



Titan Group

Financial Results – 9month 2008

Analysts Conference Call
Athens – 23rd Oct 2008



- **This document contains forward-looking statements relating to the Group's future business, development and economic performance. It also includes statements from sources that have not been independently verified by the Company.**
- **Such statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to:**
 - **Competitive pressures**
 - **Legislative and regulatory developments**
 - **Global, macroeconomic and political trends**
 - **Fluctuations in currency exchange rates and general financial market conditions**
 - **Delay or inability in obtaining approvals from authorities**
 - **Technical development**
 - **Litigation**
 - **Adverse publicity and news coverage, which would cause actual development and results to differ materially from the statements made in this document**
- **TITAN assumes no obligation to update or alter such statements whether as a result of new information, future events or otherwise.**



Agenda

- Highlights
- Market Overviews
- Group Financial Results
- Outlook

- **Turnover up +3.5% to € 1,184m (+7.8% excluding translation impact)**
- **EBITDA down -15.4% to €289m (-13.6% excluding translation impact)**
- **Net Profit after Tax and minorities down -15.6% to € 163m**
- **U.S. market decline deepens**
- **Moderate slowdown in Greece continues**
- **Growth momentum in S.E. Europe and Eastern Mediterranean maintained**
- **Steep increase in production costs as high energy costs are phased in**
- **Ability to pass on the cost increases varies by region**



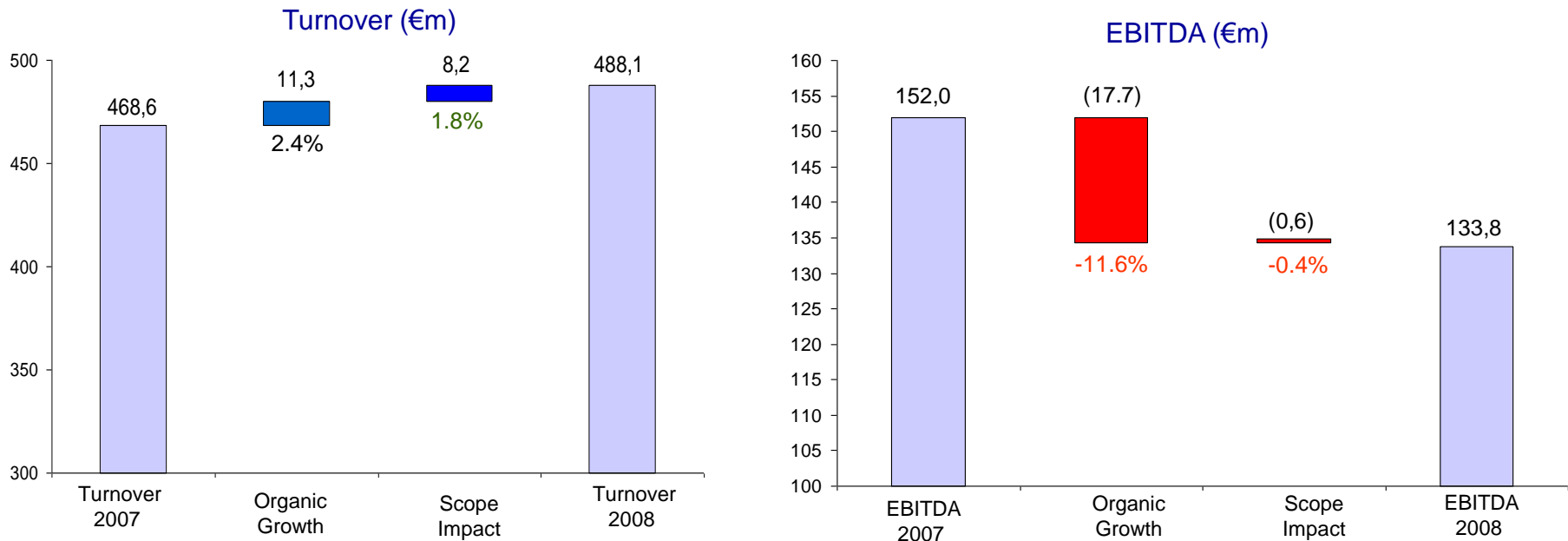
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Market Overview, Greece Region 9month 2008



- Moderate volume decline continues
- Ready mix and aggregates volumes supported by minor acquisitions
- Excess housing inventory being absorbed slowly
- Infrastructure projects delayed
- Record increases in energy costs only partially offset by better prices



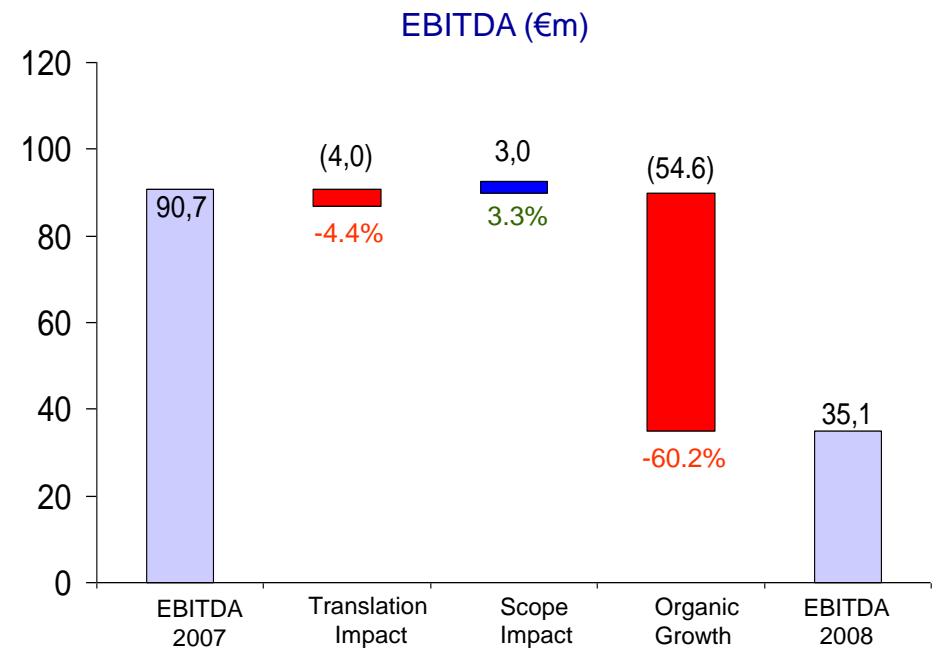
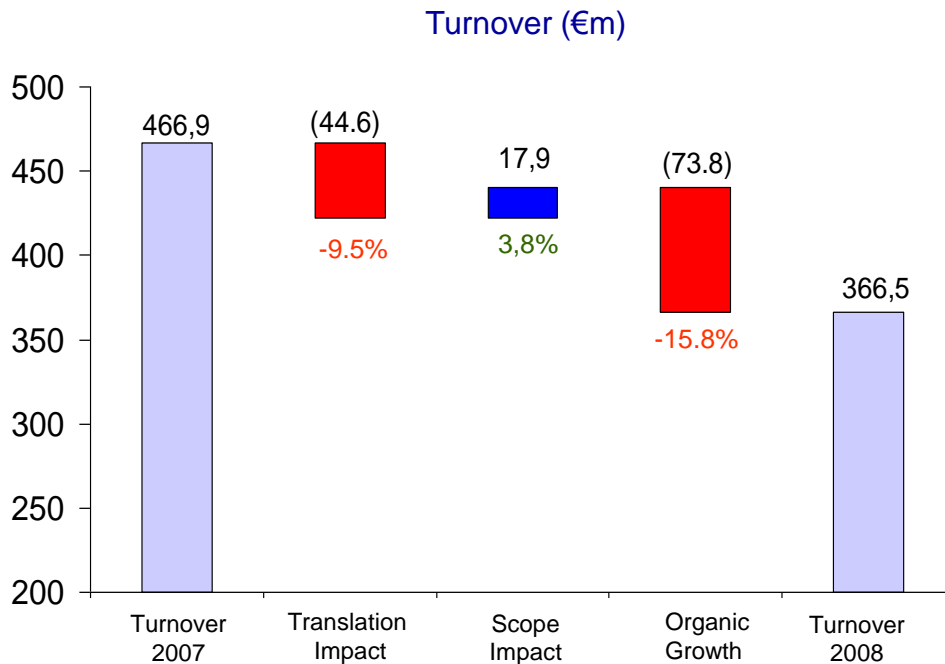
* Percentage change 08 actual vs. 07

Market Overview, USA

9month 2008



- Demand continues to weaken driven by housing, in the middle of this unprecedented financial crisis
- Sharp reduction of imported volumes cushions cement demand decline
- Ready-mix concrete and block volumes suffer
- Moderate price erosion, despite energy cost increases

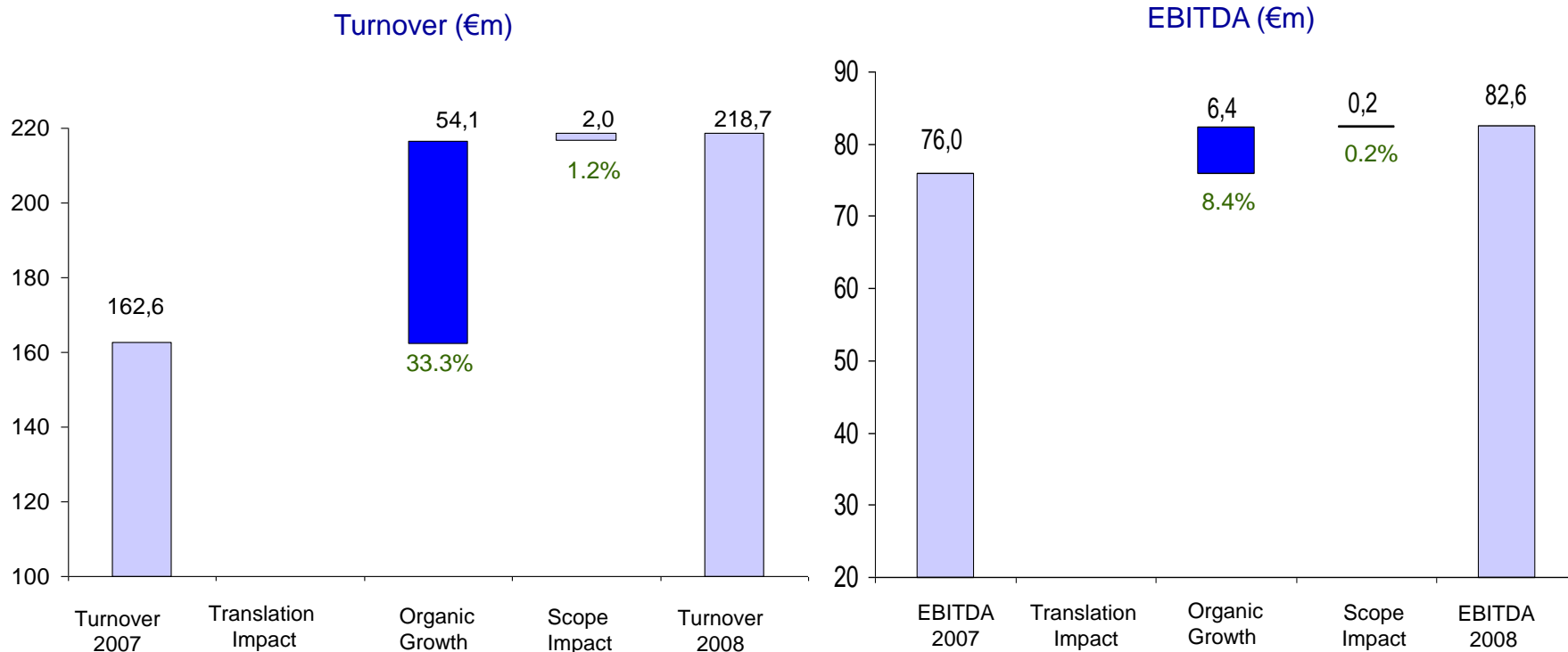


* Percentage change 08 actual vs. 07

Market Overview, SE Europe 9month 2008



- Volume growth continues at a slower pace
- Price increases follow energy costs surge
- CO₂ emission rights in Bulgaria not yet finalized

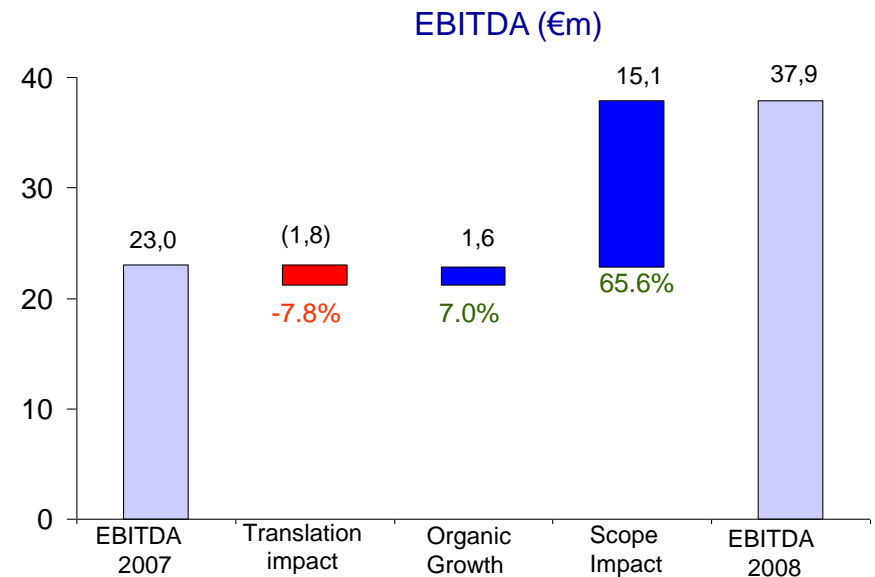
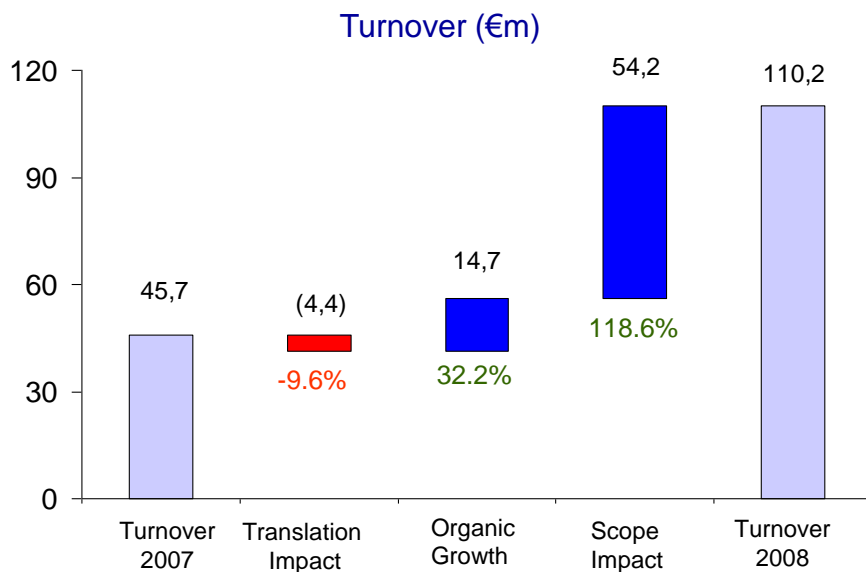


* Percentage change 08 actual vs. 07

Market Overview, Eastern Med. 9month 2008



- Volume growth maintained in Egypt
- Price increases in Egypt partially covered higher energy costs and raw materials fee
- Pressure on prices in Turkey, as new capacities come on stream
- Importation slowdown in Russia challenges surplus absorption in Turkey



* Percentage change 08 actual vs. 07

Note: Proportional representation (Titan share of JV only)



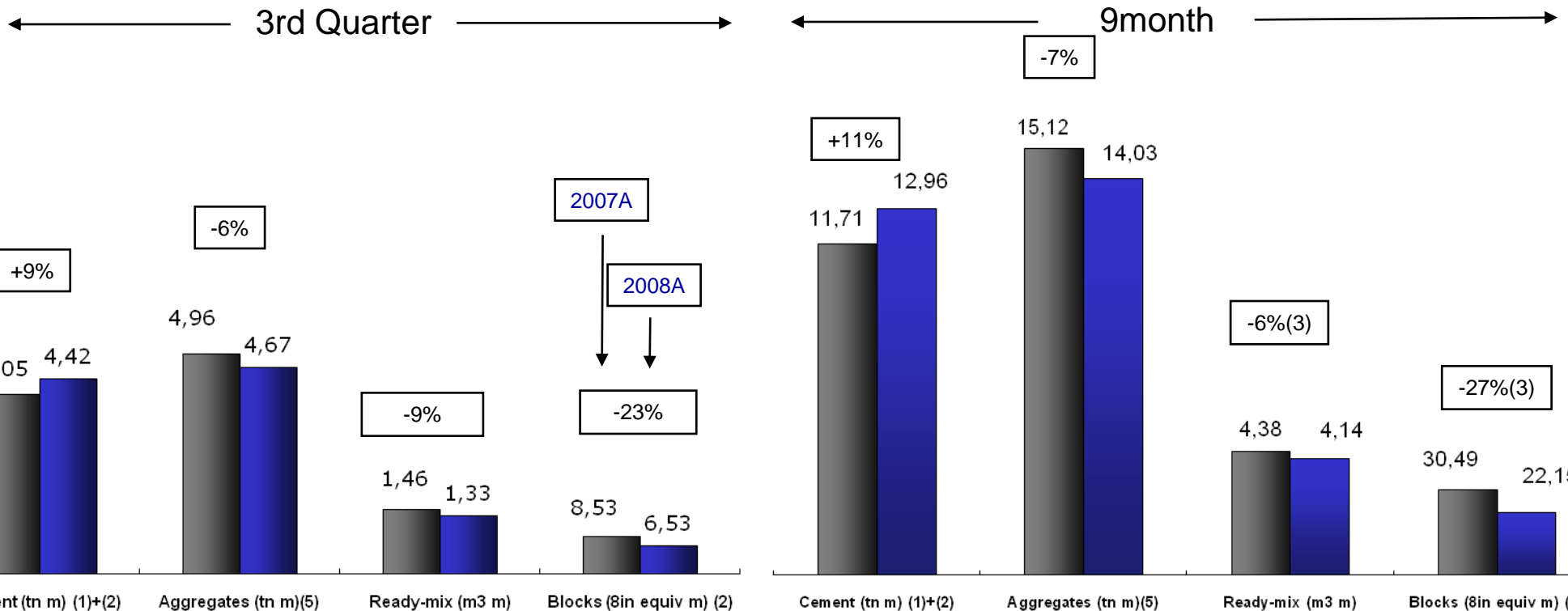
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Key Sales Volume 9month 2008



Cement volume growth is driven primarily by S.E.Europe (organic) and E. Mediterranean (acquisition & organic). Concrete & Aggregates decline continues to be very pronounced in the USA



(1) Cement sales include clinker and cementitious materials
 (2) Includes Turkey JV at 100%

Financial Highlights

9month 2008



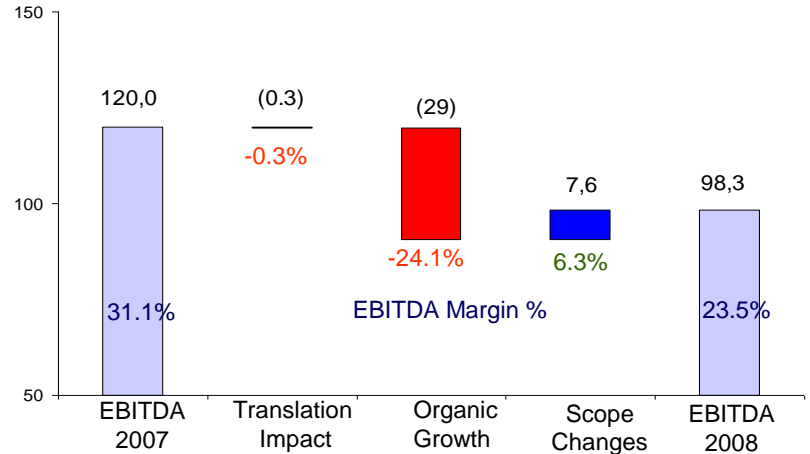
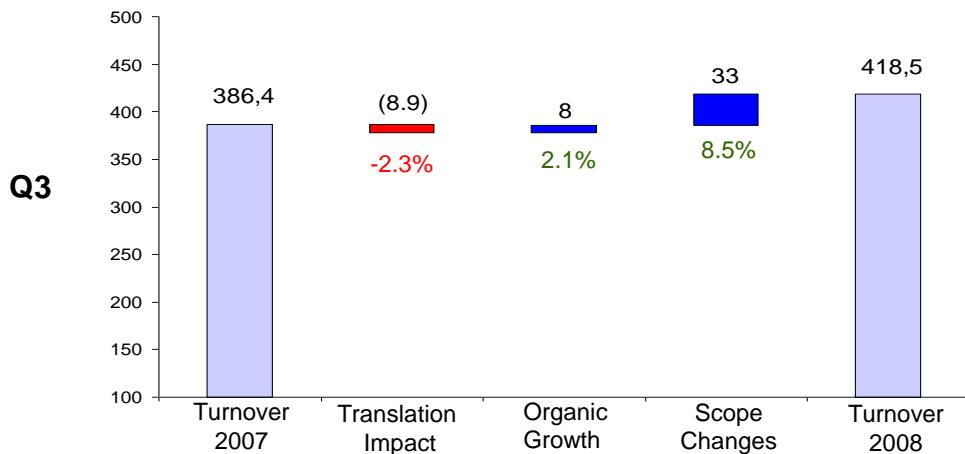
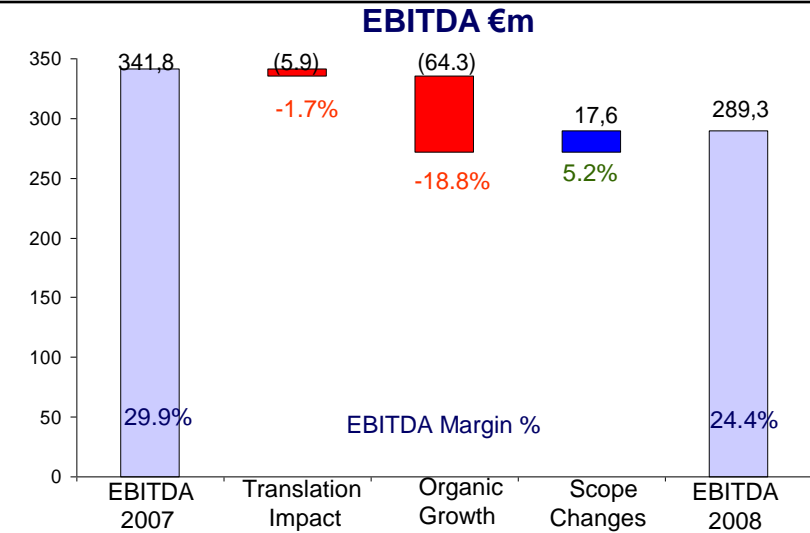
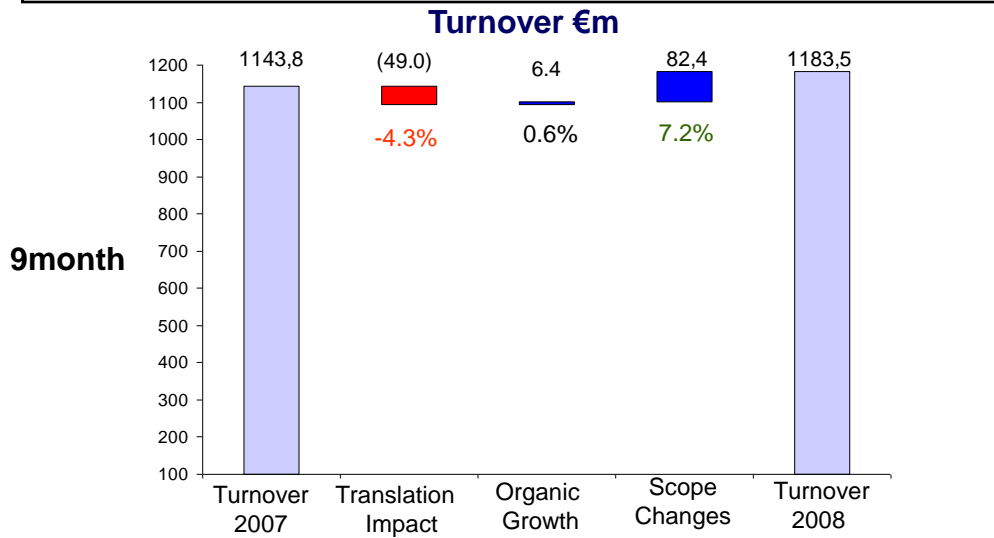
- Turnover in Q3 grew by 8.3% driven by recent acquisitions. SEE & Greece turnover growth in Q3 fully offset the US decline.
- Ebitda negatively affected by the steep increase of production costs (energy prices surge)
- Earnings before tax in Q3 hit by the increased interest expenses due to higher debt
- Significantly lower tax rate ytd, due to the one-off tax benefits in Bulgaria and provision reversal in Greece

Q3 2008				9month 2008		
Actual 2008	Actual 2007	Var 08 vs 07		Actual 2008	Actual 2007	Var 08 vs 07
418,5	386,4	8,3%	Turnover	1.183,5	1.143,8	3,5%
98,3	120,0	-18,1%	EBITDA	289,3	341,8	-15,4%
23,5%	31,1%	-7.6 pts	<i>EBITDA Margin</i>	24,4%	29,9%	-5.4 pts
57,0	86,2	-33,9%	Earnings Before Tax	179,4	248,2	-27,7%
47,3	68,8	-31,3%	Net Profit after Taxes & Minor.	163,2	193,3	-15,6%
				30/09/2008	31/12/2007	Var
			Share Price, TITK	23,2	31,20	-25,6%
			ASE Index	2.856,47	5.178,83	-44,8%

Group Turnover and EBITDA – 9month & Q3 2008



Excluding the impact of translation, Group turnover was ahead of 2007 in the first half (+7.8%), driven by the recent acquisitions. However, EBITDA continued to be hit by increased costs

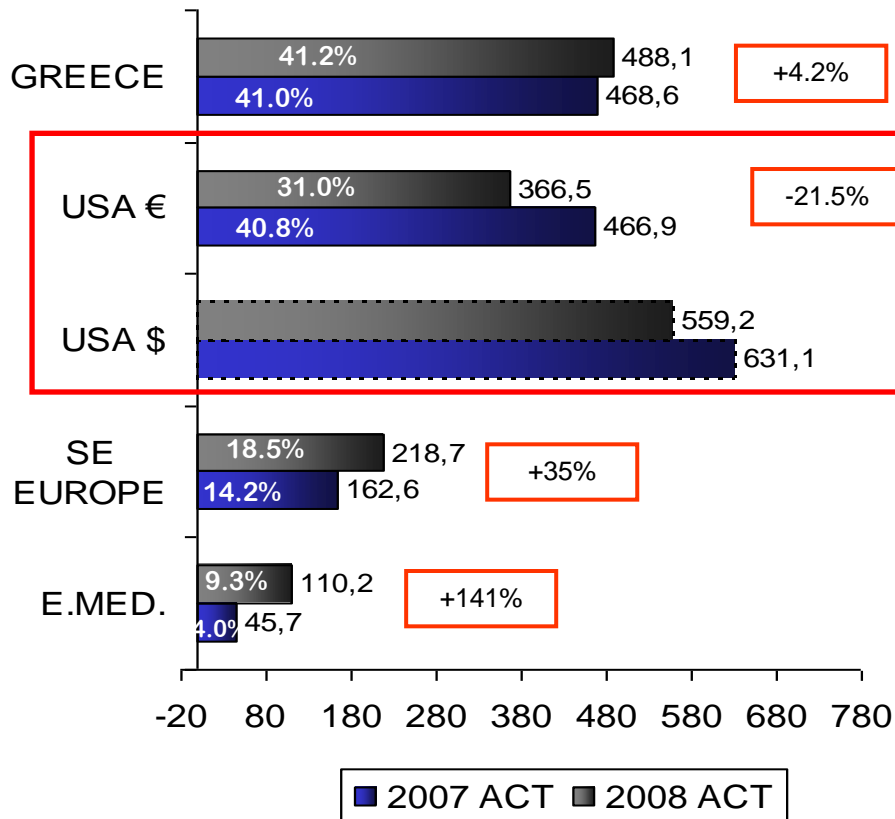


Consolidated Sales & EBITDA by Region 9month 2008

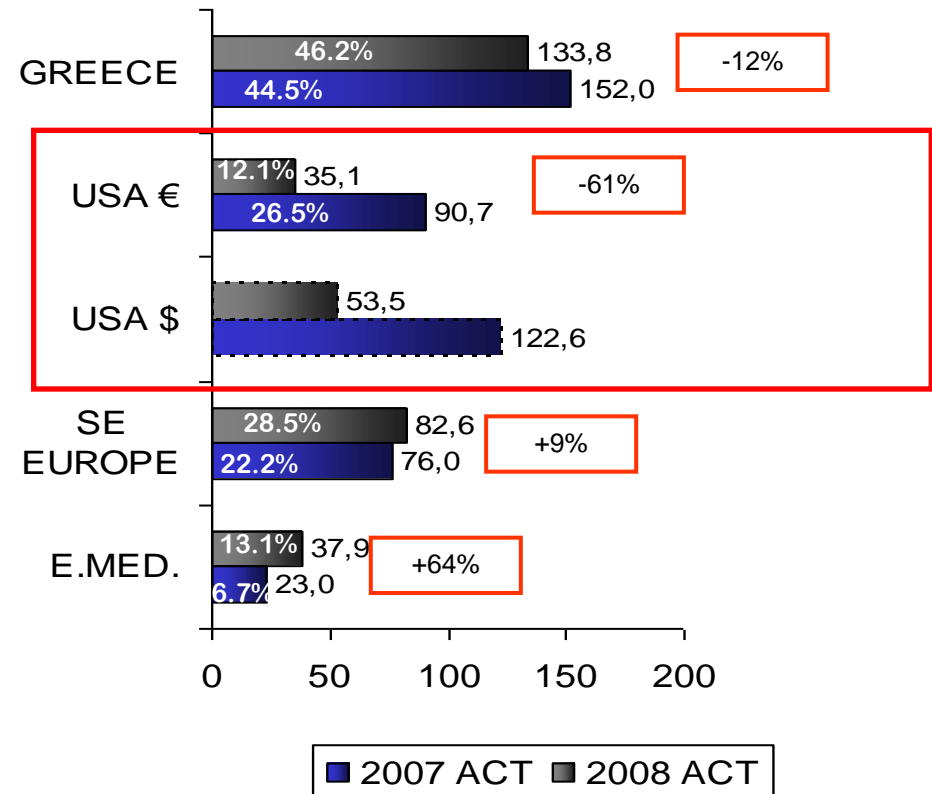


The USA has taken a very significant hit due to costs increases, (evident in all operations) combined with continuing sharp volume declines as well as a weaker dollar

SALES (€m)



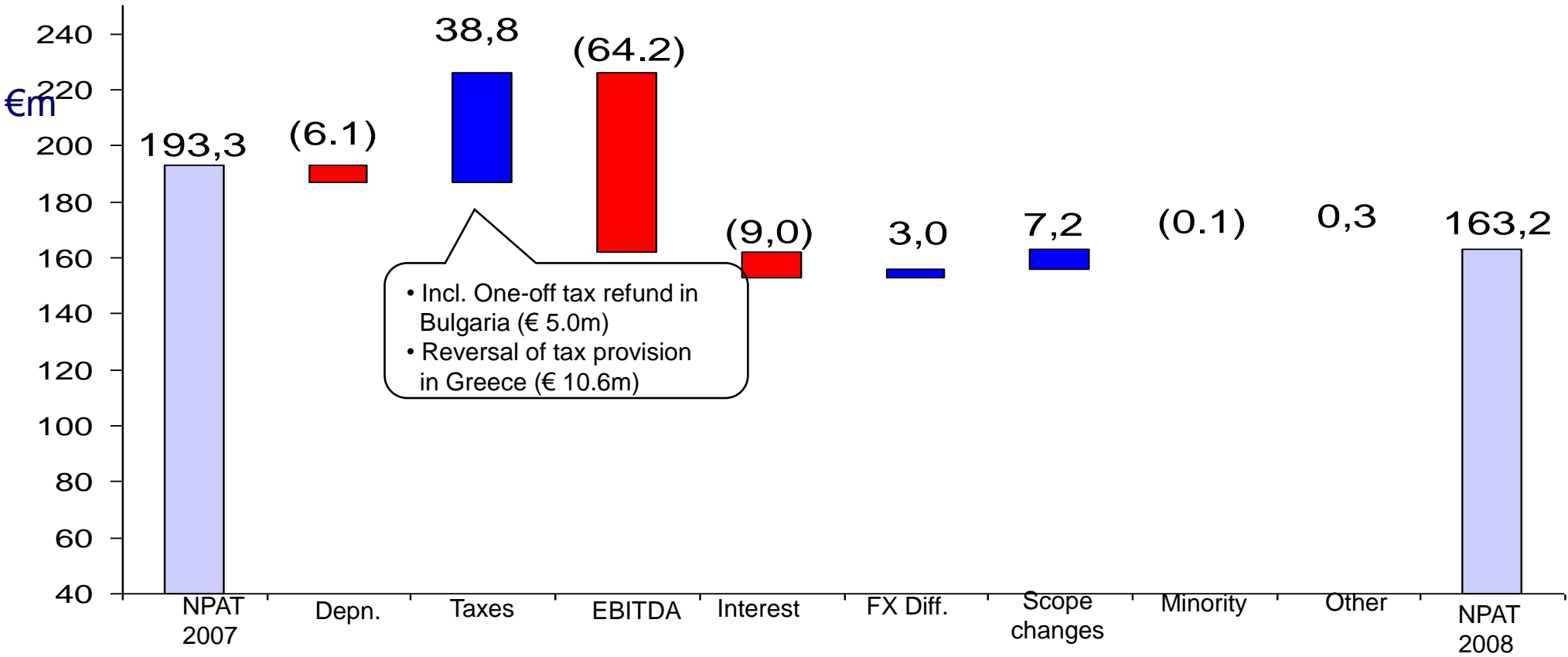
EBITDA (€m)



Group Net Profit after Tax 9month 2008



Net Profit after Taxes decline was mitigated by the one-off tax benefits

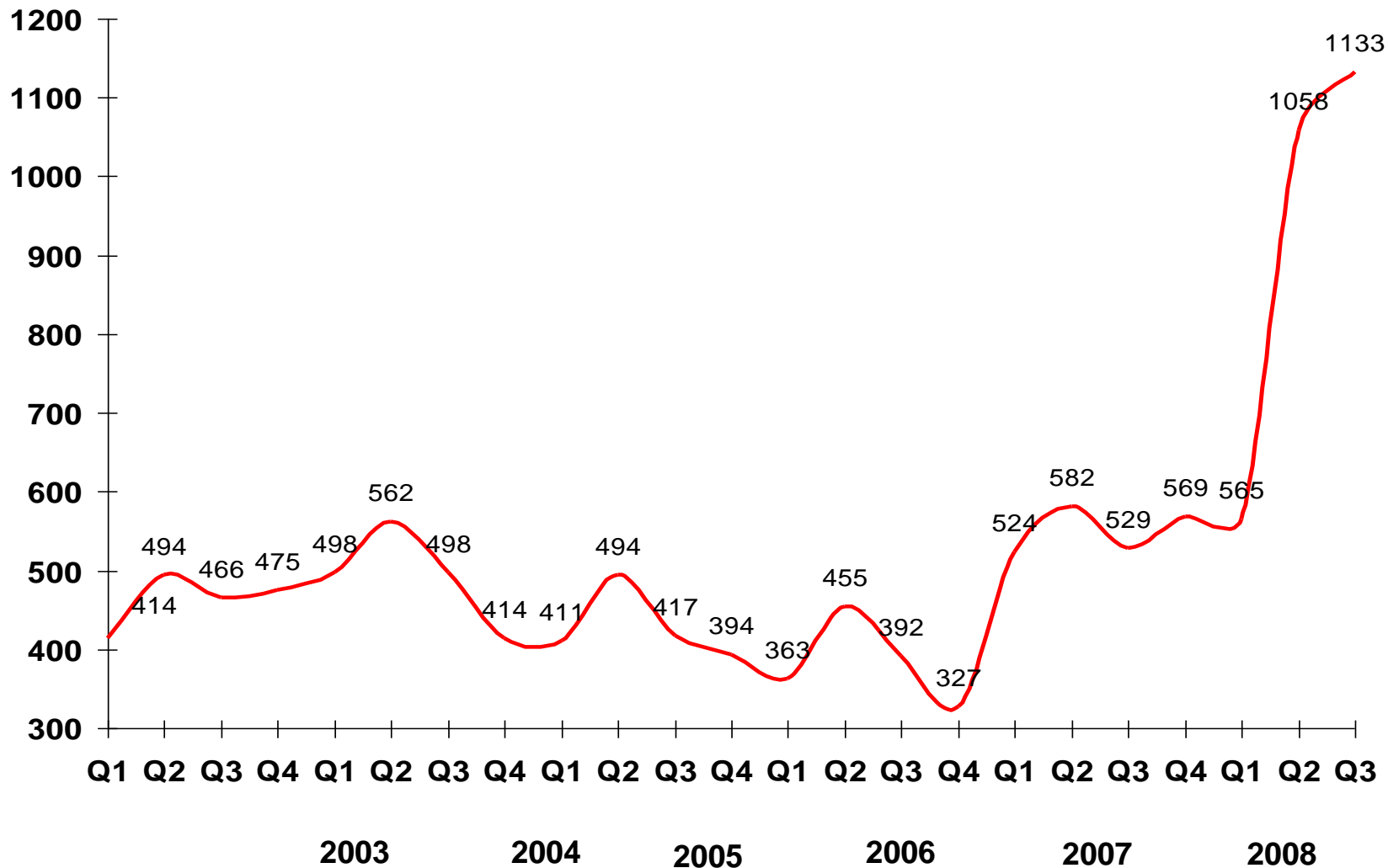


Net Debt as of 30.09.08 9month 2008



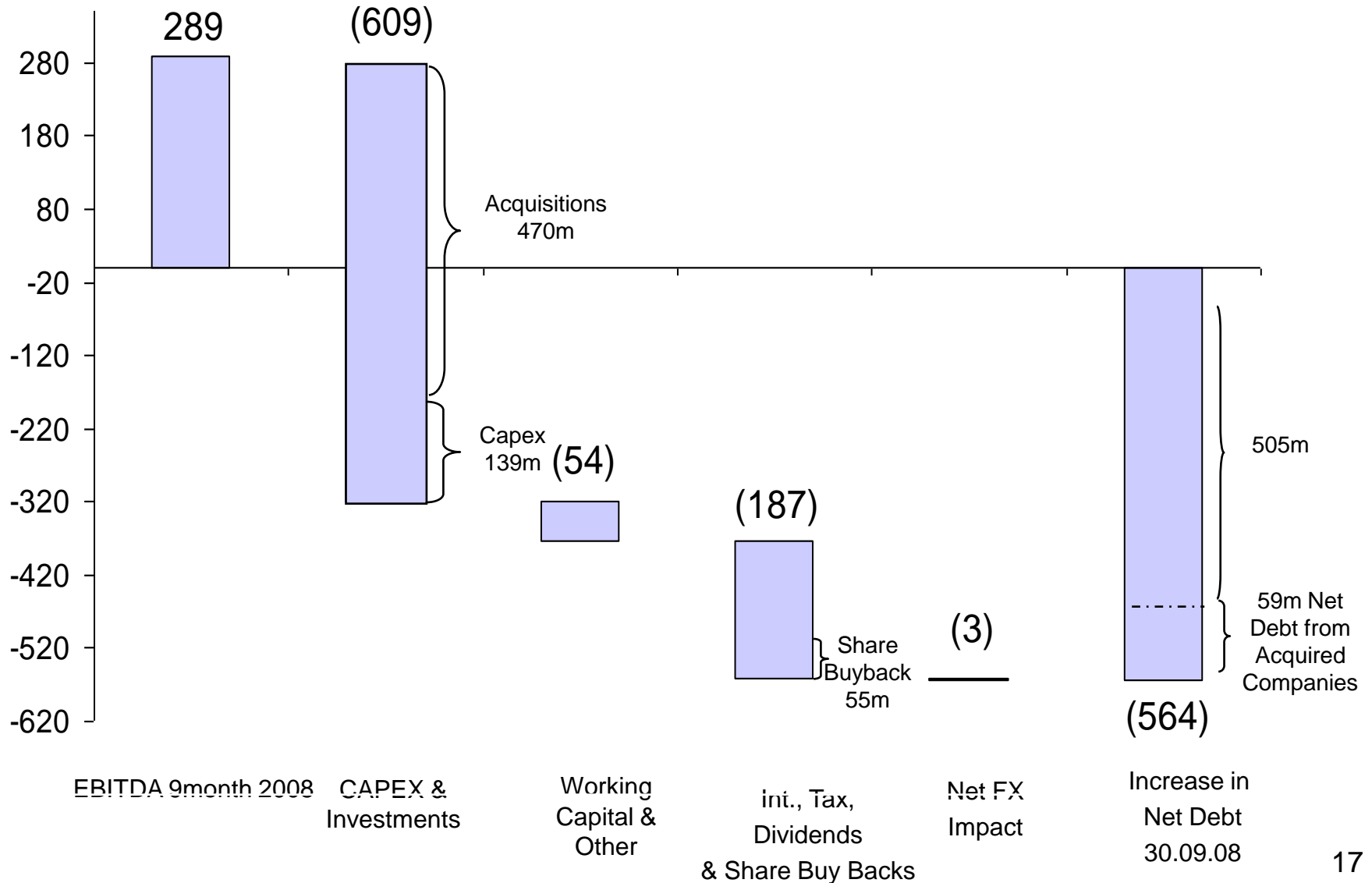
€m

Consolidated Net Debt



Sources & Uses of Cash

9month 2008






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- US demand outlook remains negative
- Greek demand expected to decline moderately
- Positive momentum in Egypt & SEE
- Short-term market outlook in Turkey is challenging

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*...subject to the
spillover effects of
the financial market
crisis into the real
economy*

The world has changed; immediate actions to mitigate risks:

- **Integrate Egypt, Turkey, Albania**
- **Focus on active cash flow management**
- **Use free cash flow to repay debt; de-leveraging period constrained by cap-ex commitments in Egypt and Albania**
- **Minimize new capex**
- **Implement on a cost cutting plan across all fronts**
- **Mitigate energy cost increases**