005. We expect interest rates will rise relatively from their historical low levels. Nonetheless, this is likely to lead to a rebalancing of demand, with stronger gains in the non-residential segments, as mortgage rates grow in tune with federal rates. Overall, the short term demand outlook seems encouraging, benefiting from, amongst others, the post-hurricane strengthening of building codes in favor of concrete.

In 2005, we will continue growing our concrete businesses in both Florida and Mid-Atlantic in line with the market. We will also complete projects underway including a new packing facility and cement grinding mill at our plant in Florida. The modernization of the Essex terminal is expected to be completed in 2006, while Separation Technologies will continue its business development program throughout the year.



Roanoke plant, Virginia, USA

South East Europe

In South East Europe, volumes were up last year as a result of the addition of Zlatna Panega to our Group following the exclusion of the smaller Plevenski plant, coupled with the strong demand in Bulgaria. Turnover and Operating EBITDA were both ahead of last year by 34%.

In 2005 we expect our results will continue to improve as we account for Zlatna Panega for a full financial year amid a strong economic backdrop in Bulgaria, while Kosjeric starts to benefit from improvements in costs.

Bulgaria

The improvement of the national economy continued, yielding a GDP growth of 5.7%, inflation decreased to 4.0%, while the exchange rate of Bulgarian Leva to Euro remained stable. Officially a member of NATO and ready for EU accession in 2007, the country can look forward to continued growth.

Cement demand, which had shown an increase of 13% in 2002 and 12% in 2003, recorded an estimated 36% increase in 2004.

The acquisition of Zlatna Panega and the divestment of Plevenski were completed by the end of April. We have doubled our capacity in Bulgaria and are now better positioned to fully take advantage of current and anticipated market growth.

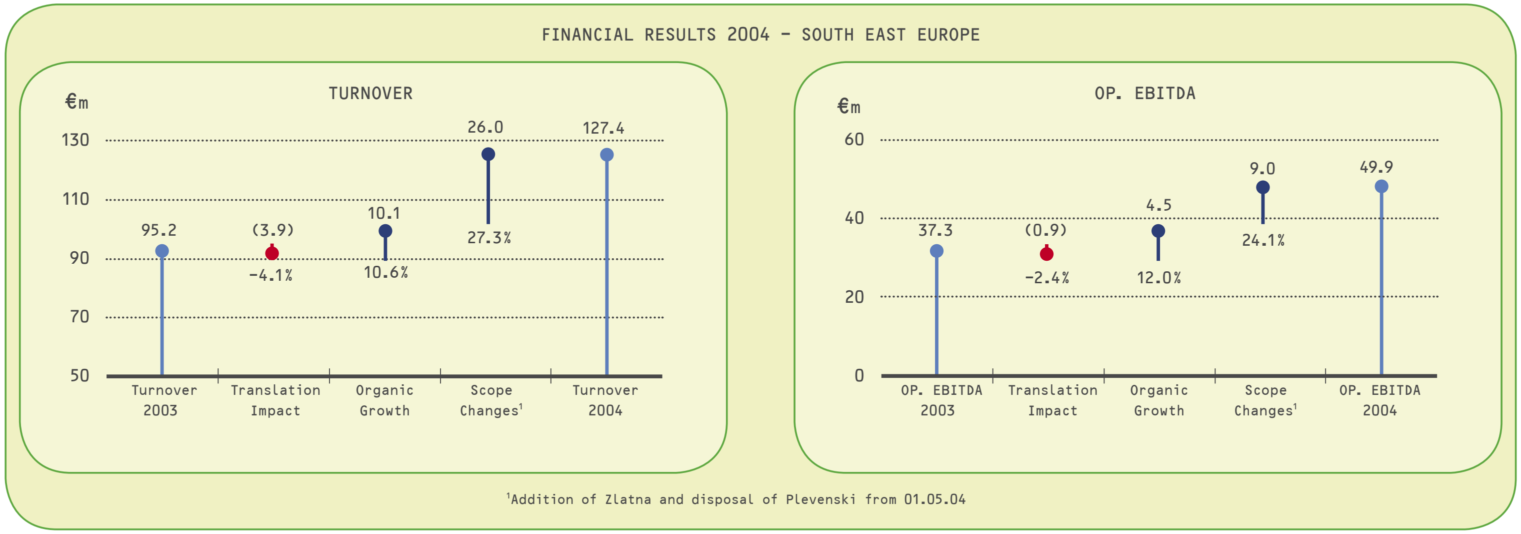
A wide-ranging improvement plan was immediately introduced and has already yielded considerable results in the operational efficiency of the Company. The plant is already compliant with ISO 9001 and ISO 14000. In addition, the distribution system was extensively restructured and the margins were significantly improved as a result.

In the next three years we will further increase the capacity and improve the performance of Zlatna's cement and ready-mix operations through a substantial investment program, already at the stage of execution.

BULGARIA	2004*	2003
GDP (real growth rate)	5.7%	4.3%
Population (millions)	7.8	7.8
Cement Production (million tons)	2.9	2.4
Cement Consumption (million tons)	2.4	1.7

*** Estimates**

SOURCES: Company Estimates, The Economist Intelligence Unit, National Statistical Institute of Bulgaria, European Economy, No2, 2005



Zlatna Panega plant, Bulgaria

Former Yugoslav Republic of Macedonia

Despite continuing stability, the rate of GDP growth was negative in the first half, but the tendency was reversed and the GDP growth remained at 2003 levels.

Domestic cement consumption dropped slightly, by 1% versus the previous year.

Usje is focusing on the use of alternative raw materials and fuels. Early in 2004, fly-ash from two thermo-electric plants was introduced and is now regularly used as an alternative raw material in cement grinding. In the autumn, shredded tyres were used in the fuel-mix of the kiln in the course of a successful industrial trial, carried out under the supervision of the Ministry of the Environment. It is expected that alternative fuels will play an important part in reducing the cost of production.

The plant achieved ISO 9001 certification in February 2004 and is now preparing for ISO 14000 certification of its environmental awareness commitment to continuous improvement.

FYRoM	2004*	2003
GDP (real growth rate)	3.0%	2.8%
Population (millions)	2.0	2.0
Cement Production (million tons)	0.8	0.8
Cement Consumption (million tons)	0.7	0.7

*** Estimates**

SOURCES: Company Estimates, The Economist Intelligence Unit.

Usje plant, FYRoMacedonia

Serbia and Montenegro

Despite positive agreements with both the London Club of Creditors and the IMF, the Serbian economy had a difficult year in 2004. Inflation and currency devaluation both run into double digit territory, at 10.1% and 16% respectively, and the foreign trade deficit reached a record-high level of US $ 7.4 billion. Against this backdrop, the industry's 8.3% growth looks impressive. Nonetheless, this is effectively a bounce-back from a low 2003 level, with cement sales reverting nearer to historical 2002 levels.

Our plant had its most successful year to-date with record-high levels of both production and sales, capitalizing on the investments that have been completed since its acquisition two years ago.

SERBIA AND MONTENEGRO	2004*	2003
GDP (real growth rate)	1.5%	1.5%
Population (millions)	7.5	7.5
Cement Production (million tons)	2.2	2.1
Cement Consumption (million tons)	2.2	1.9

*** Estimates**

SOURCES: Company Estimates, National Bank of Greece, C.I.S. (Serbian Cement Association)

Kosjeric plant, Serbia

Egypt

Real GDP growth picked up in Egypt in 2004, after three consecutive years of deceleration, growing by 3.2%, up from 1.8% in 2003. A new cabinet, which seems more determined to carry out essential reforms, was appointed in July. The challenges of course remain, and 2005 will be a critical year, with both parliamentary and presidential elections coming up.

Foreign currency availability has been an issue for the best part of the year, even if the level of the Egyptian pound has remained fairly stable against the US dollar, and reserves appear to be increased.

Against this improving environment however, cement demand continued on the decline, recording a fall of 6.2 % from 2003. However, exports rose sharply by 54%, reaching 12.3 million tons, and relieving pressures on price, which rose correspondingly, by about 40% on average in local currency terms, still low in Euro terms. Furthermore, overcapacity in the industry remains an issue.

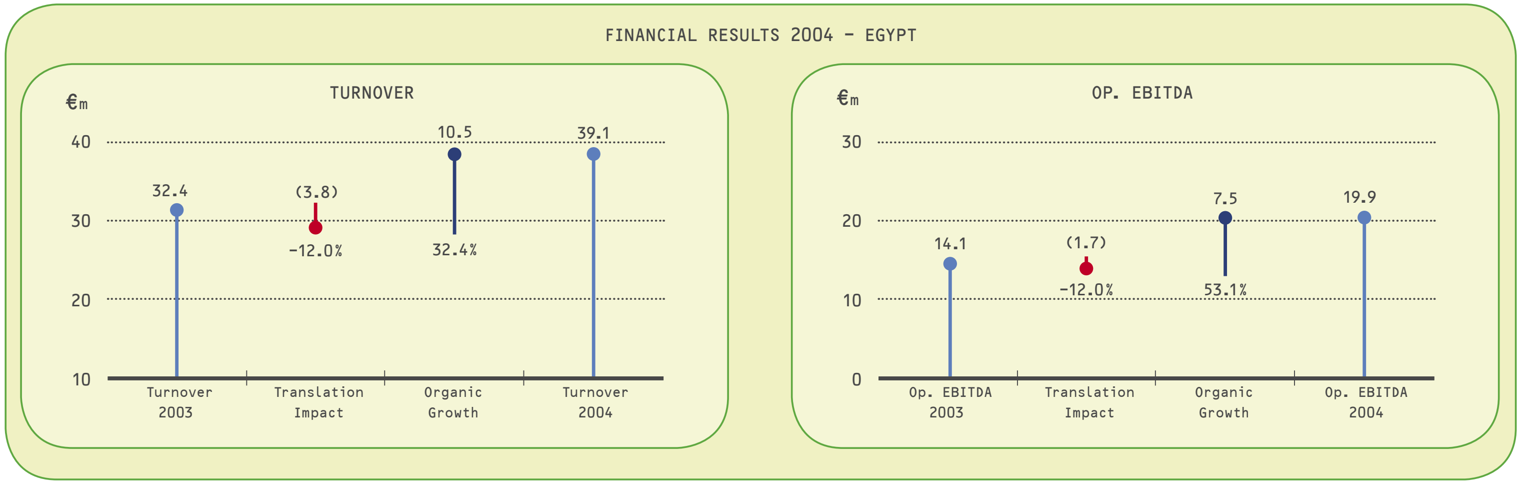
In 2004, we also completed the restructuring and integration of the two companies, and further strengthened our organization.

The Egyptian pound remained remarkably stable against the dollar during the year but consequently weakened against the Euro. This however was significantly less than the impact we experienced in 2003.

EGYPT	2004*	2003
GDP (real growth rate)	3.2%	1.8%
Population (millions)	72.3	71.7
Cement Production (million tons)	29.1	29.1
Cement Consumption (million tons)	24.1	25.7

*** Estimates**

SOURCES: Company Estimates, The Economist Intelligence Unit.



Beni Suef plant, Egypt

Alexandria plant, Egypt

Business Risk Management

Business risk management is a Group-wide system that enables management to identify and determine the significance of risks. Risks are both opportunities and threats and are categorized in Strategic, Operational and Financial.

Strategic risks identified assist the management of the Group in its decision-making process.

Operation and financial risks affect the everyday operations and financial transactions of each of our businesses. We review these and take appropriate steps to minimize risks identified.

To-date, the risks are reviewed both at sector and at a corporate level. We are in the process of continuing to improve and refine our plan.

Financial risk factors

Our activities expose us to a variety of financial risks, including the effects of changes in capital market prices, foreign currency exchange rates and interest rates. Our risk management program takes into consideration the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of our Group.

Risk management is carried out by a central Treasury Department under policies approved by the Board of Directors. The Treasury Department provides services to all businesses within the Group, co-ordinates access to both domestic and international financial markets and manages the financial risks relating to our operations. This includes identifying, evaluating and if necessary, hedging financial risks in close co-operation with the various business units within the Group. Treasury does not undertake any transactions of a speculative nature or which are unrelated to our trading activities.

The Board of Directors provides the principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, the use of derivative financial instruments and investing excess liquidity.

Our financial instruments consist mainly of deposits with banks, bank overdrafts, local money-market instruments, trade accounts receivable and payable, loans to and from subsidiaries, associates and joint ventures and leases.

Internal audit

Internal audit is an independent monitoring Department which reports to the Audit Committee of the Board of Directors. Internal audit provides an analysis and evaluation of the effectiveness and efficiency of internal steering and control systems and the quality with which each task is carried out within the business as a whole, including the reliability and completeness of:

- financial and operational information systems
- the control systems related to compliance with internal and external directives such as programs, procedures, aws, ordinances, standards etc
- security of the Group's assets.

Credit risk

We have no significant concentration of credit risk. Trade accounts receivable consist mainly of a widespread customer base and we monitor the financial position of debtors on an ongoing basis. Where considered appropriate, credit guarantee insurance cover is purchased. The granting of credit is controlled by the application of limits. Provision is made for both specific and general doubtful debts and at the year-end we did not consider there to be any material credit risk exposure not already covered by credit guarantee insurance or a doubtful debt provision.

We also have a potential risk exposure on cash and cash equivalents, investments and derivative contracts. We minimise our counterparty exposure arising from money market and derivative instruments by only dealing with well-established financial institutions of a high credit standing.

Foreign exchange risk

We operate internationally and undertake a number of transactions denominated in foreign currencies. Hence we incur exposures to exchange rate fluctuations. Exchange rate exposure is managed within approved policy parameters utilising forward exchange contracts.

We also manage exposure through the use of natural hedges. It is our policy to use a natural hedge of foreign currency loans against any material underlying investments in foreign subsidiaries, whose net assets are exposed to currency translation risk, when possible. Hence currency exposure to the net assets in the USA is managed primarily through borrowings denominated in US$. In other markets, such as Egypt and certain South East European countries, we assess the financing needs of the business and, where possible, match the currency of financing with the underlying asset exposure. Such matching is not possible in Egypt, where the cost of refinancing the JYen obligation to local currency is prohibitive.

Interest rate risk

Our income and operating cash flows are substantially independent of changes in market interest rates. Exposure to interest rates is monitored on a proactive basis. In order to mitigate interest rate risk, our financing is structured on a pre-determined combination of fixed and floating interest rates. Interest rate derivatives may occasionally be used, if deemed necessary.

We continuously review interest rate trends and the tenure of financing needs. In this respect, decisions are made on an individual basis as to the term and fixed versus floating cost of financing.

Consequently, short term borrowings are entered into at floating rates. Medium and long term facilities are most commonly entered into at fixed interest rates. This provides us with the ability to avoid the consequences of significant fluctuation in interest rates.

Liquidity risk

Prudent liquidity risk management implies the availability of funding through a combination of committed and uncommitted credit facilities.

We manage liquidity risk by proper management of working capital and cash flows. This is done by monitoring forecast cash flows and ensuring that we have sufficient borrowing facilities that could be utilised to fund any potential shortfall in cash resources.

Gains and losses on subsequent measurement

Gains and losses from measuring fair value hedging instruments, including fair value hedges for foreign currency denominated transactions, are recognised immediately in net profit or loss.

Gains from measuring foreign currency loans, held by the parent company at the balance sheet date, are initially recognised directly in "other provisions". Losses are recognised in profit and loss. "Other provisions" is adjusted against the initial measurement of the asset or liability, as repayments are made.

We document at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objective for undertaking various hedge transactions. This process includes linking all derivatives designated as hedges to specific assets and liabilities or to specific firm commitments or forecast transactions. We also document the assessment of the hedge both on inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

Fair value estimation

The fair value of available-for-sale securities is based on quoted market prices at the balance sheet date. The fair value of forward foreign exchange contracts is determined using market rates at the balance sheet date.

Accounting for derivative financial instruments

Derivative financial instruments are initially recognised in the "memo accounts" of the balance sheet at notional cost and subsequently are measured at their fair value. Upon settlement, the resulting gain or loss is reported in the Group's Profit and Loss account. Derivatives are employed as either a hedge of the fair value of a recognised asset or liability or a hedge of a forecast transaction, firm commitment or net investment in a foreign entity denominated in currencies other than the Euro.

Titan America ready-mix truck

Board of Directors

Former Chairman
ANGELOS CANELLOPOULOS (1988 - 1996)

COMPANY MANAGEMENT AND ADMINISTRATION

Administration - Company Operations Management

The Board of Directors, elected by decision of the Annual General Meeting of Shareholders on 24.5.2004, consists of fifteen members appointed to serve for a three-year term expiring at the 2007 Shareholders' Annual General Meeting. Its composition, in accordance with the Board's decision on 24.5.2004, is as follows:

BOARD OF DIRECTORS

ANDREAS CANELLOPOULOS
Chairman
Executive member of the Board since 10.6.1971.
Deputy Chairman of the Board of Directors of Alpha Bank.
Member of the Board of Directors of Air Liquide Hellas S.A. until 16.3.2004.
Member of the Board of Directors of the Foundation for Economic and Industrial Research.

DIMITRIOS KRONTIRAS
Deputy Chairman
Independent, non-executive member of the Board since 4.6.1998.
Member of the Board of Directors of Commercial Bank of Greece.
Chairman of the Board of Directors of Frigoglass S.A.I.C.

DIMITRIOS PAPALEXOPOULOS
Managing Director
Executive member of the Board since 24.6.1992.
Electrical engineer, graduate of the Swiss Federal Institute of Technology and Harvard Business School.
Member of the Board of Directors of the Hellenic American Educational Foundation.
Member of the Board of Directors of LAMDA DEVELOPMENT S.A.
Member of the Board of Directors of the Foundation for Economic and Industrial Research.

ELIAS PANIARAS
Executive Director – General Manager
Executive member of the Board since 23.6.1995. General Manager of Greek operations.
Chemical engineer, graduate of National Technical University of Athens Greece and New York University.
Chairman of the Hellenic Cement Industry Association.

NIKOLAOS ANALYTIS
Director
Non executive member of the Board.
Executive member from 28.6.1989 to 1.7.2002.
Chairman of the Economic and Social Council of Greece since 11.2.2004.
Deputy Chairman of the Board of Directors of the Federation of Greek Industries until 24.2.2004.
Deputy Chairman of the Social Affairs Committee of the Union of Industrial and Employers' Confederations of Europe.
President of the Hellenic Network for Corporate Social Responsibility.

NELLOS CANELLOPOULOS
Director
Executive member of the Board since 24.6.1992.
Group External Relations Director.
Member of the Board of Directors of the Hellenic Cement Industry Association.
Member of the General Council of the Federation of Greek Industries.

GEORGE DAVID
Director
Independent, non-executive member of the Board since 19.6.2001.
Chairman of the Board of Directors of COCA COLA, Hellenic Bottling Company S.A.
Member of the Board of Directors of Bank of Cyprus.

KONSTANTINOS KARYOTIS
Director – Secretary to the Board of Directors
Non executive member of the Board since 24.5.2004.
Legal Counsel of TITAN Group.
Member of the Board of Directors of Philodassiki Society of Athens.

KONSTANTINOS KERAMEUS

Director

Independent, non-executive member of the Board since 28.6.1988.
Professor at the University of Athens, School of Law.
President of the International Academy of Comparative Law (The Hague).
Director of the Hellenic Institute of International and Foreign Law.
Legal Counsel to the National Bank of Greece.
Member of the National Council of Research and Technology.

PANAGIOTIS MARINOPOULOS

Director

Independent, non-executive member of the Board since 24.3.2004.
Chairman of the Board of Directors of SEPHORA-MARINOPOULOS S.A.
Deputy Chairman of the Board of Directors of FAMAR S.A.
Member of the General Council of the Federation of Greek Industries.
Member of the Board of the Foundation for Economic and Industrial Research.

ALEXANDRA PAPALEXOPOULOU - BENOPOULOU

Director

Executive member of the Board since 23.6.1995.
Group Strategic Planning Director.
Graduate of Swarthmore College and INSEAD.
Member of the Board of Directors of Frigoglass S.A.I.C.

MICHAEL SIGALAS

Director

Executive member of the Board since 28.7.1998.
Director S.E. Europe and Middle East Divisions.
Mechanical Engineer, graduate of Concordia University, Canada.

APOSTOLOS TAMVAKAKIS

Director

Independent, non-executive member of the Board since 24.5.2004.
Executive chairman of LAMDA DEVELOPMENT S.A.
Deputy Chairman of the Board of the Federation of Greek Industries.
Member of the Board of Directors of the Greek Telecommunications Organization until 16.6.2004.

SPYRIDON THEODOROPOULOS

Director

Independent, non-executive member of the Board since 19.6.2001.
Chairman of the Board of Directors of CHIPITA INTERNATIONAL S.A.
Deputy Chairman of the Board of the Federation of Greek Industries.
Member of the Board of Directors of the Public Power Corporation.

EFTHIMIOS VIDALIS

Director

Independent, non-executive member of the Board since 24.5.2004.
Managing Director of S&B INDUSTRIAL MINERALS S.A.
Member of the General Council of the Federation of Greek Industries.
Deputy Chairman of the Federation of the Mineral Industries.
Member of the Board of Directors of RAYCAP S.A.

Directors that participated in the Board of Directors during 2004 before the election of the new Board of Directors

ALEXANDRA CANELLOPOULOU

Director until 24.5.2004

Non-executive member of the Board since 24.6.1992.
President of the Pavlos and Alexandra Canellopoulos Foundation for the promotion of ancient and modern Greek art.

THEODOROS PAPALEXOPOULOS

Director until 24.5.2004

Non-executive member of the Board since 6.7.1996.
Executive member from 26.5.1969 to 6.7.1996.
Executive Director from 1979 to 1988 and Deputy Chairman of the Board from 1988 to 1996.

GEORGIOS PROVOPOULOS

Director until 19.3.2004

Independent, non-executive member of the Board since 29.2.1996.
Professor of Economics at the University of Athens.
Economic Advisor to ALPHA Bank.
Chairman of the Scientific Council of the Hellenic Bank Association.

Committees

AUDIT COMMITTEE

DIMITRIOS KRONTIRAS
Independent, non-executive member of the Board.

PANAGIOTIS MARINOPOULOS
Independent, non-executive member of the Board.

EFTHIMIOS VIDALIS
Independent, non-executive member of the Board.

REMUNERATION COMMITTEE

SPYRIDON THEODOROPOULOS
Independent, non-executive member of the Board.

NIKOLAOS ANALYTIS
Non-executive member of the Board.

GEORGE DAVID
Independent, non-executive member of the Board.

SUCCESSION PLANNING AND CORPORATE GOVERNANCE COMMITTEE

KONSTANTINOS KERAMEUS
Independent, non-executive member of the Board.

KONSTANTINOS KARYOTIS
Non-executive member of the Board.

APOSTOLOS TAMVAKAKIS
Independent, non-executive member of the Board.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

THEODOROS PAPALEXOPOULOS
Ex-member and Deputy Chairman of the Board.

NIKOLAOS ANALYTIS
Non-executive member of the Board.

NELLOS CANELLOPOULOS
Executive member of the Board.

EXECUTIVE COMMITTEE

DIMITRIOS PAPALEXOPOULOS
Managing Director

ELIAS PANIARAS
Executive Director – General Manager-Greece

NELLOS CANELLOPOULOS
Group External Relations Director

SOCRATES BALTZIS
Director of Cement Sector-Greece

ALEXANDRA PAPALEXOPOULOU-BENOPOULOU
Group Strategic Planning Director

ARIS PAPADOPOULOS
Director-US Division

HOWARD PRINCE-WRIGHT
Group Finance Director

MICHAEL SIGALAS
Director-S.E. Europe and Middle East Divisions

Group General Counsel
IOANNIS GEORGAKAKIS


TITAN

CORPORATE GOVERNANCE

Ensuring full transaction transparency as well as building shareholder and investment community confidence in the Company have always been key points for Titan Cement S.A. Within this framework the Company has adopted and integrated into its organizational and operational structure the principles of Corporate Governance which are established and implemented by businesses listed in mature markets.

In particular:

BOARD OF DIRECTORS

Since the 1912 initial listing on the Athens Stock Exchange both non-executive and independent members have participated in the Board of Directors. The acting Board consists of fifteen Directors, out of which nine are non-executive. Seven of the non-executive members are fully independent; in the sense that they are not shareholders or that their shares do not exceed 0.5% of the Company's share capital. Furthermore, they have no relationship or dependence on the Company or with persons associated with it. The independent members are elected by the General Meeting of the Shareholders on the basis of their professional status and their scientific knowledge in areas that may be of value in formulating Company policy and expanding business activities. Members are selected when their business interests do not conflict with the Company's.

The powers of Chairman and Managing Director are not vested in the same person, while there is also an Executive Director-General Manager charged with specific administrative responsibilities. The position of Deputy Chairman of the Board is held by an independent member.

The Board of Directors has its own Secretariat, headed by an executive who reports only to the Board and is not subordinate to any other Company department.

In the financial year 1/1–31/12/2004, total gross remuneration paid to Board members for carrying out their duties amounted to € 200,769.90. Total remuneration paid to non-executive members of the Board for participating in committees amounted to € 55,384.62.

Salaries and gross payments of all kinds to the nine members of the Board who provide their services as dependent Company employees amounted to a total of € 1,416,396.80 for the same financial year. Additional payments to them due to accomplishment of objectives (bonus) amounted to € 452,000.00. In 2004, the aforementioned Board members received the sum of € 178,593.24 as their share of the 2003 profit distribution.

BOARD COMMITTEES

The Board of Directors is assisted in its work by the following committees:

Executive Committee

The Executive Committee has operated for many decades. The activities of the Committee are depicted in the Company's Articles of Association. It comprises, at present, five Board members and three senior Company executives charged with supervising and coordinating the various Company departments. The meetings of the committee are attended by the Head of the Legal Department.

Audit Committee

The Audit Committee consists of three independent non-executive Directors. It has a wide range of auditing powers, including the audit of financial results before their submission for approval to the Board, the recommendation of external auditors that are then proposed by the Board to the General Meeting of Shareholders, and the exercise of control over the Group Internal Audit Department that reports directly to it.

Remuneration Committee

The Committee is made up of three non-executive Board members, two of whom are independent, and is primarily charged with studying and submitting proposals on the salaries and the fees of Board members who provide their services under employment agreement or mandate agreement as well as of senior Company executives.

Succession Planning and Corporate Governance Committee

The Committee is made up of three non-executive Board members, two of whom are independent. The Committee is entrusted with recommending and ensuring appropriate succession to the Company's members of the Board of Directors. It is also charged with consulting on the proper enforcement of the Principles of Corporate Governance in relation to the standing legislation in Greece and overseas.

Corporate Social Responsibility Committee

The Committee is made up of three Board members or ex-members of the Board. The Committee is charged with the provision of advice and support to the Company's management on the development of strategy and the co-ordination actions regarding corporate social responsibility matters.

INTERNAL AUDIT

Commissioning Internal Audit to an independent function has been a standard Company practice for many years. Today, a Group Internal Audit Department is in operation and reports directly to the Board's Audit Committee.

The Group Internal Audit Department consists of:

a. The Department of Internal Audit of Greek Operations, the duties of which include management auditing and ensuring that standard operating procedures are upheld both by the Company and its subsidiaries operating in Greece. It is also charged with ensuring that all Company responsibilities under the law are met, including Stock Exchange regulations.

b. The Department of Internal Audit of International Operations, the duties of which include the coordination of audit procedures for international activities carried out by Titan's associated companies or by its partners.

Actually, the internal audit is exercised by 15 staff members who are suitably qualified and have relevant knowledge and experience in the various parts they audit.

SHAREHOLDER AND INFORMATION SERVICES

Keeping our shareholders supplied with up-to-date and accurate information, and providing them with services of the highest level, are main Company priorities. In pursuit of these objectives the Company has established the following departments, staffed with appropriately qualified personnel:

Investor Relations Department

Responsibility for this Department has been entrusted to a senior executive reporting to the Group Finance Director. His duties involve communicating with domestic and foreign institutional investors and analysts as well as supervising the work of the two departments described below which have been set up and have been operating in accordance with Decision 5/204/2000 of the Capital Market Committee.

Investor Relations Officer is Mr. Takis Canellopoulos, 22A Halkidos Street, 11143 Athens, Greece, tel.: +30 210 2591516, fax: +30 210 2591106, e-mail: ir@titan.gr.

Shareholder Service Department

This Department focuses on providing shareholders with immediate and equal access to information as well as on assisting them with exercising their rights.

More specifically, the Department is responsible for: 1) payment of dividends, 2) issuing new share certificates and determining the time and manner in which related rights are exercised, 3) provision of information on General Meetings and their decisions, 4) keeping and updating the Company's register of shares and communicating with the regulatory authorities.

Responsible for the Shareholder Service Department is Mrs. Nitsa Kalesi, 22A Halkidos Street, 11143 Athens, Greece, tel.: +30 210 2591257, fax: +30 210 2591238, e-mail: kalesin@titan.gr.

Company Announcements Department

This Department is responsible for preparing press releases and Company information bulletins, for maintaining the Company's website and for briefing the media on Company news.

Responsible for the Company Announcements Department is Mr. Spyros Xenos, 22A Halkidos Street, 11143 Athens, Greece, tel.: +30 210 2591140, fax: +30 210 2591285, e-mail: smx@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.

COMPANY STOCK OPTIONS FOR SENIOR EXECUTIVES

A program of stock options has been introduced in order to encourage senior executives to identify with shareholder interest and to focus on the Company's long-term growth.

The initial scheme was approved by the General Shareholders Meeting of July 5th, 2000, and allowed the distribution of up to 400,000 ordinary bearer shares with voting rights as stock options during 2001, 2002, and 2003 at a price of € 29.35 per share.

This program has also been extended to include senior executives of associated companies by the June 19th, 2002 decision of the General Shareholders Meeting and in accordance with the provisions of Law 2919/2001.

The annually granted options had a vesting period of 3 years. These could have been exercised either in equal installments over the vesting period, or fully at the close.

The distribution of options to beneficiaries is decided by the Board of Directors on the basis of their position, their responsibilities and duties, their performance, and their advancement prospects.

During 2001, 2002, and 2003 options were granted to 55 executives for 369,900 shares. Up to 2003 mature rights were exercised for 119,200 shares. The remainder of non-exercised rights is for 240,000 shares.

Three members of the Board who provided their services under employment agreement were included in the stock options scheme. To these members options were granted for a total of 49,500 shares out of which 25,400 shares were exercised.

By decision of May 24, 2004 Annual General Meeting of Shareholders, the number of shares doubled due to increase in the Share Capital through the capitalization of reserves and reduction in the nominal value per share (share split), thus every shareholder received one free new share for every one held.

Due to the doubling in the number of shares, the Shareholders General Meeting of June 8th, 2004 decided the modification of the stock option plan by doubling the number of shares, from 240,000 to 480,000, and reduction in the exercise price from € 29.35 to € 14.68 per share.

During 2004, options were exercised by 45 executives for 196,400 shares. The remainder of non-exercised rights is for 283,600 shares. Members of the Board exercised rights for 24,800 shares in total.

The General Meeting of Shareholders resolution dated 08.06.2004, approved the new stock option scheme a) to members of the Board, who provide services as dependent Company employees, with the exclusion of the Chairman and b) to the management of the Company and its associated companies, according to the existing evaluation and ranking scheme of the Company.

The new stock option scheme allows for the years 2004, 2005 and 2006 the allocation of up to 400,000 shares which can be exercised during 2006, 2007 and 2008, with maturity 2007, 2008 and 2009 respectively. The exercise price was set at the nominal value of the Company's shares.

The rights, at the time of maturity can be exercised unconditionally up to one third of their number.

The beneficiary can exercise his/her option under the following conditions:

- One-third unconditionally, based on personal performance
- One-third conditionally, based on the performance of the Titan share versus the average performance of the Athens Stock Exchange (FTSE 20, FTSE 40 and the Industrial index)
- One-third conditionally, based on the performance of the Titan share versus a pre-selected peer group of companies from the global building materials industry

During 2004, options were granted for 111,480 shares which can be exercised from 2006 with the above mentioned conditions.

FINANCIAL CALENDAR 2005

May 10, 2005	3 Months results (3M)
May 12, 2005	Annual Shareholders Meeting
May 13, 2005	Ex-dividend date
August 25,2005	Half Year results (6M)
November 25, 2005	9 Months results (9M)
February 23, 2006	Full Year results 2005

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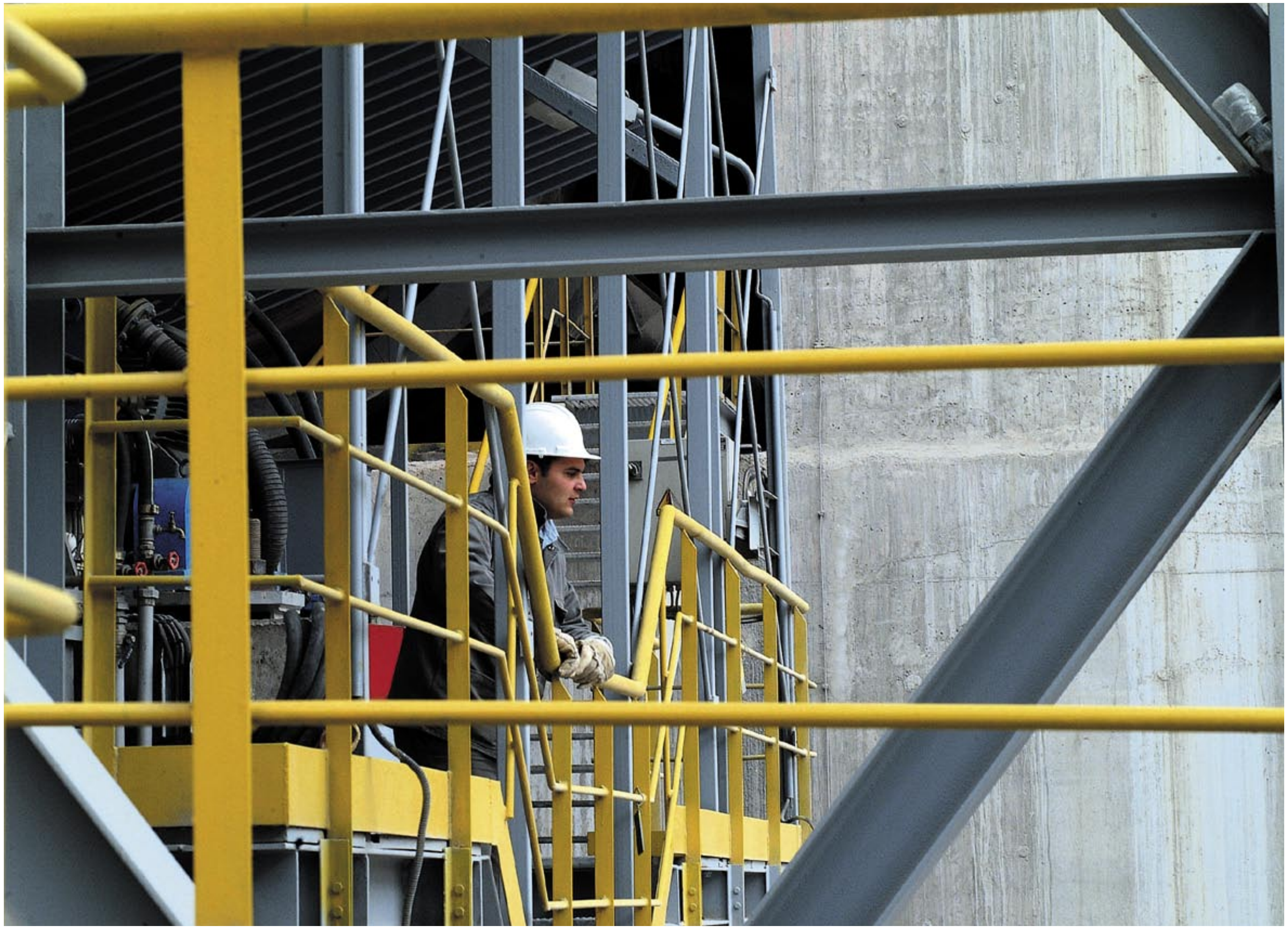
FINANCIAL RESULTS

Financial Results



TITAN CEMENT GROUP

TITAN CEMENT CO SA No 6013/06/B/86/90 IN THE REGISTER OF SOCIETES ANONYMES
CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2004

(EURO)

ASSETS

	Amounts of current fiscal year 2004			Amounts of previous fiscal year 2003		
	At Cost	**Depreciation**	**Balance**	**At Cost**	**Depreciation**	**Balance**
B. FORMATION EXPENSES						
1. Formation and first installation expenses	**446,704**	**415,623**	**31,081**	412,733	350,512	62,221
4. Other formation expenses	**1,927,621**	**1,898,072**	**29,549**	1,868,605	1,824.776	43,829
	2,374,325	**2,313,695**	**60,630**	2,281,338	2,175,288	106,050
C. FIXED ASSETS						
I. Intangible assets						
1. Research and development costs	**25,380**	**25,380**	**-**	46,933	46,933	
2. Licenses and Industrial property rights	**3,804,347**	**907,854**	**2,896,493**	3,794,496	967,672	2,826,824
3. Goodwill	**18,473,953**	**4,489,517**	**13,984,436**	18,078,006	2,865,274	15,212,732
5. Other	**10,084,608**	**3,260,268**	**6,824,340**	10,465,959	2.132.558	8,333,401
	32,388,288	**8,683,019**	**23,705,269**	32,385,394	6,012,437	26,372,957
II. Tangible assets						
1. Land	**127,019.994**	**-**	**127,019,994**	126,767,513		126,767,513
2. Mines - Quarries	**108,939.899**	**18,488.727**	**90,451,172**	110,739,170	16,793,691	93,945,479
3. Buildings and installations	**245,995.504**	**130,534,717**	**115,460,787**	229,858,855	121,588,362	108,270,493
4. Plant and machinery	**697,813.249**	**335,240,217**	**362,573,032**	483,319,581	298,750,752	184,568,829
5. Transportation equipment	**114,966.256**	**59,760,380**	**55,205,876**	93,597,154	49,850,233	43,746,921
6. Furniture and fixtures	**24,476.259**	**20,798,714**	**3,677,545**	22,960,605	17,563,900	5,396,705
7. Construction in progress	**52,643.667**	**14,772**	**52,628,895**	195,145,466		195,145,466
	1,371,854.828	**564,837,527**	**807,017,301**	1,262,388,344	504,546,938	757,841,406
Total (CI + CII)	**1,404,243.116**	**573,520,546**	**830,722,570**	1,294,773,738	510,559,375	784,214,363
III.Investments and Long term receivables						
1. Equity participations in affiliated companies		**27,586,944**			24,686,637	
2. Equity participations		**181,680**	**27,768,624**		106,529	24,793,166
7. Other long-term receivables			**16,339,961**			56,812,996
			44,108,585			81,606,162
Total Fixed Assets and Investments (CI+CII+CIII)			**874,831,155**			865,820,525
D. CURRENT ASSETS						
I. Inventories						
1. Finished products			**4,853,063**			6,932,585
2. Finished and semi-finished products			**44,860,321**			38,746,510
4. Raw materials, consumables, spare parts, other			**80,188,558**			64,807,001
5. Advances for the purchase of inventories			**670,748**			1,445,941
			130,572,690			111,932,037
II. Accounts Receivable						
1. Trade receivables			**104,443,540**			100,700,074
2. Notes receivable :						
- In hand		**46,442**			172,180	
- At banks for collection		**440,985**	**487,427**		217,211	389,391
3. Notes receivable overdue			**70.283**			38,983
3α.Cheques in hand			**84,224,513**			82,606,100
10. Doubtful accounts receivable			**3,724,453**			5,506,091
11. Sundry receivables			**51,467,796**			96,602,439
12. Sundry advances			**618,811**			614,453
			245,036,823			286,457,531
III.Securities						
1. Shares			**4,507,596**			2,636,568
3. Other securities held			**603,023**			4,347,246
			5,110,619			6,983,814
IV. Cash						
1. In hand			**313,613**			298,819
3. Demand and time deposit accounts			**47,615,459**			47,353,084
			47,929,072			47,651,903
Total Current Assets (DI + DII + DIII + DIV)			**428,649,204**			453,025,285
E. TRANSITORY ACCOUNTS						
1. Deferred charges			**4,260,120**			3,286,492
2. Accrued income			**23,135**			57,479
3. Other			**678,406**			430,829
			4,961,661			3,774,800
TOTAL ASSETS (B + C + D + E)			**1,308,502,650**			**1,322.726,660**
MEMO ACCOUNTS						
1. Third parties' assets			**2**			1
2. Guarantees and collateral securities			**116,680,979**			127,303,889
3. Claims from mutual agreements			**400,000**			
4. Other			**9,047,109**			19,093,627
			126,128,090			146,397,517

LIABILITIES

	Amounts of current fiscal year 2004		Amounts of previous fiscal year 2003	
A. SHAREHOLDERS' EQUITY				
I. Share Capital				
1. Paid up :				
76,560,264 common shares		**153,120,528**		91,636,637
7,568,960 preferred shares without voting rights		**15,137,920**		9,082,752

84,129,224 shares at € 2.00 each		**168,258,448**		100,719,389
II. Share Premium Account		**19,585,653**		17,095,301
III.Revaluation reserve - Investment grants				
1. Reserve from revaluation of affiliated companies		**592,306**		592,312
2. Reserve from revaluation of fixed assets		**4,396,303**		992,198
3. Investment grants for fixed assets		**2,218,482**		1,680,840
		7,207,091		3,265,350
IV. Reserves				
1. Legal reserve		**46,005,476**		39,827,174
3. Special reserve		**10,752,514**		10,803,913
4.Contingency reserve		**194,816,232**		171,150,708
5. Tax exempt reserves under special laws		**133,217,475**		163,806,210
		384,791,697		385,588,005
V. Retained earnings				
Retained earnings (Deficit)		**116,021,970**		78,047,241
VI. Consolidation differences		**-185,276,029**		-138,333,822
Total Shareholders' Equity (AI+AII+AIII+AIV+AV+AVI)		**510,588,830**		446,381,464
Minority interests		**25,545,791**		52,445,971
B. PROVISIONS FOR ACCRUED LIABILITIES AND CHARGES				
1. Provision for staff leaving indemnities		**24,642,229**		16,257,364
2. Other provisions		**149,654,785**		147,463,792
		174,297,014		163,721,156
C. LIABILITIES				
I. Long term liabilities				
1. Bonds		**237,278,833**		133,251,888
2. Bank loans		**88,852,346**		187,221,440
8. Other long term obligations		**203,958**		6,496,643
		326,335,137		326,969,971
II. Short term liabilities				
1. Suppliers		**63,532,614**		64,902,167
2. Notes payable		**62,254**		74,449
3. Short term bank liabilities		**23,302,441**		78,252,823
4. Trade creditors		**4,899,206**		2,670,208
5. Taxes payable		**42,629,738**		58,898,843
6. Social insurance contributions		**4,400,932**		4,254,980
7. Current portion of long term debt		**41,423,986**		40,468,022
10. Dividends payable :				
- Previous fiscal years	**374,202**		1,404,347	
- Current fiscal year	**43,747,196**	**44,121,398**	39,868,091	41,272,438
11. Sundry creditors		**41,009,018**		38,354,461
		265,381,587		329,148,391
Total Liabilities (CI + CII)		**591,716,724**		656,118,362
D. TRANSITORY ACCOUNTS				
1. Deferred earnings (income)		**-**		-
2. Accrued liabilities		**6,177,197**		2,851,577
3. Other		**177,094**		1,208,130
		6,354,291		4,059.707
TOTAL LIABILITIES (A + B + C + D)		**1,308,502,650**		**1,322,726,660**
MEMO ACCOUNTS				
1. Beneficiary of third parties' assets		**2**		1
2. Beneficiary of guarantees and collateral security		**116,680,979**		127,303,889
3. Liabilities from mutual agreements		**400,000**		
4. Other		**9,047,109**		19,093,627
		126,128,090		146,397,517

CONSOLIDATED STATEMENT OF INCOME

31 DECEMBER 2004 (1 JANUARY - 31 DECEMBER 2004)

	Amounts of current fiscal year 2004			Amounts of previous fiscal year 2003		
I. Operating income						
Turnover (net sales)			**1,104.381,174**			1,035,697,141
Cost of sales			**800,678,886**			738,038,906
Gross operating income			**303,702,288**			297,658,235
Other operating income			**19,401,219**			10,421,962
Total			**323,103,507**			308,080,197
General and Administrative costs		**67,796,805**			64,086,666	
Sales and Distribution costs		**23,332,744**	**91,129,549**		21,721,448	85,808,114
			231,973,958			222,272,083
Income from securities		**167,224**			142,697	
Income from equity participations and securities		**895,315**			-	
Interest and related income		**1,540,883**	**2,603,422**		2,341,979	2,484,676
			234,577,380			224,756,759
Provisions for impairment of investments in securities		**-**			-	
Losses deriving from investments in securities					13,556	
Interest expenses and bank charges		**20,944,217**	**20,944,217**		19,387,196	19,400,752
Total operating income			**213,633,163**			205,356,007
II.Extraordinary income/expenses						
Extraordinary and non-operating income	**34,516,090**			20,446,833		
Extraordinary gains	**8,124,982**			3,242,010		
Income of previous years	**165,700**			262,844		
Revenues from provisions of previous years	**12,431,491**	**55,238,263**		1,075,173	25,026,860	
Extraordinary and non-operating costs	**17,508,805**			28,242,394		
Extraordinary losses	**667,432**			527,425		
Expenses of previous years	**153,319**			354,756		
Provision for doubtful receivables and other risks	**19,952,926**	**38,282,482**	**16,955,781**	8,119,733	37,244,308	-12,217,448
Total Operating and extraordinary income			**230,588.944**			193,138,559
Depreciation of fixed assets		**91,385,164**			73,646,493	
Minus:Depreciation included in operating cost		**91,234,262**	**150,902**		73,381,084	265,409
NET EARNINGS BEFORE TAXES			**230,438,042**			**192,873,150**

Company Notes :

1. The Group's subsidiaries included in the Consolidation are: TITAN CEMENT COMPANY S.A., Athens, ALBACEM S.A., Athens, INTERBETON CONSTRUCTION MATERIALS S.A., Athens, INTERTITAN S.A., Athens, IONIA INDUSTRIAL AND COMMERCIAL COMPANY OF PORCELAIN AND HOUSEHOLD/HOTEL EQUIPMENT S.A., Athens,INTERCEMENT S.A., Athens, QUARRIES GOURNON S.A., Heraklion Crete, QUARRIES OF TAGARADON COMMUNITY Thessaloniki, LAKMOS S.A. Athens, LEECEM S.A. Athens, TITAN CEMENT INTERNATIONAL TRADING CO. S.A. Athens, TITAN ATLANTIC CEMENT S.A. Athens, NAFTITAN S.A. Athens, AEOLIAN MARITIME COMPANY Athens, ACHAIKI MARITIME COMPANY, Athens, KIMOLOS MARITIME COMPANY Athens, POLIKOS MARITIME COMPANY, Athens, QUARRIES OF KORINTHIAS S.A., Korinthos, BETOKAT TRADING & CONSTR. CO. S.A. Zakynthos, AEMOS CEMENT LTD, Cyprus, BALKAN CEMENT ENTER. LTD, Cyprus, BALKCEM LTD, Cyprus, IAPETOS LTD, Cyprus, TITHYS LTD, Cyprus, REA CEMENT LTD, Cyprus, THEMIS HOLDINGS LTD, Cyprus, FINTITAN SRL, Italy, TITAN CEMENT U.K. LTD, U.K., SEPARATION TECHNOLOGIES U.K. LTD., UK, SEPARATION TECHNOLOGIES CANADA LTD, Canada, TITAN AMERICA LLC U.S.A., ROANOKE CEMENT CO. LLC U.S.A., TITAN VIRGINIA READYMIX LLC, U.S.A., MARKFIELD AMERICA LLC, U.S.A, SEPARATION TECHNOLOGIES LLC. U.S.A, ESSEX CEMENT CO. LLC, U.S.A., PENNSUCO CEMENT CO. LLC, U.S.A., TARMAC AMERICA LLC, U.S.A., STANDARD CONCRETE LLC, U.S.A., ZLATNA PANEGA CEMENT AD, Bulgaria, ZLATNA PANEGA BETON EOOD, Bulgaria, ZLATNA PANEGA GRANITOID AD, Bulgaria, USJE CEMENTARNICA AD, FYROM, CEMENTARA KOSJERIC, Kosjeric Serbia, FOUR M TITAN SILO COMPANY LLC, Egypt*, EL MISRIEEN TITAN TRADE AND DISTRIBUTION Egypt*, BENI SUEF CEMENT COMPANY, Egypt*, LAFARGE TITAN EGYPTIAN INVESTMENTS LTD, Channel Islands*, EAST CEMENT, Cyprus*, ALEXANDRIA DEVELOPMENT LTD, Channel Islands*, ALEXANDRIA PORTLAND CEMENT CO. Alexandria Egypt*, BLUE CIRCLE CEMENT EGYPT S.A.E., Egypt*. The companies which are marked with an asterisk (*) have been accounted by the equity method.The companies ZLATNA PANEGA CEMENT AD, ZLATNA PANEGA BETON EOOD, ZLATNA PANEGA GRANITOID AD, have been consolidated for the first time as from the 5th of May 2004.The companies, QUARRIES OF KORINTHIAS S.A., BETOKAT TRADING & CONSTR. CO. S.A have been consolidated for the first time in the fourth quarter.
2. The income statement includes the results of PLEVCEM LTD and PLEVENSKI CEMENT LTD until the date of their disposal (30.4.2004).
3. In accordance with mandatory provisions of Law 2065/1992, as amended, the land and buildings´cost and the accumulated depreciation of buildings were revalued at 29.12.2004 by € 3,352,408.09 & 28,627.57 respectively. The current year´s depreciation was computed on the revalued amounts, thus the additional depreciation charge for the year amounted to € 8,851.60.
4. A provision has been made,according to a study performed by an actuarial company, on behalf of Titan Group, where the obligations for staff-leaving indemnities for all personnel currently employeed, have been fully provided for.
5. The account "Other Provisions" as of 31.12.2004 includes positive exchange rate differences of € 33.6 million resulting from the revaluation of the long term loan of the parent company, according to Presidential Decree 186/92 article 28 paragraph 7.
6. Capital expenditures for 2004 amounted to € 153.5 million. The corresponding amount for the 2003 was € 221.8 million. Investments in acquisitions and participations for 2004 was € 82.1million and € 0 for the corresponding period of 2003.
7. There are no pledges on Company's assets.
8. There are no litigations which has important impact on the financial position of Titan Group.
9. Average number of employees of the companies which have been consolidated according to the full consolidation method: 5,221 persons (2003 4,827) (excluding Egypt as consolidated on an equity basis).
10. According to article 105 of Law 2190/1920, the charge for income taxes includes a provision of € 11m. in anticipation of future tax liabilities that may arise.
11. Sales are analysed by category of products and services (using Greek Statistical Service Codes) as follows: Cement products € 611,602 thousands, Ready mix products € 320,517 thousands, Aggregate materials € 91,535 thousands, Cement blocks € 51,346 thousands, Porcelain products € 8,265 thousands, Accompanied Porcelain products € 1,887 thousands,Other products and services € 19,229 thousands. (Total € 1,104,381 thousands).

STATEMENT OF APPROPRIATION OF EARNINGS

	Amounts of current fiscal year 2004		Amounts of previous fiscal year 2003	
Net earnings before taxes		**230,438,042**		192,873,150
Deduct : Taxes paid relating to prior years		**85,708**		3,612,133
		230,352,334		189,261,017
Deduct : 1. Income tax provision	**58,068,023**		54,642,801	
2. Other taxes	**530,542**	**58,598,565**	461,532	55,104,333
		171,753,769		134,156,684
Deduct : Profit attributable to Minority interest		**2,830,744**		9,196,807
Net earnings after taxes		**168,923,025**		124,959,877
Retained earnings of prior year		**62,559,673**		65,985,264
Distribution of Reserves		**18,575,683**		5,841,321
Earnings available for distribution		**250,058,381**		196,786,462
Proposed distribution :				
Legal reserve		**6,157,430**		6,276,000
Total dividend at € 0.52 Per share		**43,747,196**		39,868,091
Special and extraordinary reserves		**41,094,845**		46,452,377
Tax exempt reserve L.2601/98		**6,100,000**		7,822,700
Tax exempt reserve L.3220/04		**32,130,000**		13,374,000
Reserve from non taxable income		**2,035,377**		2,446,053
Reserve from income taxed under special laws		**121,561**		-
Earnings distributed to company management		**2,650,000**		2,500,000
Retained earnings		**116,021,970**		78,047,241
		250,058,381		**196,786,462**

Athens, 21 March 2005

Chairman of the Board of Directors	Managing Director	Executive Director-General Manager	Chief Financial Officer	Financial Consolidation Manager
ANDREAS L. CANELLOPOULOS	DIMITRIOS TH. PAPALEXOPOULOS	ELIAS I. PANIARAS	HOWARD PRINCE-WRIGHT	ATHANASIOS ST. DANAS
I.D.No. A010727	I.D. No. Ξ163588	I.D. No. Θ297060	PASS. No. 60090793	I.D. No. Ξ410353

REPORT OF THE AUDITOR

To the Shareholders of TITAN CEMENT COMPANY S.A. and its subsidiaries

We have audited, the consolidated balance sheet, the consolidated income statement and the accompanying notes to the financial statements of TITAN CEMENT COMPANY S.A. and its subsidiaries for the year ended 31 December 2004 in accordance with the provisions of article 108 of the Companies Act 2190/1920. Our audit has been conducted in accordance with those auditing procedures, which we considered necessary based on the auditing standards and principles adopted by the Institute of Certified Auditors Accountants in Greece. We have confirmed that the content of the consolidated Directors' Report to the Annual General Meeting of the Shareholders is in agreement with the related consolidated financial statements. In our opinion, except for the matter referred to note 10 to the balance sheet, the above consolidated financial statements have been prepared in accordance with the provisions of the Companies Act 2190/1920 and present the assets, liabilities and financial position as at 31 December 2004, as well as the results of the operations of all consolidated group companies for the year then ended in accordance with prevailing legislation and the accounting principles adopted by the Group, which have been generally accepted and do not differ from those applied in the preceding year.

Athens, 24 March 2005

The Certified Auditor Accountant

PRICEWATERHOUSECOOPERS

Constantinos Cotsilinis

ICAA (GR) Reg. No. 12711

PRICEWATERHOUSECOOPERS

TITAN CEMENT COMPANY S.A.

NO 6013/06/B/86/90 IN THE REGISTER OF SOCIETES ANONYMES
BALANCE SHEET AS AT 31 DECEMBER 2004
94th FISCAL YEAR (1 JANUARY - 31 DECEMBER 2004)
(EURO)

ASSETS	Amounts of current fiscal year 2004			Amounts of previous fiscal year 2003		
	At cost	Depreciation	Balance	At cost	Depreciation	Balance
B. FORMATION EXPENSES						
4. Other formation expenses	**1,095,257**	**1,095,257**	**0**	1,074,376	1,074,376	0
	1,095,257	**1,095,257**	**0**	1,074,376	1,074,376	0
C. FIXED ASSETS						
I. Intangible Assets						
1. Research and development costs	**0**	**0**	**0**	21,553	21,553	0
5. Other	**25,983**	**25,983**	**0**	10,983	2,319	8,664
	25,983	**25,983**	**0**	32,536	23,872	8,664
II. Tangible Assets						
1. Land	**54,017,488**		**54,017.488**	51,070,161		51,070,161
2. Mines - Quarries	**8,039,340**	**7,734,225**	**305,115**	7,838,402	7,713,002	125,400
3. Buildings and installations	**106,906,041**	**65,664,001**	**41,242,040**	102,233,073	59,701,011	42,532,062
4. Plant and machinery	**239,754,697**	**185,127,109**	**54,627,588**	219,780,421	158,086,892	61,693,529
5. Transportation equipment	**6,192,727**	**5,248,749**	**943,978**	6,733,536	5,561,485	1,172,051
6. Furniture and fixtures	**18,685,454**	**14,257,357**	**4,428,097**	16,251,409	12,624,464	3,626,945
7. Construction in progress	**10,781,174**		**10,781.174**	13,990,006		13,990,006
	444,376,921	**278,031.441**	**166,345,480**	417,897,008	243,686,854	174,210,154
Total (CI+CII)	**444,402,904**	**278,057,424**	**166,345,480**	417,929,544	243,710,726	174,218,818
III.Investments and Long-term receivables						
1. Equity participations in subsidiaries and affiliates		**513,348,334**			455,980,848	
2. Equity participations		**106,530**			106,530	
		513,454,864			456,087,378	
Less:Participation installments due			**513,454,864**		32,744,128	423,343,250
7. Other long term receivables			**2,420,196**			2,610,713
			515,875,060			425,953,963
Total Fixed Assets and Investments (CI+CII+CIII)			**682,220,540**			600,172,781
D. CURRENT ASSETS						
I. Inventories						
1. Finished products			**944,410**			855,153
2. Finished and semi-finished products			**15,136,668**			12,541,375
4. Raw materials, consumables, spare parts, other			**44,978,222**			40,454,244
5. Advances for the purchase of inventories			**267,798**			1.363,901
			61,327,098			55,214,673
II. Accounts Receivable						
1. Trade receivables			**32,311,850**			36,396,252
2. Notes receivable :						
- In hand		**2,974**			12,617	
- At banks for collection		**240,848**	**243,822**		126,900	139,517
3. Notes receivable overdue			**65,561**			36,781
3a.Cheques in hand			**54,978,523**			54,089,907
5. Short term receivables from affiliated companies			**841,545**			98,597,643
10.Doubtful accounts receivable			**1,361,499**			2,848,017
11.Sundry receivables			**21,825,771**			27,980.012
12. Sundry advances			**422,836**			454,604
			112,051,407			220,542,733
III.Securities						
1. Securities			**1,140,678**			1,037,425
3. Other securities held						68,000
			1,140,678			1,105,425
IV.Cash						
1. In hand			**19,512**			142,215
3. Demand and time deposit accounts			**1,836**			28,063
			21.348			170,278
Total Current Assets (DI+DII+DIII+DIV)			**174,540,531**			277,033,109
E. TRANSITORY ACCOUNTS						
1. Deferred charges			**199,155**			117,935
3. Other			**489,146**			566
			688,301			118,501
TOTAL ASSETS (B+C+D+E)			**857,449,372**			**877,324,391**
MEMO ACCOUNTS						
2. Guarantees and collateral securities			**352,615,548**			351,801,461
4. Other			**7,577,526**			7,469,667
			360,193,074			359,271,128

LIABILITIES

		Amounts of current fiscal year 2004		Amounts of previous fiscal year 2003
A . SHAREHOLDERS' EQUITY				
I. Share Capital				
1. Paid up:				
76,560,264 common shares		153,120,528		91,636,637
7,568,960 preferred shares without voting rights		15,137,920		9,082,752

84,129,224 shares at € 2.00 each		168,258,448		100,719,389
II. Share Premium Account		19,585,653		17,095,301
III.Revaluation reserve-Investment grants				
1. Reserve from revaluation of affiliated companies		3,011,327		3,011,327
2. Reserve from revaluation of fixed assets		3,171,828		327,234
3. Investment grants for fixed assets		2,244,711		1,707,069
		8,427,866		5,045,630
IV. Reserves				
1. Legal reserve		40,018,491		35,282,316
3. Special reserve		1,769,301		1,769,301
4. Contingency reserve		192,957,101		174,424,610
5. Tax exempt reserves under special laws		123,295,067		155,957,184
		358,039,960		367,433,411
Total Shareholders' Equity (AI+AII+AIII+AIV)		554,311,927		490,293,731
B. PROVISIONS FOR ACCRUED LIABILITIES AND CHARGES				
1. Provision for staff leaving indemnities		22,882,830		14,787,808
2. Other provisions		37,949,789		56,473,937
		60,832,619		71,261,745
C. LIABILITIES				
I. Long term liabilities				
2. Bank loans		62,378,150		78,296,824
II. Short term liabilities				
1. Suppliers		24,472,311		24,926,751
3. Short term bank liabilities		15,218,762		66,401,007
4. Trade creditors		1,161,625		796,421
5. Taxes payable		28,808,149		45,789,371
6. Social insurance contributions		2,698,965		2,498,209
7. Current portion of long term debt		41,423,986		40,468,021
8. Amounts due to affiliated companies		11,538,728		4,023,976
10. Dividends payable:				
- Previous fiscal years	373,962		1,404,347	
- Current fiscal year	43,747,196	44,121,158	39,868,091	41,272,438
11. Sundry creditors		9,837,908		9,620,626
		179,281,592		235,796,820
Total Liabilities (CI + CII)		241,659,742		314,093,644
D. TRANSITORY ACCOUNTS				
2. Accrued liabilities		519,571		496,615
3. Other		125.513		1,178,656
		645,084		1,675,271
TOTAL LIABILITIES (A + B + C + D)		857,449,372		877,324,391
MEMO ACCOUNTS				
2. Beneficiary of guarantees and collateral security		352,615,548		351,801,461
4. Other		7,577,526		7,469,667
		360,193,074		359,271,128

STATEMENT OF INCOME

(Year ended 31 December 2004)

	Amounts of current fiscal year 2004			Amounts of previous fiscal year 2003		
I. Operating income						
Turnover (net sales)			**430,679,530**			429,685,372
Cost of sales			**295,776,142**			275,325,538
Gross operating income			**134,903,388**			154,359,834
Other operating income			**5,540,552**			4,801,296
Total			**140,443,940**			159,161,130
General and Administrative costs		**29,726.221**			26,068,535	
Sales and Distribution costs		**3,621.614**	**33,347,835**		3,604,115	29,672,650
			107,096,105			129,488,480
Income from equity participations		**13,771,781**			15,258,569	
Income from securities		**1,397**			4,770	
Interest and related income		**57,700**	**13,830.878**		58,460	15,321,799
			120,926.983			144,810,279
Interest expenses and bank charges			**5,413,318**			4,730,876
Total operating income			**115,513,665**			140,079,403
II.Extraordinary income/expenses						
Extraordinary and non-operating income	**18,047,259**			11,298,844		
Extraordinary gains	**2,562,193**			5,844,989		
Income of previous years	**56,049**			216,488		
Income from provisions of previous years	**11,125,289**	**31,790,790**		2,250,000	19,610,321	
Extraordinary and non-operating costs	**4,679,678**			3,398,374		
Extraordinary losses	**122,877**			408,226		
Expenses of previous years	**58,757**			218,513		
Provisions for doubdful receivable and other risks	**7,140,883**	**12,002,195**	**19,788,595**	-	4,025,113	15,585,208
Total Operating and extraordinary income			**135,302,260**			155,664,611
Depreciation of fixed assets		**41,512,189**			27,014,300	
Minus : Depreciation included in operating cost		**41,371,198**	**140,991**		26,830,823	183,477
NET EARNINGS BEFORE TAXES			**135,161,269**			**155,481,134**

Company Notes:

1. The Share Capital of the Company was increased by € 67,146,259.20 through the capitalization of reserves under the provisions of article 20 of Law 1892/1990. According to the B.O.D. resolution of Dec. 16th, 2004 and the implementation of the resolution of the shareholders meetings of July 5th, 2000, amended with the decisions of shareholders meetings of June 19th, 2002 and of June 8th, 2004, the share capital was increased by € 392,800 with cash payment and issuance of 196,400 new registered voting shares, nominal value of € 2.00 each, and share price € 14.68, relating to the right of higher excecutives to purchase stock in the company.The Share Premium Account includes the difference € 12.68.(Release of the Greek Ministry of Development K2-15763/21.12.2004).
2. In accordance with the mandatory provisions of law 2065/1992 as amended, the land and buildings' cost and the accumulated depreciation of buildings were revalued at 29/12/2004 by € 2,856,652.82 and € 12,059.11 respectively. The current year's depreciation was computed on the revalued values of buildings, thus the additional depreciation charge for the year amounted to € 7,384.54.
3. The provision for staff-leaving indemnities has been computed in accordance to a study performed by an actuaria company on behalf of Titan where the obligations for staff-leaving indemnities for all personnel currently employed have been fully provided for.
4. The account "Other Provisions" as of 31.12.2004 includes positive exchange rate differences of € 33.6 million resulting from the revaluation of the long term loan, according to Presidential Decree 186/92 article 28 paragraph 7.
5.The equity participations in subsidiaries and affiliated companies are stated at cost as provided for in article 28 para 5 of Presidential Decree 186/1992 (Tax Book Code) and the Law 3229/2004. Had the valuations been made according to the article 43 of Law 2190/1920, investments would have been reduced by approximately € 95.3 million.
6. Depreciation of fixed assets has been calculated according to the depreciation rates provided by Presidential Decree 299/2003 under straight-line and reducing balance methods which have not changed comparing with the previous period. Additional depreciation has been calculated according to Law 1262/1982 and Law 1892/1990.
7. Capital expenditures for 2004 where € 33.7 million. The corresponding amount for the 2003 was € 47.1 million.
8. There are no pledges on company's assets.
9. There are no litigations which might have important impact on the financial status of the Company.
10.The Company has been audited by the tax authorities until the year 2001.
11.Average number of employees: 1,158 persons (2003 1,189).
12.Sales are analysed by category of products and services (using Greek Statistical Service Codes) as follows: Cement products € 397,820 thousands, Aggregate materials € 13,374 thousands, Porcelain products € 8,009 thousands, Dry Mortars products € 4,039 thousands. Other products and services € 7,438 thousands.(Total € 430,680 thousand).

STATEMENT OF APPROPRIATION OF EARNINGS

		Amounts of current fiscal year 2004		Amounts of previous fiscal year 2003
Net earnings before taxes		**135,161,269**		155,481,134
Deduct: Taxes paid relating to prior years		**-**		2,196,503
		135,161,269		153,284,631
Deduct: 1.Income tax	**30,536,538**		41,843,590	
2.Other taxes	**474,726**	**31,011,264**	410,828	42,254,418
Net earnings after taxes		**104,150,005**		111,030,213
Add : Distribution of Reserves		**14,901,596**		5,841,320
Earnings available for distribution		**119,051,601**		116,871,533
Proposed distribution:				
Legal reserve		**4,736,175**		5,491,997
Total dividend at € 0.52 per share		**43,747,196**		39,868,091
Special and extraordinary reserves		**32,294,845**		46,428,183
Tax exempt reserves :				
Law 2601/1998		**6,100,000**		6,837,700
Law 3220/2004		**27,630,000**		13,374,000
Reserve from non taxable income		**1,893,385**		2,371,562
Earnings distributed to company management		**2,650,000**		2,500,000
		119,051,601		**116,871,533**

Athens, 17th March 2005

Chairman of the Board of Directors	Managing Director	Executive Director-General Manager	Chief Financial Officer	Chief Accountant
ANDREAS L. CANELLOPOULOS	DIMITRIOS TH. PAPALEXOPOULOS	ELIAS I. PANIARAS	HOWARD PRINCE-WRIGHT	EMM. CH. MAVRODIMITRAKIS
I.D.No A010727	I.D. No Ξ163588	I.D. No Θ297060	PASS. No. P60090793	I.D. No. N237613

REPORT OF THE AUDITORS
To The Shareholders of
TITAN CEMENT COMPANY S.A.

We have audited the Financial Statements and the related Notes thereon of TITAN CEMENT COMPANY S.A., for the year ended 31 December, 2004. Our audit, which has taken into account the activities of the Company's branches has been conducted in accordance with the provisions of article 37 of the Companies Act 2190/1920 and those auditing procedures which we considered necessary based on the auditing standards and principles adopted by the Institute of Certified Auditors Accountants in Greece. The books and records maintained by the Company have been made available to us and we have obtained the relevant information and explanations, which were deemed necessary for the purposes of our audit. The Company has properly applied the General Chart of Accounts.Re: Greek Accounting Standards". There have been no changes in the valuation methods used by the Company compared to those used in the preceding year and the cost of production, which has been derived from the accounting records, has been determined in accordance with generally accepted costing principles. We have confirmed that the content of the Directors' Report to the Annual General Meeting of the Shareholders is in agreement with the related Financial Statements. The Notes to the Financial Statements disclose the information stipulated in paragraph 1 of article 43a of the Companies Act 2190/1920. In our opinion, except for those matter referred to in note 5 to the balance sheet, the above Financial Statements have been derived from the books and records of the Company and present, together with the Notes thereto, the assets, liabilities and financial position of the Company as at 31 December 2004 as well as the results of its operations for the year then ended, in accordance with the prevailing legislation and generally accepted accounting principles, which do not differ from those applied by the Company in the preceding year.

Athens, 24th March 2005

The Certified Auditor Accountant

PRICEWATERHOUSECOOPERS

Constantinos Cotsilinis
ICAA (GR) Reg. No. 12711

A. Accounting Principles of the Consolidated Financial Statements for the financial year ended 31.12.2004

The following accounting principles were applied to the 2004 Consolidated Balance Sheet and Consolidated Profit and Loss Account of TITAN Cement Group.

A1. Principles and Method of Consolidation

1. The Consolidated Balance Sheet and the Consolidated Profit and Loss Account have been prepared using the full consolidation method, of Asset, Liability, and Year-End Results entries of the companies listed below. These companies belong to the TITAN Cement Group and have a subsidiary company relationship in accordance with the provisions of articles 90 to 99 of Law 2190/1920 of Sociétés Anonymes.

2. The Group Companies consolidated by the full consolidation method are as follows:
TITAN Cement S.A. - Athens, ALBACEM S.A. - Athens, INTERBETON CONSTRUCTION MATERIALS S.A. - Athens, INTERTITAN TRADING INTERNATIONAL S.A. - Athens, IONIA S.A. PORCELAIN WARE AND HOUSEHOLD-HOTEL SUPPLIES - Athens, INTERCEMENT S.A. - Athens, QUARRIES GOURNON S.A. - Heracleion, Crete, TAGARADES COMMUNITY QUARRIES S.A. Tagarades Community, Thessaloniki, LAKMOS S.A. - Athens, LEECEM S.A. - Athens, TITAN INTERNATIONAL TRADING S.A. - Athens, TITAN CEMENT ATLANTIC S.A. - Athens, NAFTITAN S.A. Athens, AEOLIAN MARITIME COMPANY - Athens, ACHAIKI MARITIME COMPANY - Athens, KIMOLOS MARITIME COMPANY - Athens, POLIKOS MARITIME COMPANY Athens, QUARRIES OF KORINTHIAS S.A. - Korinthos, BETOKAT TRADING AND CONSTRUCTION S.A. - Zakynthos, AEMOS CEMENT LTD Nicosia, Cyprus, BALKAN CEMENT ENTERPRISES LTD - Nicosia, Cyprus, BALKCEM LTD - Nicosia, Cyprus, IAPETOS LTD - Nicosia, Cyprus, TITHYS LTD - Nicosia, Cyprus, REA CEMENT LTD, Nicosia, Cyprus, THEMIS HOLDINGS LTD - Nicosia, Cyprus, FINTITAN SRL - Italy, TITAN CEMENT U.K. LTD - U.K., SEPARATION TECHNOLOGIES U.K. LTD. - U.K., TITAN AMERICA LLC U.S.A., ROANOKE CEMENT CO. LLC U.S.A., TITAN VIRGINIA READYMIX LLC U.S.A., MARKFIELD AMERICA LLC U.S.A., SEPARATION TECHNOLOGIES INC. U.S.A., ESSEX CEMENT CO. LLC - U.S.A., TARMAC AMERICA LLC - U.S.A., PENNSUCO CEMENT CO. LLC - U.S.A., STANDARD CONCRETE LLC - U.S.A., SEPARATION TECHNOLOGIES CANADA LTD - CANADA, USJE CEMENTARNICA AD - FYRoM, CEMENTARA KOSJERIC - Kosjeric, Serbia, ZLATNA PANEGA CEMENT AD - Bulgaria, ZLATNA PANEGA BETON EOOD - Bulgaria, ZLATNA PANEGA GRANITOID AD - Bulgaria.

3. The Group Companies consolidated by the equity method, in accordance with the provisions of article 106 of Law 2190/1920, are: LAFARGE TITAN EGYPTIAN INVESTMENTS LTD, Channel Islands, BENI SUEF CEMENT COMPANY, Egypt, EAST CEMENT TRADE LTD, Nicosia, Cyprus, FOUR M TITAN SILO COMPANY LLC Egypt, EL MISRIEEN TITAN TRADE AND DISTR. Egypt, ALEXANDRIA DEVELOPMENT LTD, Channel Islands, ALEXANDRIA PORTLAND CEMENT CO, Alexandria, Egypt, BLUE CIRCLE CEMENT EGYPT S.A.E., Egypt.

4. Receivables and payables in foreign currency were translated on the basis of the official rate of the foreign currency on 31/12/04.

A2. CONSOLIDATED ASSETS AND LIABILITIES

1. Fixed assets are stated at acquisition cost at it arises from the individual balance sheets of Group Companies. The acquisition cost of the fixed assets is obtained from the historical cost, after adjustments for revaluation made in accordance with special provisions of relevant legislation. Depreciation on individual companies is deducted from the acquisition cost. The Group applies the depreciation methods followed in the countries where each company operates. In Greece, depreciation is calculated in accordance with the rates prescribed in the provisions of Presidential Decree 299/2003 for the straight line and the accelerated method. The depreciation rates for the most significant fixed asset categories are shown in the table below:

	STRAIGHT LINE METHOD	ACCELERATED METHOD
	%	%
• Plant and Equipment	15	45
• Electronic Equipment	30	90
• Trucks	20	
• Industrial Buildings	15	
• Other Buildings	5	

The above rates usually depreciate fixed assets in a shorter period that their estimated useful life. Land is not subject to depreciation. The parent company applies accelerated depreciation rates on certain assets as provided for by various development laws.

2. Under the “Equity holdings participations” account, the shares and corporate holdings in companies which do not meet the consolidation requirements of Law 2190/1920 have been stated at acquisition cost.

3. Inventories of finished products, semi-finished products, merchandise, raw and auxiliary materials, consumables, spare parts, and packaging material are stated at the value which they appear in the individual company balance sheets, i.e. the lower between the historic cost and the current value on the balance sheet closing day, net of any inter-company profit.

4. Receivables and payables are stated as they appear in the individual balance sheets, reduced by the sum of the Group’s inter-company receivables and payables.

5. Payables maturing more than one year after the closing of the Balance Sheet (31/12/04) have been stated as long-term liabilities. All other payables have been included in the short-term liabilities category. The same criteria have been applied for receivables.

6. In accordance with article 103 of Law 2190/1920, the difference occurring between (a) the cost of investment in a subsidiary and (b) its capital, accumulated reserves and retained earnings or losses on January 1st of the year when it is first included in the consolidated statements, appears as “Consolidation Differences” in the consolidated “Shareholders’ Equity”.

7. Third party equity interests (outside the Group) in the consolidated companies are stated under “Minority Interests” in the consolidated Total Shareholders’ Equity.

A3. FINANCIAL YEAR CONSOLIDATED RESULTS

1. Group inter-company sales are deducted from the Group’s turnover. Inter-company profit included in the year-end reserves and arising from transactions between the Group’s consolidated companies has also been deducted from Turnover. Inter-company results (profits or losses) arising from the purchase or sale of fixed assets among the Group’s consolidated companies are eliminated.

2. Inter-company dividends related to the previous year’s distribution of profits from Equity participations have been eliminated.

3. Other amounts were arrived at by consolidating the corresponding accounts of the individual companies, having first eliminated amounts arising from inter-company transactions.

NOTES OF THE TITAN GROUP FINANCIAL STATEMENTS

ASSETS

Fixed Assets

1. At 31/12/04 the Group's total fixed assets at acquisition cost amounted to € 1,371,854,828. This sum includes the following : a) € 3.4 m resulting from the revaluation of land and buildings, in accordance with the provisions of Law 2065/92 as it is modified and in force, b) € 29.7 m by TITAN CEMENT S.A. including the completion of a cement grinding mill in the Thessaloniki plant (€ 12.9 m), the completion of the installation of the clinker cooler at the Patras plant (€ 3.7 m) and various plant modernization expenses, c) € 6.9 m by INTERBETON CONSTRUCTION MATERIALS S.A. in equipment purchases for the concrete, quarries, and transportation sectors, d) € 93.7 m in modernization and improvement projects as well as in cement and concrete distribution vehicles in the Pennsuco plant, Florida, U.S.A., e) € 8.3 m in quarrying equipment and modernization at the USJE plant in Skopje, f) € 7.1 m in modernization and improvement projects at the KOSJERIC plant in Serbia and g) other investments by Group companies.

2. Total Fixed Assets also include the following :

A. Equity participations in affiliated companies: LAFARGE TITAN EGYPTIAN INVESTMENTS, BENI SUEF, ALEXANDRIA DEVELOPMENT LTD, ALEXANDRIA PORTLAND CEMENT CO., BLUE CIRCLE CEMENT, EAST CEMENT, FOUR M TITAN & MISRIEEN, of € 27.6 m total value and equity participations of € 0.2 m in other companies.

B. Other long-term receivables of € 16,339,961 primarily consisting of advance payments on holdings in other companies, guarantees to the Public Power Company, leasing and other guarantees.

Current Assets

Marketable securities amounting to € 5,110,619 are presented as follows:

REPOS	€	602,436
SHARES: BLACK SEA FUND L.P.	"	1,079,022
FOREIGN COMPANIES	"	3,366,918
Other	"	62,243
Total	"	**5,110,619**

LIABILITIES

Shareholders' Equity

1. The Group's total Shareholders' Equity amounted to € 510,588,830 at 31.12.04 compared to € 446,381,464 at 31.12.03.

2. The "Consolidation Differences" account, shown as a negative balance of € 185,276,029 in the Group's Shareholders' Equity, consist of combining the cost of acquiring shares and corporate holdings of Group companies in respect of their reciprocal participations with the consolidated companies' Shareholders' Equity, except that of the parent company (TITAN) of € 79.7 m and € 105.6 m of negative foreign currency differences.

3. "Minority Interests" amounting to € 25,545,791 appear below Shareholders' Equity and represent rights of third parties (outside the Group) to the consolidated companies' Shareholders' Equity except the parent company and are held in the following Group companies: TAGARADES COMMUNITY QUARRIES S.A., ZLATNA PANEGA CEMENT AD, ZLATNA PANEGA BETON, USJE CEMENTARNICA AD, ZLATNA PANEGA GRANITOID AD, CEMENTARA KOSJERIC AD, THEMIS HOLDINGS LTD.

Provisions

1. Provision for staff-leaving indemnities according to an actuarial study performed by an actuarial company on behalf of the Group regarding the liability of indemnity to the entire Group employees was € 24,642,229.

2. Other provisions amounting to € 149,654,785 at 31.12.04 include provisions for: a) deferred taxes in the U.S.A. of € 83,838,768, b) doubtful receivables of € 3,237,685, c) devaluation of assets of € 7,780,231, d) exchange rate differences of € 33,625,617 and e) other expenses of € 21,172,484.

Liabilities

1. Long-term liabilities

Long-term liabilities were € 326,335,137 at 31.12.04, analyzed as follows: a) a long-term bank loan to the parent company (TITAN) of € 62,378,150, b) a bond issue and long-term loan to TITAN AMERICAN LLC in the U.S.A. of € 263,753,029 and c) other long-term liabilities of other Group companies.

2. Short-term liabilities

This category of accounts includes the Group's obligations towards Banks and third parties due for settlement within the financial year 2005 and amounting to a total of € 265,381,587 compared to € 329,148,391 at 31.12.03. The decrease is attributed mainly to a decrease in Short-term liabilities to Banks.

3. Bank Loans — in €

	Short-term	**Long-term**	**Total**
Loans in Euro	9,905,835	-	9,905,835
Loans in foreign currency	54,820,592	88,852,346	143,672,938
Total bank loans	**64,726,427**	**88,852,346**	**153,578,773**

PROFIT AND LOSS STATEMENT

Analysis and extraordinary results

Income and profits accounts		
- Exchange rate differences	€	32,189,996
- Income from the sale of rights	"	4,005,112
- Profit from the sale of fixed assets and scrap	"	1,598,042
- Discount on lump-sum tax payment	"	1,135,940
- Expropriation of land in Thessaloniki	"	1,082,975
- Profit from discount of land purchase	"	1,025,720
- Investment subsidies	"	944,499
- Various indemnities	"	157,635
- Other income	"	501,153
Total	"	**42,641,072**

Expenditures and losses accounts		
- Exchange rate differences	€	10,854,160
- Tax on doubtful receivables	"	2,837,035
- Proportion of results from BENI SUEF & APCC	"	2,428,202
- Various indemnities	"	421,783
- Sale of fixed assets	"	293,002
- Other expenses	"	1,342,055
Total	"	**18,176,237**

NOTES TO TITAN S.A. FINANCIAL STATEMENT

ASSETS
Fixed Assets

1. As at 31.12.04 the Company's total fixed assets at acquisition cost amounted to € 444,402,904.50. This figure includes the completion of the cement grinding mill at the Thessaloniki plant € 12.9 m, the completion of installing a clinker cooler at the Patras plant € 3.7 m, plant upgrade expenses and other equipment purchases.

2. In addition, Fixed Assets also include :
A. Equity participations of € 513,454,863.37 total value in the following companies :
a) Companies in which the Group has a 100% holding:

1.	TITAN ATLANTIC CEMENT S.A.	€	244,474,297
2.	AEMOS LTD	"	114,558,632
3.	IAPETOS LTD	"	106,558,163
4	INTERBETON CONSTRUCTION MATERIALS S.A.	"	33,750,757
5.	INTERTITAN EMPORIKI DIETHNIS S.A.	"	4,138,068
6.	QUARRIES GOURNON S.A.	"	2,144,734
7.	TITAN CEMENT UK LTD	"	1,637,670
8.	FINTITAN SRL	"	1,377,620
9.	KIMOLOS MARITIME COMPANY	"	1,170,969
10.	AEOLIAN MARITIME COMPANY	"	1,087,467
11.	ACHAIKI MARITIME COMPANY	"	785,410
12.	IONIA S.A. PORCELAIN WARE AND HOUSEHOLD/HOTEL SUPPLIES	"	769,786
13.	ALBACEM S.A.	"	272,987
14.	POLIKOS MARITIME COMPANY	"	238,791
15.	TITAN CEMENT INTERNATIONAL TRADING CO. S.A.	"	149,700
16.	INTERCEMENT S.A.	"	58,771
17.	LAKMOS S.A.	"	58,771
18.	NAFTITAN S.A.	"	58,741
	Total	"	**513,291,334**

b) Companies in which the Group has a holding greater than 50%:

1.	LEECEM S.A..	€	57,000

c) Other companies :

1.	MIDDLE EAST S.A.	€	106,530
	Grand total	"	**513,454,864**

B. Other long-term receivables including :

1.	Guarantees to the Public Power Company	€	2,155,522
2.	Leasing guarantees and others	"	264,674
	Total	"	**2,420,196**

Current Assets
Marketable Securities
The Company's marketable securities total value of € 1,140,678.29 consisting of the following:

SHARES	BLACK SEA FUND L.P.	€	1,079,022
	HELLENIC HOUSE OF INDUSTRY	"	50,397
	KRINOΣ S.A.	"	8,471
	EKEPY S.A	"	2,641
	Other	"	147
	Total	"	**1,140,678**

LIABILITIES
Shareholders' Equity

Following the distribution of profits for the financial year 2004 and the distribution of reserves from previous years, as proposed by the Board of Directors to the General Meeting of Shareholders, the Company's Net Worth is as follows:

Share Capital:					
76,560,264	Ordinary shares	€	153,120,528		
7,568,960	Prefered non-voting shares	"	15,137,920		
84,129,224	Shares of 2.00 € each	"	168,258,448	€	168,258,448

Difference from issue of shares over par			"	19,585,653
Differences from revaluation of equity participations and securities			"	3,011,326
Investment subsidies for fixed assets			"	2,244,711
Differences from revaluation of other assets			"	3,171,828
Statutory reserve			"	40,018,490
Special and Contingency Reserves			"	178,441,317
Reserve for investment under Development Law 2234/94 article 23A			"	5,393,808
Reserve for investment under Development Law 2234/94 article 23B			"	1,236,097
Reserve for investment under Development Law 1892/90 for developing regions			"	1,720,323
Reserve of dividends received from subsidiaries taxable at source			"	7,411,362
Taxable reserves under Law 2579/98 article 8			"	523,495
Tax-exempt reserves under special laws :				
. Reserve under Law 1116/1981	€	2,661,708		
. Reserve under Law 1262/1982	"	5,670,955		
. Reserve under Law 1892/1990 article 12	"	12,747,498		
. Reserve under Law 1892/1990 article 20	"	22,971,655		
. Reserve under Law 2601/1998 article 6	"	19,087,700		
. Reserve under Law 3220/2004 article 2	"	41,004,000		
. Reserve arising from tax-exempt income	"	12,538,749		
. Reserve arising from specially taxed income	"	1,134,191		
. Reserve arising from profits of subsidiary maritime companies	"	1,190,935		
. Reserve arising from profits from the sale of equity participations and securities	"	162,263		
. Other untaxed reserves	"	4,125,413	"	123,295,067
			"	554,311,927

Provisions for accrued liabilities and changes
1. The provision for staff leaving indemnities was determined according to an actuarial study performed by an actuarial company on behalf of the Group for all the employees and reached € 22,882,830.00 in total.

2. Other expense provisions totaling € 37,949,788.71 were also made. These include a provision of € 33,625,617.00 for positive exchange rate differences from the revaluation of long-term loans.

Bank loans

		Short-term	Long-term	Total
Loans in Euro	€	9,685,590	-	9,685,590
Loans in foreign currency	"	46,957,158	62,378,150	109,335,308
Total bank loans	"	56,642,748	62,378,150	119,020,898

PROFIT AND LOSS STATEMENT
Analysis of extra-ordinary results:

Income and Profits Accounts

. Exchange rate differences	€	16,140,534
. Income from provisions of previous periods (Doubtful receivables)	"	11,125,289
. Expropriation of Thessaloniki hub	"	1,082,975
. Discount on lump-sum tax payment	"	1,082,537
. Income from investment subsidies	"	944,499
. Income from sale of scrap	"	636,754
. Profit from sale of equipment	"	377,119
. Various indemnities	"	145,636
. Other expenses	"	255,447
Total	"	**31,790,790**

Expenditures and Losses Accounts

. Provision for staff leaving indemnities	€	7,140,883
. Tax for doubtful receivables	"	2,781,322
. Exchange rate differences	"	1,881,097
. Various indemnities	"	109,989
. Other expenses	"	88,904
Total	"	**12,002,195**

TITAN CEMENT GROUP

CONSOLIDATED CASH FLOW STATEMENT
from the accounting period from 1st January 2004 to 30th December 2004
(EURO)

		Cash Flows from ordinary operating activities	31/12/2004	31/12/2003
A	100	**Cash inflows**		
	101	Sales	1,104.381,174	1,035,697,141
	102	Other operating income	7,686,642	5,253,824
	103	Extraordinary and non-operating income	7,138,877	7,018,012
	104	Prior year income	165,700	262,844
	105	Interest (deposits,etc.)	1,540,883	2,341,978
	106	Income from securities	167,224	129,141
	107	Sale of securities	1,105,406	-
	108	Decrease in accounts receivable	36,931,458	-
		Less:		
	109	Purchase of securities	-	478,463
	110	Increase in accounts receivable	-	69,229,111
		Total Cash Inflows (A 100)	**1,159,117,364**	**980,995,366**
A	200	**Cash outflows**		
	201	Cost of goods sold (less depreciation and provisions)	702,996,303	634,055,730
	202	General & Administrative expenses	67,233,101	64,086,666
	204	Selling expenses	23,332,744	21,721,448
	206	Other expenses	1,659,535	2,068,433
	207	Increase in inventory	18,447,659	-
	208	Increase in transitory asset accounts	1,189,862	-
	209	Decrease in transitory liability accounts	-	613,678
	210	Decrease in short-term liabilities (other than Banks)	2,235,641	22,047,715
		Less:		
	211	Decrease in inventory	-	2,883,889
	212	Decrease in transitory asset accounts	-	472,740
	213	Increase in transitory liability accounts	2,294,584	-
		Total Cash Outflows (A 200)	**814,800,261**	**741,237,041**
A	300	**Taxation outflows**		
	301	Income tax	58,068,023	54,642,801
	302	Taxes not included in operating cost	530,542	461,532
	303	Tax audit adjustments	85,708	3,612,133
	304	Decrease in current tax liabilities	-	3,520,624
		Less:		
	305	Increase in current tax liabilities	2,144,186	-
		Total Cash Outflows (A 300)	**56,540,087**	**62,237,090**
		Cash Flows from ordinary operating activities (A100-A200-A300)=A	**287,777,016**	**177,521,235**

CONSOLIDATED CASH FLOW STATEMENT

from the accounting period from 1st January 2004 to 30th June 2004

(EURO)

		Cash Flows from investment activities	31/12/2004	31/12/2003
B	100	**Cash inflows**		
	102	Sale of tangible assets	3,098,308	1,789,462
	103	Sale of equity participations and securities	12,596,490	-
	104	Decrease in long-term receivables	40,500,035	-
		Total Cash Inflows (B 100)	**56,194,833**	**1,789,462**
B	200	**Cash outflows**		
	202	Purchase of tangible assets	152,295,179	220,493,047
	203	Purchase of equity participations and securities	83,124,760	-
	204	Increase in long-term receivables	-	6,799,602
	205	Increase in formation expenses	1,157,893	1,607,338
		Total Cash Outflows (B 200)	**236,577,832**	**228,899,987**
		Cash Flows from investment activities (B100-B200)=B	**-180,382,999**	**-227,110,525**

		Cash Flows from financing activities	31/12/2004	31/12/2003
C	100	**Cash inflows**		
	101	Proceeds from issue of share capital including premium	2,883,152	1,474,838
	102	Government grants received	1,482,141	1,303,008
	103	Increase in long-term liabilities	633,907	76,487,741
	104	Increase in short-term liabilities (Bank accounts)	-	22,048,519
		Total Cash Inflows (C 100)	**4,999,200**	**101,314,106**
C	200	**Cash outflows**		
	204	Decrease in short-term liabilities (Bank accounts)	54,265,276	-
	205	Interest paid	17,064,970	13.018.059
	206	Dividends paid	40.898,236	34.685.940
	207	Distribution of profits to employees	2,500,000	2.350.000
		Total Cash Outflows (C 200)	**114,728,482**	**50,053,999**
		Cash Flows from financing activities (C100-C200)=C	**-109,729,282**	**51,260,107**

	31/12/2004	31/12/2003
COMPANY CASH FLOWS (Sum of A+B+C)	-2,335,265	1,670.817
Plus: Cash at the beginning of year	51,999,149	50,328,333
CASH AT END OF YEAR	**49,663,884**	**51,999,150**
Cash at the beginning of the year can be broken down as follows: **1**) Cash balances as per balance sheet	47,651,904	43,357,703
2) Cash equivalents from other securities	4,347,246	6,970,631
	51,999,150	**50,328,334**
Cash at the end of the year can be broken down as follows: **1**) Cash balances as per balance sheet	47,929,072	47,651,904
2) Cash equivalents from other securities	1,734,812	4,347,246
	49,663,884	**51,999,150**

Athens, 21 March 2005

Managing Director	Executive Managing Director- General Manager	Financial Consolidation Manager
DIMITRIOS TH. PAPALEXOPOULOS	ELIAS I. PANARAS	ATHANASIOS ST.DANAS

CERTIFICATE OF THE CERTIFIED AUDITOR ACCOUNTANT

We have audited the consolidated statement of cash flows of TITAN CEMENT SA and its subsidiaries for the year 2004 which was prepared based on the audited consolidated financial statements for the year then ended on which we issued our audit report thereon dated 24 March 2005. In our opinion the aforementioned consolidated cash flow statement fairly presents the cash inflows and outflows from the activities of all companies included in the consolidation for the year ended 31.12.04.

Athens, 26 March 2005

The Certified Auditor Accountant

PRICEWATERHOUSECOOPERS

Constantinos Cotsilinis

ICAA (GR) Reg. No 12711

SELECTED IFRS INFORMATION

The selected IFRS information presented hereunder has been extracted from the audited Group IFRS financial statements for the year ended 31 December 2004, which also include the Group's principal accounting policies, explanatory notes and the unqualified Auditors' report. The audited Group IFRS financial statements for the year ended 31 December 2004 are available on the Group's website at www.titan-cement.com.

Titan Cement Group
Consolidated Balance Sheet (IFRS)

(EURO)

	As at 31 December	
Assets	**2004**	**2003**
Non-current assets		
Property, plant and equipment	972,374,579	908,865,884
Intangible assets	107,213,409	60,143,286
Other investments	1,421,412	221,844
Receivables	5,414,743	4,064,756
Deferred tax assets	2,987,922	2,026,421
	1,089,412,065	**975,322,191**
Current assets		
Inventories	138,324,716	118,831,313
Receivables and prepayments	235,494,108	329,228,812
Trading and other investments	3,380,177	3,447,948
Cash and cash equivalents	78,407,863	72,354,022
	455,606,864	**523,862,095**
Total assets	**1,545,018,929**	**1,499,184,286**
Equity		
Capital and reserves		
Share capital	187,844,101	117,814,690
Fair value and other reserves	274,552,750	311,722,304
Retained earnings	188,122,339	100,744,799
Equity attributable to equity holders of Titan	**650,519,190**	**530,281,793**
Minority interest	25,466,715	52,569,494
Total equity	**675,985,905**	**582,851,287**
Liabilities		
Non-current liabilities		
Borrowings	408,083,337	399,153,675
Deferred tax liabilities	120,695,923	118,580,608
Retirement and termination benefit obligations	39,642,423	32,444,468
Provisions for other liabilities and charges	29,297,232	28,291,613
Deferred income - Government grants	9,839,023	5,327,877
	607,557,938	**583,798,241**
Current liabilities		
Trade and other payables	114,256,650	117,807,856
Current tax liabilities	17,051,790	26,526,899
Borrowings	85,029,465	145,949,921
Provisions for other liabilities and charges	1,016,023	977,644
Dividends for shareholders	44,121,158	41,272,438
	261,475,086	**332,534,758**
Total liabilities	**869,033,024**	**916,332,999**
Total equity and liabilities	**1,545,018,929**	**1,499,184,286**

These financial statements have been approved for issue by the Board of Directors on 24 February, 2005.

Titan Cement Group
Consolidated Income Statement (IFRS)
(EURO)

	Year ended 31 December 2004	2003
Sales	1,142,474,304	1,066,530,845
Cost of sales	(788,615,749)	(738,498,553)
Gross profit	**353,858,555**	**328,032,292**
Other operating income	24,948,014	13,326,164
Administrative expenses	(89,730,847)	(80,100,707)
Distribution costs	(21,312,083)	(19,853,699)
Other operating expenses	(11,320,529)	(8,781,762)
Operating profit	**256,443,110**	**232,622,288**
Finance costs - net	(13,838,692)	(35,860,418)
Profit before taxation	**242,604,418**	**196,761,870**
Income tax expense	(62,947,838)	(64,886,167)
Net Profit	**179,656,580**	**131,875,703**
Attributable to:		
Titan Cement S.A. shareholders	176,951,390	122,872,054
Minority interest	2,705,190	9,003,649
	179,656,580	**131,875,703**
Earnings per share for profit attributable to Titan Cement S.A. shareholders (expressed in € per share)		
Basic	**2.27**	**1.56**
Diluted	**2.26**	**1.56**

Titan Cement Group
Consolidated Cash Flow Statement (IFRS)
(EURO)

	Year ended 31 December 2004	2003
Cash flows from operating activities		
Cash receipts from customers	1,242,900,197	1,000,058,308
Cash paid to suppliers and employees	(843,187,075)	(782,181,967)
Cash generated from operations	399,713,122	217,876,341
Interest Received	10,248,891	7,323,271
Interest Paid	(21,638,141)	(20,794,451)
Tax Paid	(58,941,425)	(53,246,362)
Net cash from operating activities	**329,382,447**	**151,158,799**
Cash flows from investing activities		
Purchase of property, plant and equipment	(148,943,593)	(215,791,956)
Proceeds from sale of property, plant and equipment	3,098,308	1,789,462
Purchase of investments	(2,743,480)	(1,202,049)
Purchase of intangible assets	(435,478)	(2,785,995)
Government grants received	4,738,694	1,303,008
Disposal of subsidiaries, net of cash disposed	12,633,334	-
Acquisition of subsidiaries, net of cash disposed	(65,999,412)	-
Proceeds from disposal of investments	2,516,218	1,222.207
(Increase) / decrease in long-term receivables	(1,349,987)	10,055,352
Net cash used in investing activities	**(196,485,396)**	**(205,409,971)**
Cash flows from financing activities		
Proceeds from issue of ordinary shares	2,883,152	1,474,838
Dividends paid to equity holders of Titan	(40,898,476)	(34,685,940)
Dividends paid to minority interests	(965.000)	(826,284)
Payment to minorities as result of changes in shareholding	(28,824,796)	-
Increase/(decrease) of long-term borrowings	(5,530,676)	46,708,941
Increase/(decrease) of short-term borrowings	(62.994,442)	28,359,506
Net cash used in financing activities	**(136,330,238)**	**41,031,061**
Net (decrease) / increase in cash & cash equivalents	**(3,433,187)**	**(13,220,111)**
Cash and cash equivalents at beginning of year	72,354,023	69,575,569
Effect of exchange rate changes	9,487,027	15,998,565
Cash and cash equivalents at end of year	**78,407,863**	**72,354.023**

Titan Cement S.A. Group
Consolidated Statement of Changes in Shareholders' Equity (IFRS)
(EURO)

Year ended 31 December 2003	Ordinary shares	Share Premium	Preferred ordinary shares	Fair value and other reserves	Retained earnings	Minority interest	Total
Balance at 1 January 2003	91,516,037	15,741,063	9,082,752	302,198,869	75,913,084	43,464,005	537,915,810
Exchange gains / (losses) on translation of financial statements of foreign operations	-	-	-	(60,078,543)	-	928,124	(59,150,419)
Transfer to reserves	-	-	-	58,172,248	(58,172,248)		-
Movement in derivative hedging position	-	-	-	17,052,218	-	-	17,052,218
Deferred tax on derivative hedging position	-	-	-	(5,968,276)	-	-	(5,968,276)
Dividends	-	-	-	-	(39,868,091)	(826,284)	(40,694,375)
Net profit per income statement	-	-	-	-	122,872,054	9,003,649	131,875,703
Available-for-sale investments	-	-	-	345,788	-	-	345,788
Share issue - share options	120,600	1,354,238	-	-	-	-	1,474,838
Balance at 31 December 2003	**91,636,637**	**17,095,301**	**9,082,752**	**311,722,304**	**100,744,799**	**52,569,494**	**582,851,287**
Year ended 31 December 2004							
Balance at 1 January 2004	91,636,637	17,095,301	9,082,752	311,722,304	100,744,799	52,569,494	582,851,287
Exchange gains / (losses) on translation of financial statements of foreign operations	-	-	-	(32,377,570)	-	-	(32,377,570)
Buy-out of minority interest	-	-	-	-	-	(28,842,969)	(28,842,969)
Movement in derivative hedging position	-	-	-	3,349,620	-	-	3,349,620
Deferred tax on derivative hedging position	-	-	-	(1,071,878)	-	-	(1,071,878)
Dividends	-	-	-	-	(43,747,196)	(965,000)	(44,712,196)
Net profit per income statement	-	-	-	-	176,951,389	2,705,190	179,656,579
Available-for-sale investments	-	-	-	499,233	-	-	499,233
Goodwill written-off (Cementarnica USJE A.D. - Skopje)	-	-	-	-	13,750,647	-	13,750,647
Capitalisation of reserves	61,091,091	-	6,055,168	(67,146,259)	-	-	-
Share issue - share options	392,800	2,490,352	-	-	-	-	2,883,152
Transfer to reserves				59,577,300	(59,577,300)	-	-
Balance at 31 December 2004	**153,120,528**	**19,585,653**	**15,137,920**	**274,552,750**	**188,122,339**	**25,466,715**	**675,985,905**

The audited Group IFRS financial statements for the year ended 31 December 2004 are available on the Group's website at www.titan-cement.com.

Reconciliation to International Financial Reporting Standards (IFRS)

(EURO)

	2004	2003
Reconciliation of Equity		
As previously reported in Greek statutory financial statements at 31 December	**510,588,831**	**446,381,464**
Adjusted for:		
Recognition of deferred tax liabilities	(29,124,133)	(21,829,895)
Change in economic useful lives of property, plant and equipment and restatement to historical cost basis	87,893,811	57,554,721
Effect of capitalising assets held under finance leases	-	(86,529)
Recognition of additional provision relating to staff termination and post-retirement benefits	(11,180,022)	(13,596,520)
Revision to amortisation of government grants based on IFRS revised economic useful lives of appropriate assets and reclassification of government grants from equity to deferred income (non-current liabilities)	(4,210,699)	(5,327,877)
Recognition of unrealised foreign currency gains / (losses) in net income	-	2,720,226
Reclassification of unrealised foreign currency gains to equity relating to US dollar loan used as a hedge against the investment in US subsidiaries	33,640,629	34,791,576
Derecognition of intangible assets (i.t.o Greek GAAP)	(2,574,008)	(2,616,366)
Release / derecognition of excess provisions from impairment to trade debtors	(5,061,535)	12,397,131
Differences arising from the method of accounting for Egyptian operations	1,226,158	1,424,302
Reclassifications of goodwill from reserves (equity) to assets (non-current assets), difference arising from the translation of goodwill denominated in foreign currency and amortisation of goodwill over economic useful lives	85,371,867	37,126,315
Differences between Greek GAAP and IFRS exchange gains / losses on translation of financial statements of foreign entities	(6,474,858)	(7,092,552)
Provision for impairment of inventories	(3,000,000)	(3,000,000)
Provision for impairment of receivables from Iapetos Ltd	(5,000,000)	(5,000,000)
Reversal of amounts relating to the provision for impairment of investments i.t.o IAS 39	(2,619,904)	(7,587,769)
Release of tax provision to income statement as a result of tax audit (i.e. overprovision of tax charge relating to prior years)	(1,526,337)	(903,261)
Difference in accounting for minority share of profits	143,327	197,833
Recognition and derecognition of amounts which did and did not meet the criteria of the provision definition as stipulated in IAS 37	(300,000)	3,818,135
Recognition of derivative instruments (FEC's) at fair values	(482,975)	(347,666)
Other	3,209,038	1,258,525
As restated to conform with the requirements of IFRS at 31 December	**650,519,190**	**530,281,793**

Reconciliation to International Financial Reporting Standards (IFRS)

(EURO)

	2004
Reconciliation of net income attributable to Titan Cement S.A. shareholders	
As previously reported in Greek statutory financial statements at 31 December	**168,923,025**
Adjusted for:	
Change in economic useful lives of property, plant and equipment	30,089,157
Recognition of deferred tax charge	-3,930,692
Reversal / recognition of additional provision relating to staff termination and post-retirement benefits	2,412,313
Reversal of amount relating to the provision for impairment of investment in Iapetos Ltd	5,000,000
Reversal of goodwill amortisation in respect of U.S. operations	2,096,991
Recognition of unrealised foreign currency gains / (losses) in net income	4,721,266
Difference in accounting for minority share of profits	143,327
Recognition of derivative instruments (FEC's) at fair values	-172,106
Reclassification to the hedging reserve (equity) of the realised gain pertaining to the US dollar loan repayment and other foreign exchange differences	-13,853,310
Additional provisions for the impairment to trade debtors	-15,942,732
Accrual for management bonuses for the year under review	-2,650,000
Difference between Greek GAAP and IFRS in profit realised from the disposal of Plevcem and Plevenski	595,831
Other	-481,680
As restated to conform with the requirements of IFRS at 31 December	**176,951,390**