



**Titan Group**  
**Financial Results – First Quarter 2009**

**Conference Call**  
**Athens – 28<sup>th</sup> May 2009**



## Agenda

- Performance Highlights
- Market Overviews
- Group Financial Results
- Outlook & Acquisitions Highlights

# Performance Highlights

## Q1 2009



- Turnover decreased by -9.5% to €308m, -16% excl. FX, -23% excl. FX and acquisitions
- EBITDA dropped by -18.8% to €62m, - 24% excl. FX, -36% excl. FX and acquisitions
- Net Profit after Tax and Minorities -50% to €21m
- Negative volume trends exacerbated by tough winter
- Demand continued to decline in the US
- Cement volumes weak in Greece & S.E. Europe
- Volume growth sustained in Egypt
- Significant organic SG&A (excl. FX) reduction by 14%
- Major CAPEX projects (Egypt and Albania) on time and on budget



## Agenda

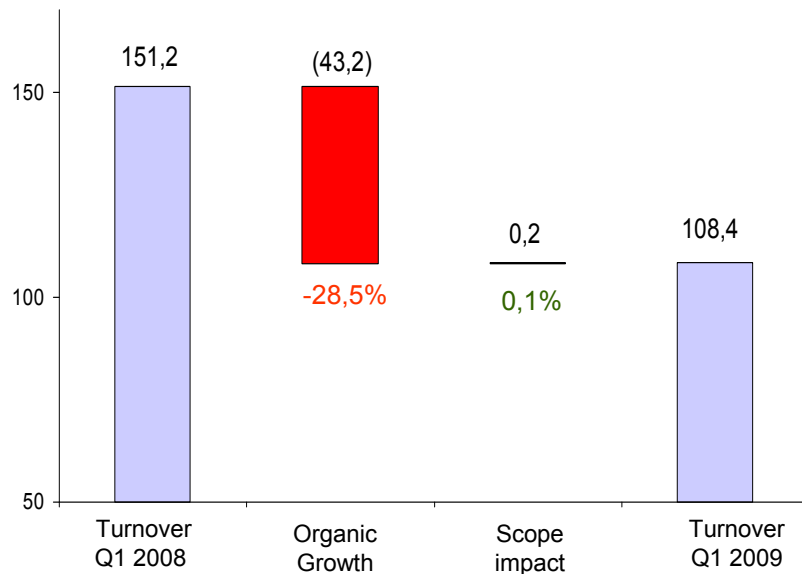
- Performance Highlights
- Market Overviews
- Group Financial Results
- Outlook & Acquisitions Highlights

# Market Overview, Greece & W. Europe Financial Results Q1 2009

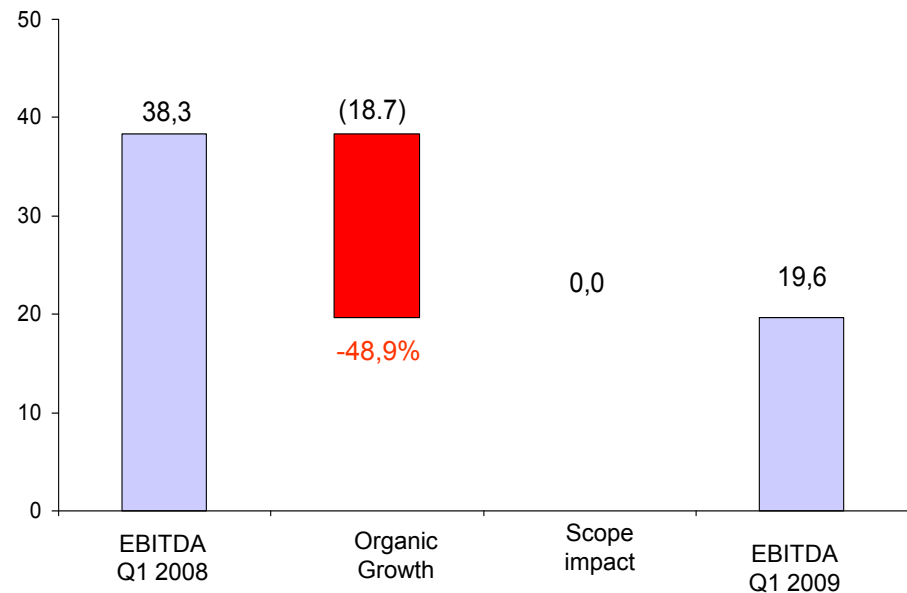


- Construction activity affected by worsening economic climate and prolonged winter
- Production adjusted to reflect weak demand
- Prices proving resilient
- Benefit from lower energy prices will gradually materialize within 2009

Turnover (€m)



EBITDA €m



# Market Overview, USA

## Financial Results Q1 2009



- Demand continues to decline across the board
- Impact from economic stimulus package not felt yet
- Prices broadly stable in \$ terms
- Significant translation impact on turnover and profitability due to stronger \$ vs. €

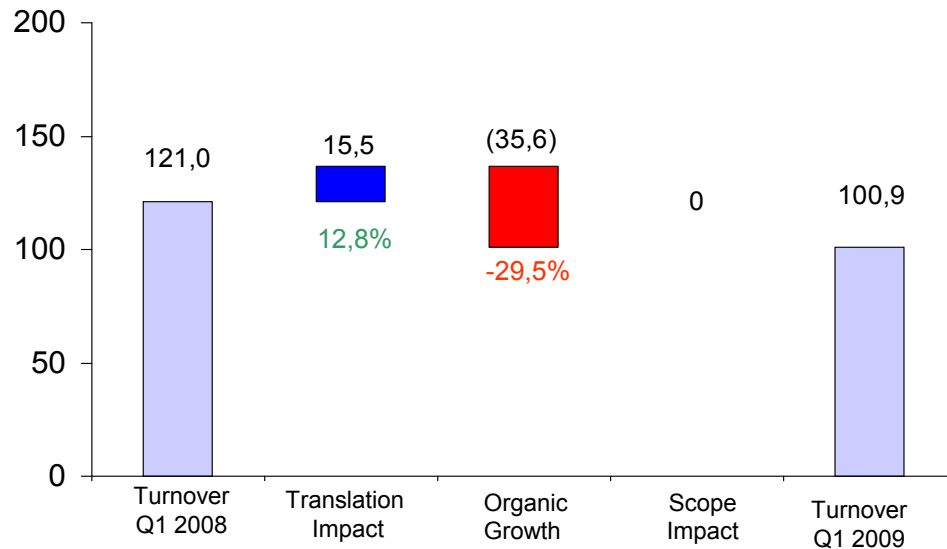
### PCA Cement Consumption Estimates <sup>(1)</sup>

	FLORIDA	VIRGINIA	N. CAROL.	USA
Q1 2009	-36%	-26%	-33%	-27%
Full Year 2009 Est.				-17%

<sup>(1)</sup> Source: PCA Consumption Trends report, data to end March '09

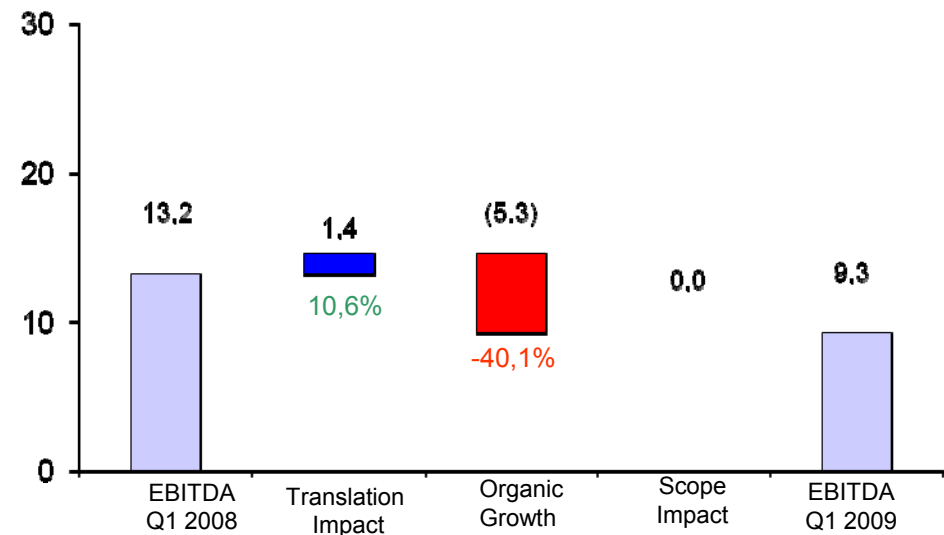
N.B.: PCA data are not necessarily representative of trends prevailing for Titan's operations

### Turnover (€m)



Percentages show change vs. 2008

### EBITDA €m



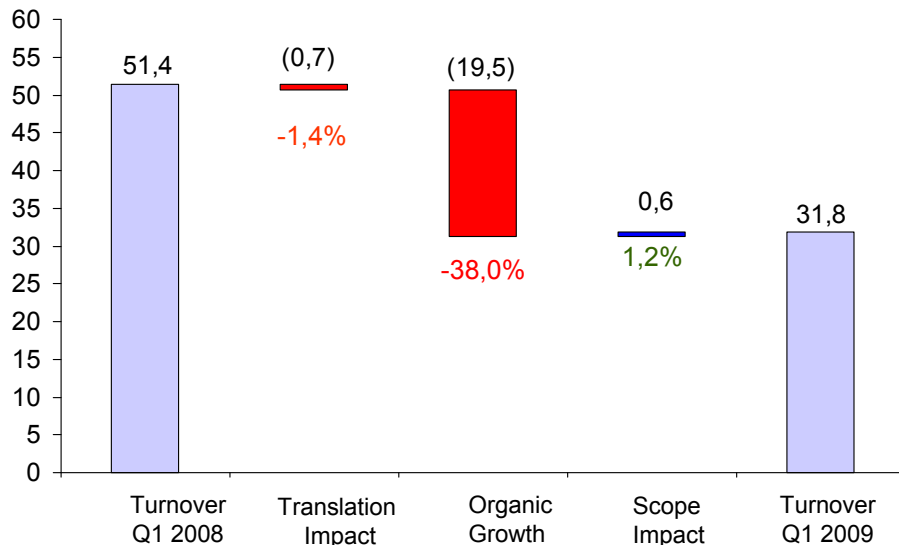
- **In January 2009, the US District Court for the Southern District of Florida invalidated permits for mining Lake Belt**
- **Decision affects all competitors in the area; Titan has already appealed**
- **No impact on Titan's 2009 results**
- **Cost effective contingency plans to maintain Pennsuco production**
- **In May 2009, the US Army Corps of Engineers issued its Final Supplemental Environmental Impact Study (SEIS):**
  - **Public comment period ends June 2009**
  - **Next step is to issue a Record of Decision (RoD) and new permits; timing is unknown**

# Market Overview, SE Europe Financial Results Q1 2009

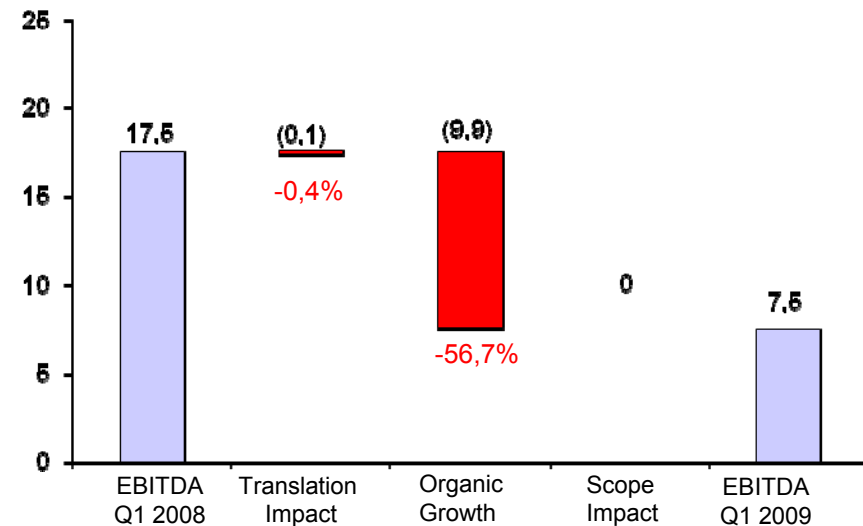


- Volumes declined sharply due to a combination of liquidity crunch, a tough winter and imports activity
- Construction of plant in Albania on time and on budget – continuing to build market share
- Prices compare favorably against last year
- Acquired the remaining minorities (3.65%) in Serbia (concluded in April)

Turnover (€m)



EBITDA €m



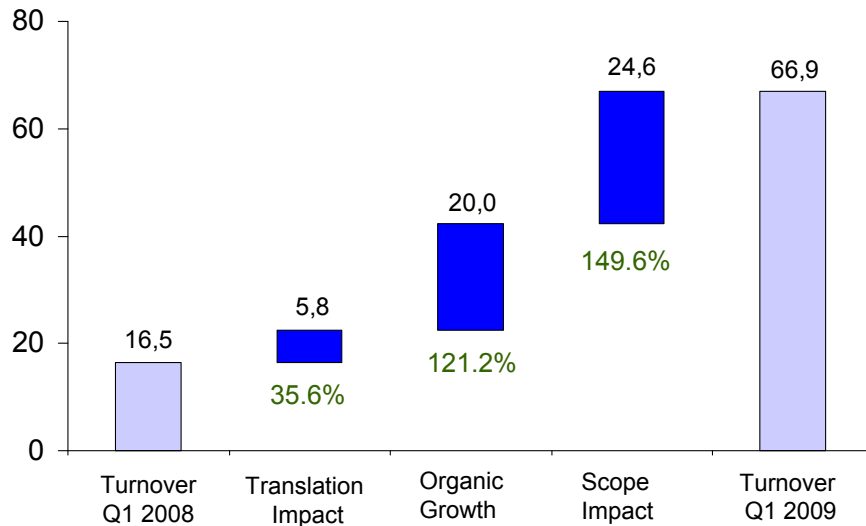


# Market Overview, Eastern Med. Financial Results Q1 2009

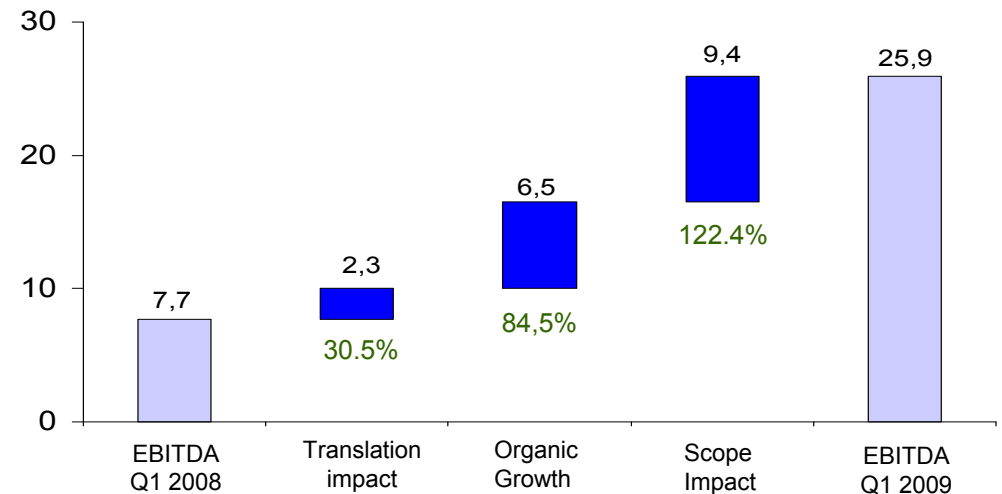


- **Scope expansion fuels turnover and profitability**
- **In Egypt volumes and prices ahead of last year**
- **Beni Suef 2<sup>nd</sup> line on schedule for completion in Q4 2009**
- **Domestic demand slowdown in Turkey coincides with new capacity coming on stream, resulting in price pressures**

Turnover (€m)



EBITDA €m





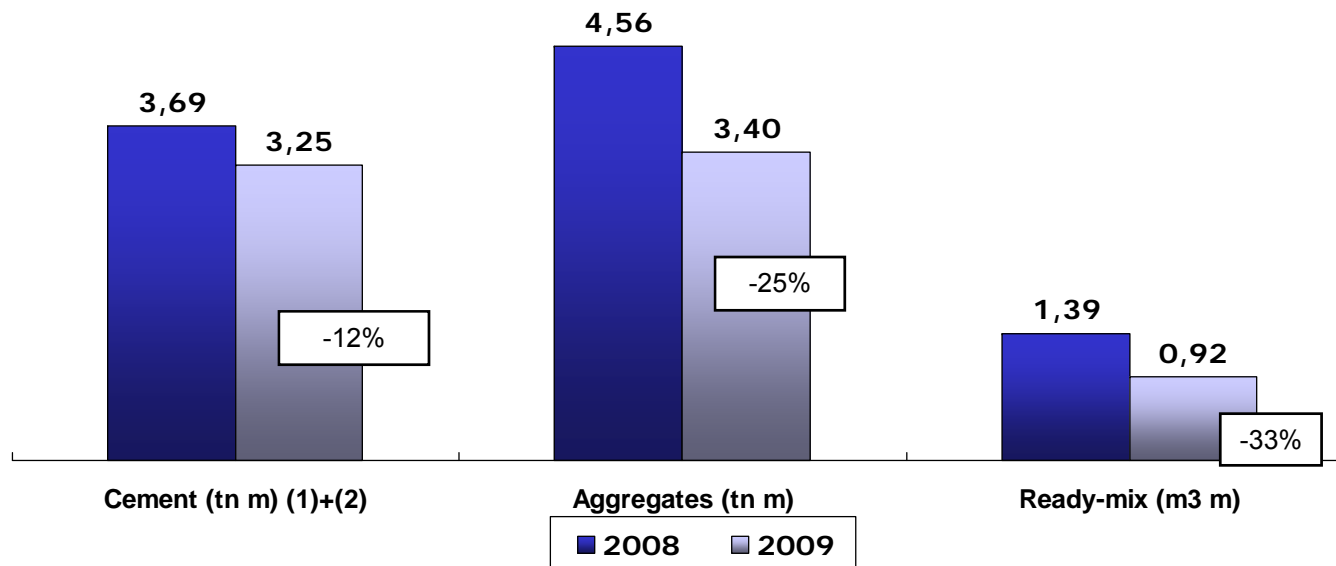
- Performance Highlights
- Market Overviews
- Group Financial Results
- Outlook & Acquisitions Highlights

# Key Sales Volumes Q1 2009



**Decline of cement volumes reflects downturn in the US, Greece and SEE, partially offset by growth in East Med. (organic + acquisitions)**

**Decrease of volumes in other segments driven by weakening demand in the US and Greece**



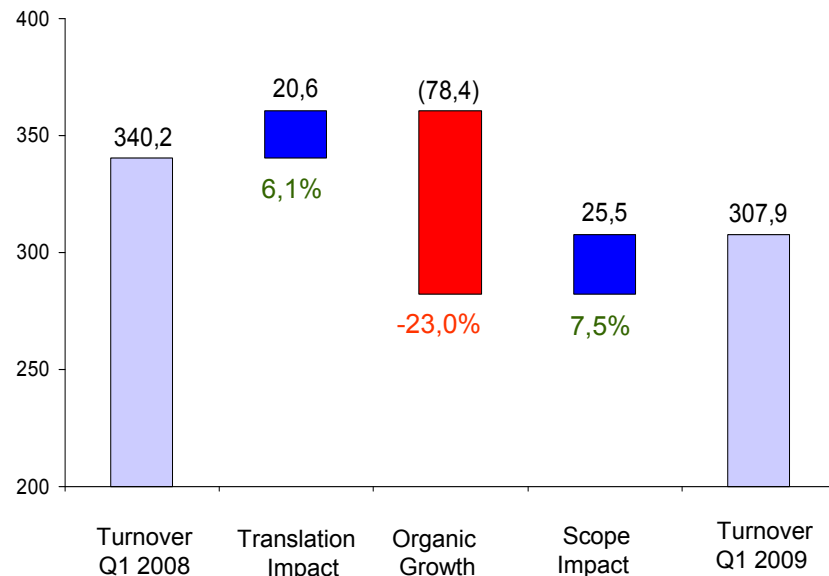
- (1) Cement sales include clinker and cementitious materials
- (2) Includes Egypt & Turkey at 100%, even when accounted for on a proportionate basis

# Group Turnover and EBITDA Q1 2009

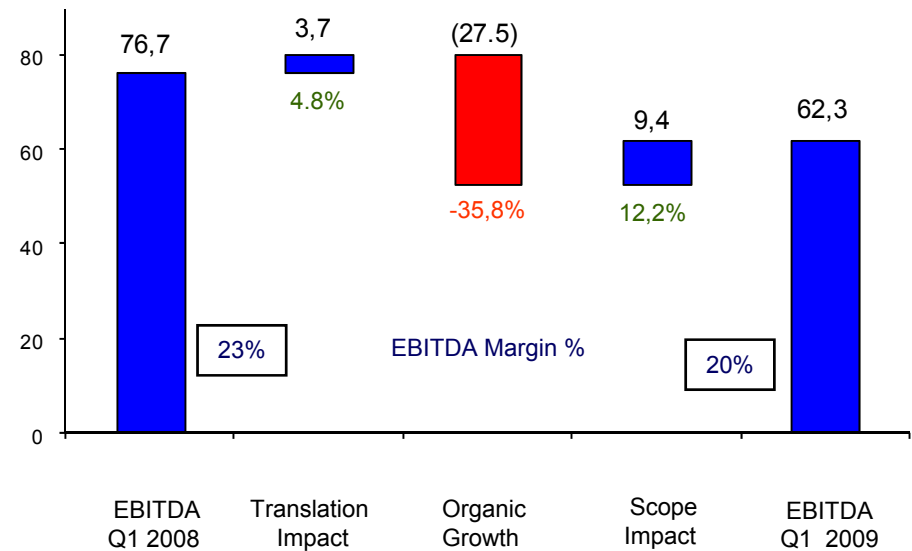


**Turnover and EBITDA decline in the US, Greece and SEE, partially offset by strong performance in East Med and positive FX translation impact due to stronger \$ vs. €**

Turnover €m



EBITDA €m



Note: Q1 results are not necessarily representative of the full year  
Percentages show change vs. 2008

# Financial Highlights

## Q1 2009



**Net profit after tax & minorities impacted negatively by the increased D&A and financing costs, partially offset by lower income tax due to profitability drop**

	Q1 2009	Q1 2008	Var 09 vs 08
Turnover	307,9	340,2	-9,5%
EBITDA	62,3	76,7	-18,8%
<i>EBITDA Margin</i>	<i>20,2</i>	<i>22,6</i>	<i>-2,4pts</i>
EBT	22,1	45,9	-51,8%
Net Profit after Taxes & Minorities	21,3	42,7	-50,1%

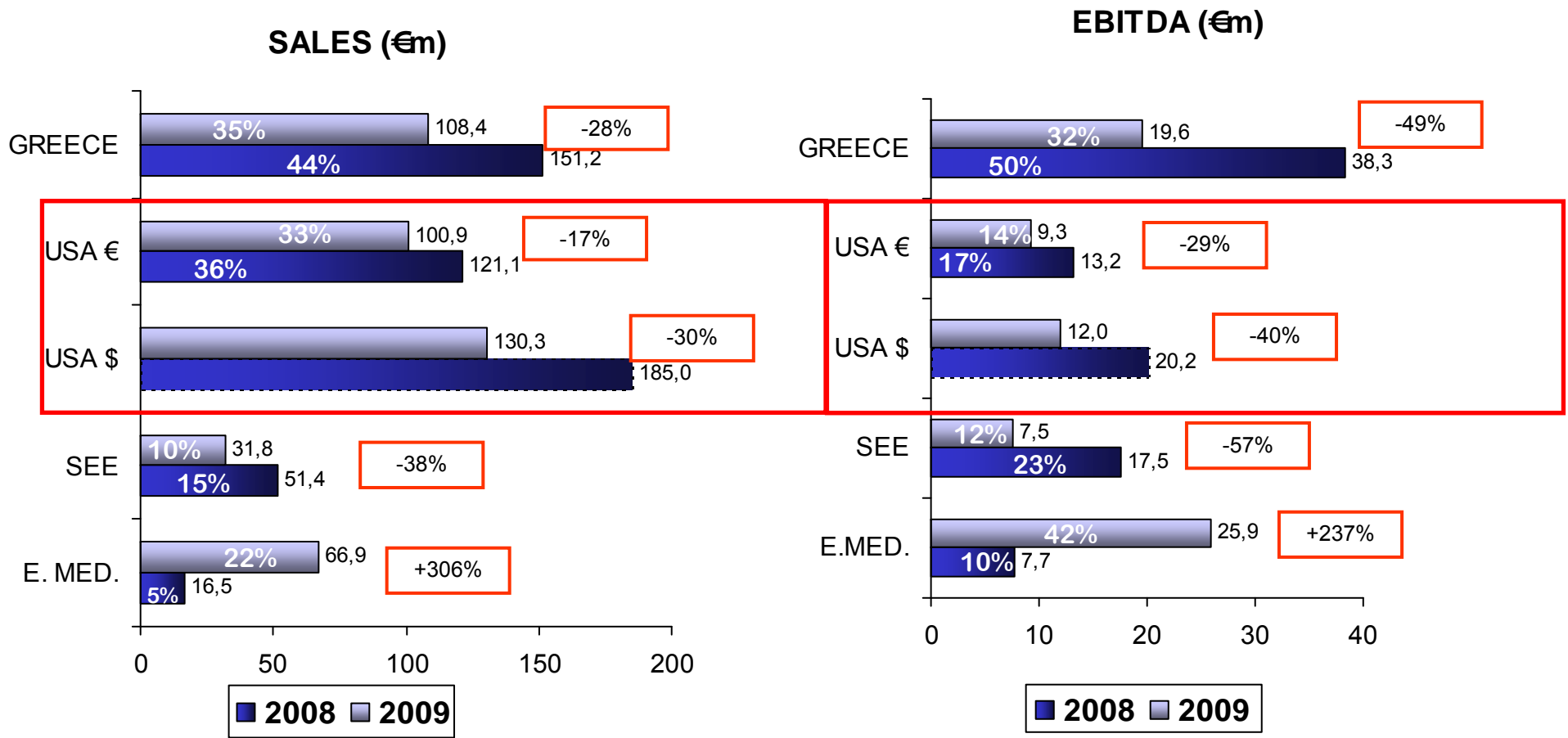
  

	31/3/2009	31/12/2008	Var
Share Price	16,0	13,9	15,1%
ASE Index	1.684,37	1.786,51	-5,7%

# Consolidated Sales & EBITDA by Region - Q1 2009



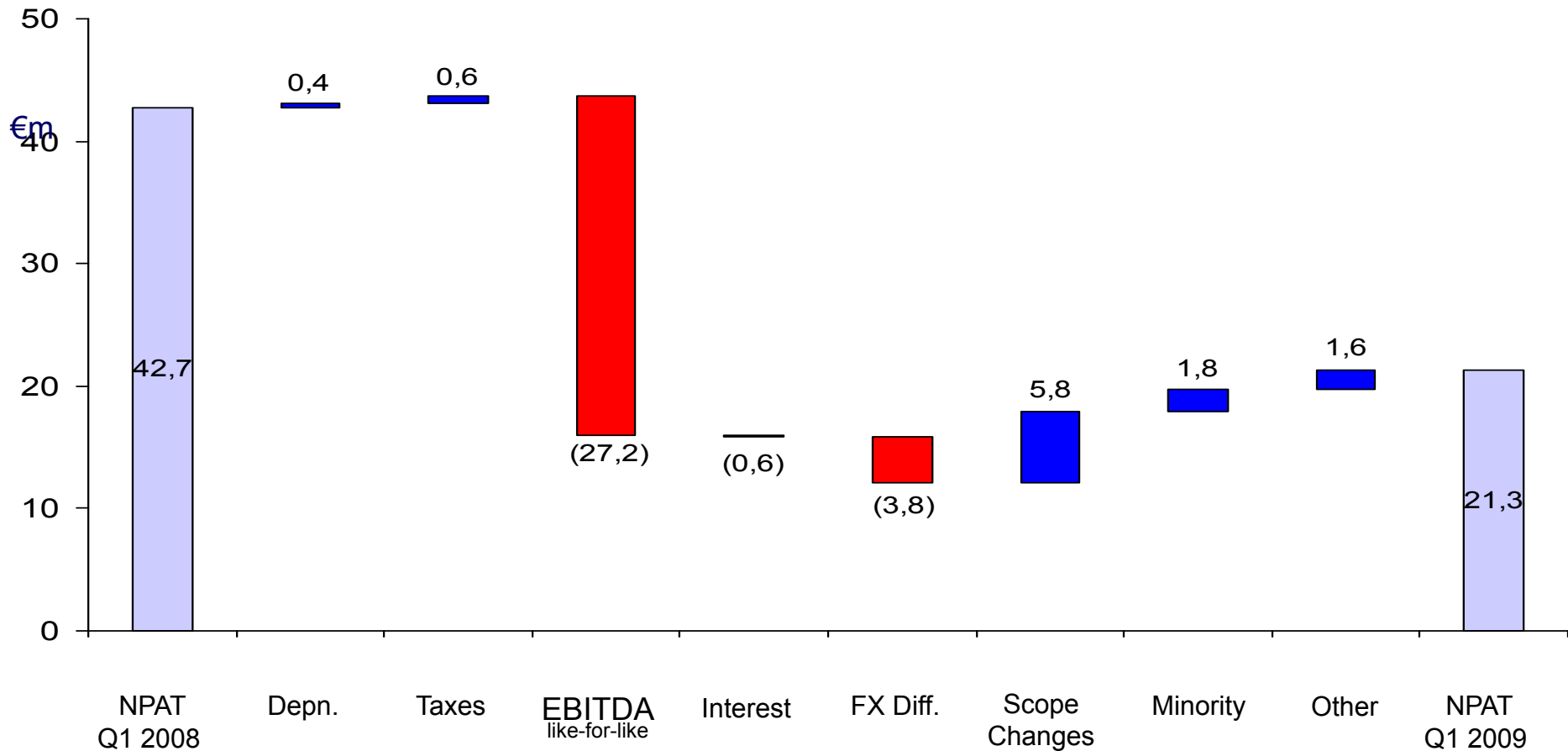
**Good performance in East Med was offset by lower contribution of other regions. Stronger \$ parity vs. € eased Sales and EBITDA decline rate in the US**



# Group Net Profit after Tax Q1 2009



**Net Profit after Taxes halved due to organic EBITDA decline,  
partially offset by acquisitions**



Note: Q1 results are not necessarily representative of the full year

# Foreign Currency Rates

## Q1 2009



### Balance Sheet and P&L impacted by \$ vs. € variance

	Actual	Actual	Variance
<u>BALANCE SHEET</u>	<u>31/3/2009</u>	<u>31/12/2008</u>	<u>31/3/09 vs</u> <u>31/12/08</u>
€1 = USD	1,33	1,39	4%
€1 = EGP	7,50	7,68	2%
1USD=EGP	5,64	5,51	-2%
€1 = RSD	94,78	88,60	-7%
1USD=JPY	98,56	90,64	-9%
€1 = TRY	2,22	2,15	-3%

<u>P&amp;L</u>	<u>Ave 3M 09</u>	<u>Ave 3M 08</u>	<u>Ave 3M 09 vs</u> <u>3M 08</u>
€1 = USD	1,29	1,53	15%
€1 = EGP	7,23	8,41	14%
1USD=EGP	5,59	5,50	-2%
€1 = RSD	94,23	82,85	-14%
1USD=JPY	95,25	103,31	8%
€1 = TRY	2,16	1,88	-15%

Bulgarian Leva fixed at €1 = BGN 1,956

No change in €/MKD exchange rates

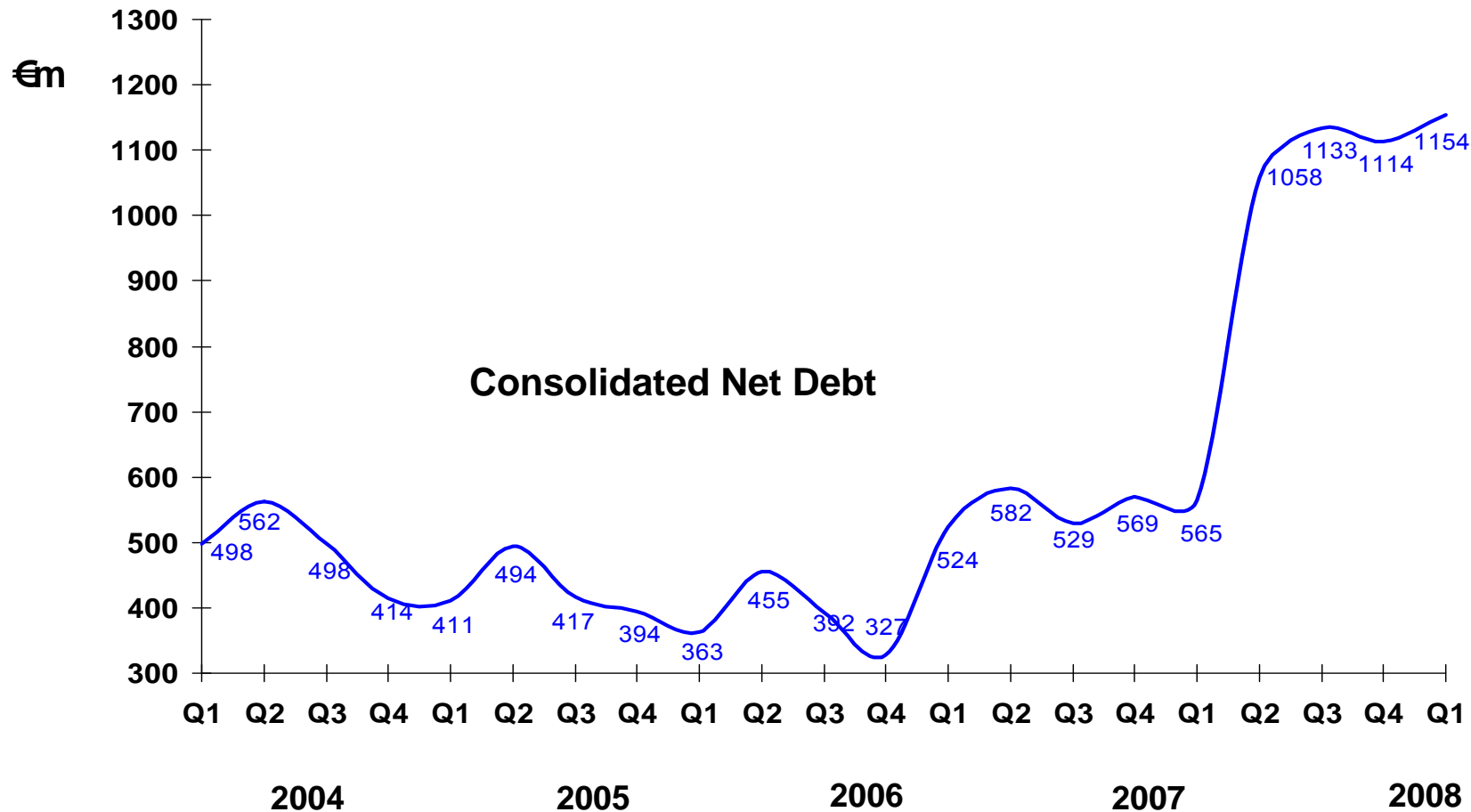
A negative variance represents a devaluation of the base currency vs. the Euro



# Net Debt as of 31.03.09

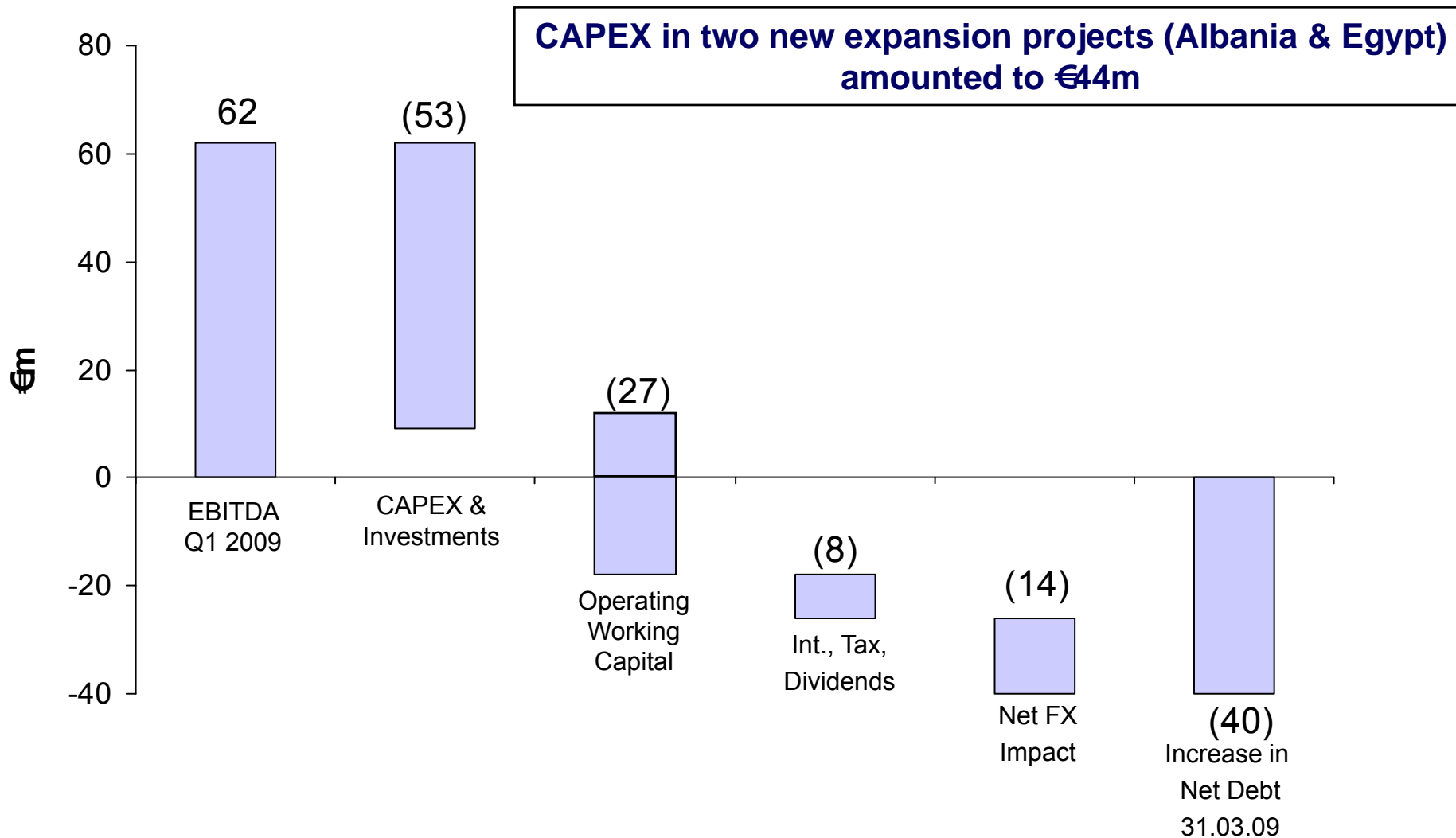


Increase of Net Debt by €40m vs. 31/12/08, due to front loaded CAPEX and stronger \$ vs. €



# Sources and Uses of Cash

## Q1 2009





- Performance Highlights
- Market Overviews
- Group Financial Results
- Outlook

# 2009 Outlook

- Demand for building materials heavily affected by the continuing global financial crisis
- Visibility of market trends remains poor
- US outlook remains negative; (PCA: -17% in '09); stimulus package likely impact end '09
- Greek demand to decline faster vs. 2008
- Volumes in S. E. Europe expected to decline
- Short term demand outlook in Egypt remains strong; 2<sup>nd</sup> line goes live in Q4 2009
- Turkey immediate outlook is challenging, due to sharp change in demand/supply balance
- Prices broadly resilient
- Fuel prices decline, if sustained, will have a progressive positive impact during 2009
- Focus remains on generating positive free cash flow and repaying debt
- Limit new CAPEX; complete investment in value adding sites in Egypt & Albania
- Continue cost cutting initiatives



**Titan Group**  
**Financial Results – First Quarter 2009**

**Athens – 28<sup>th</sup> May 2009**