

A large, semi-transparent watermark of the Titan Group logo is centered in the background, consisting of several curved, overlapping bands in shades of blue and grey.

Titan Group

Financial Results – Half Year 2009

Athens – 27th August 2009



- **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

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

Performance Highlights H1 2009



- Turnover decreased by -10.6% to €684m, -15% excl. FX, -19% excl. FX and acquisitions
- EBITDA decreased by -16.1% to €161m, -19% excl. FX , -25% excl. FX and acquisitions
- Net Profit after tax and minority interest down by -48.8% to €59m, due to higher D&A, finance costs and the effect of €16m positive one-off tax items booked in H1 '08
- Cement volumes declined in all Regions, except Eastern Mediterranean
- Prices proved resilient
- Major capex projects (Egypt & Albania) on time and within budget
- Reduced organic SG&A (excl. FX) by €8.6m or 13% vs. year ago
- Generated positive free cash flow ⁽¹⁾ + €92m
- Reduced net debt by €86m, issued a €200m Eurobond



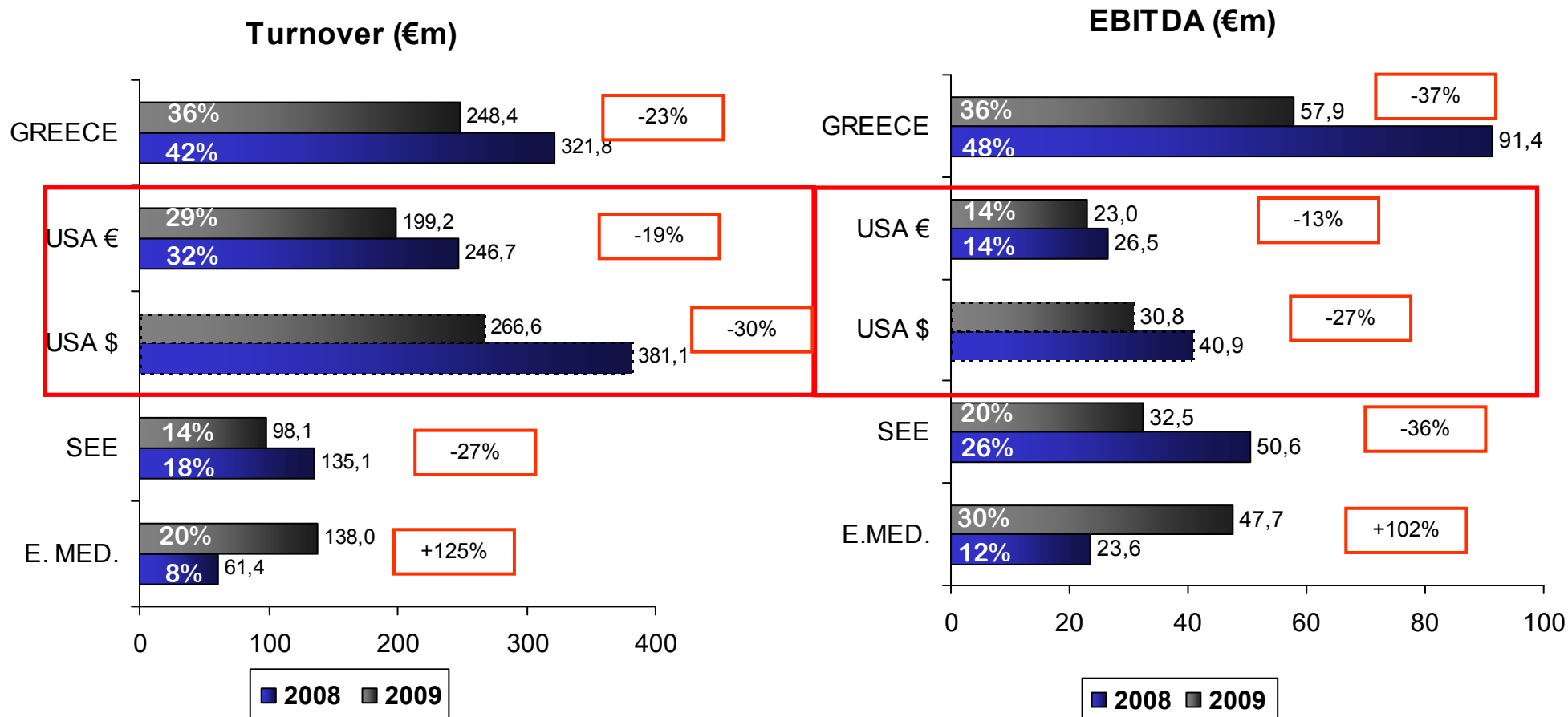
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Consolidated Sales & EBITDA by Region – 1st Half 2009



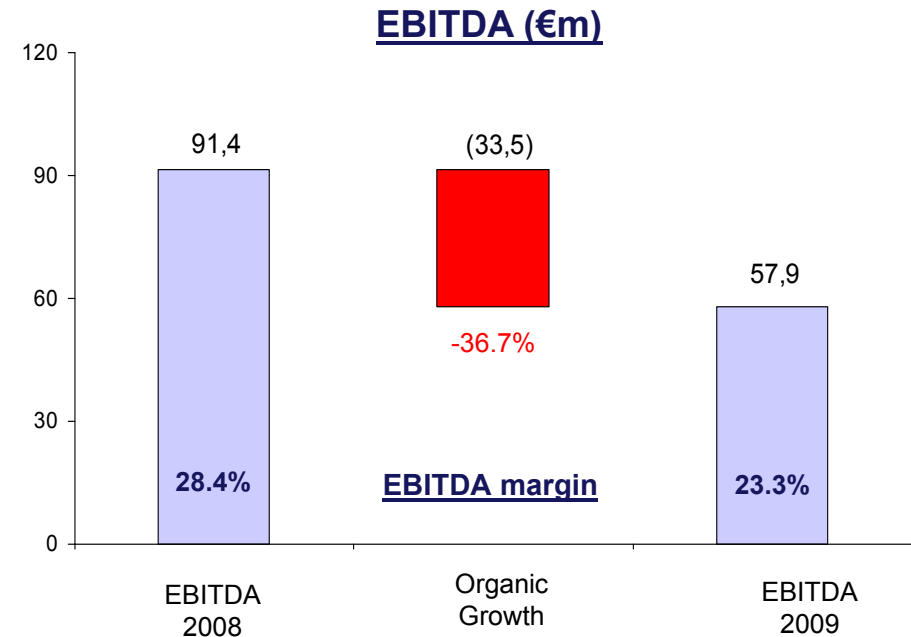
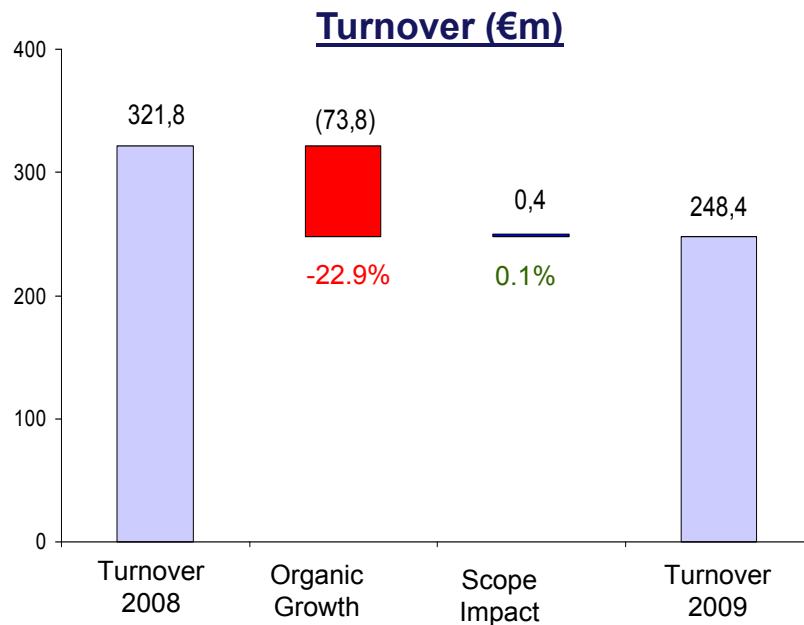
Strong performance in East Med increased weight on Group turnover and EBITDA to 20% and 30% respectively. Stronger \$ parity vs. the € eased decline rates in the US



Market Overview, Greece & W. Europe Financial Results 1st Half 2009



- Worsening economic climate continues to affect construction activity
- Unsold stock of newly-built houses weighs on demand
- Prices broadly stable
- Decline in solid fuel prices will gradually benefit profitability in H2 2009



Market Overview, USA

Financial Results 1st Half 2009



- Stimulus package not seen in the market yet
- Prices slightly eroded in \$ terms
- In Lake Belt, the ACE to issue a Record of Decision (ROD) and new permits; timing is unknown
- Sizeable positive translation effect due to stronger \$ vs. €

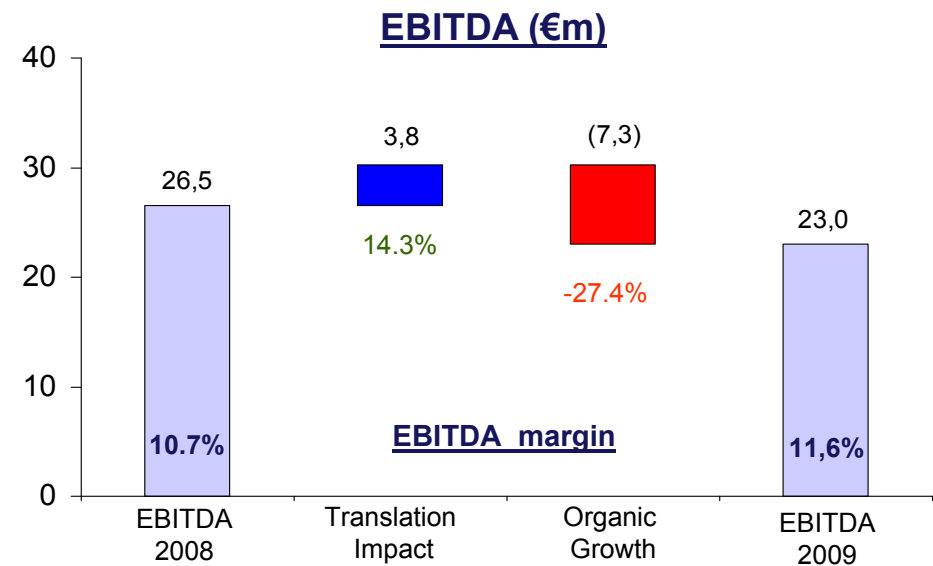
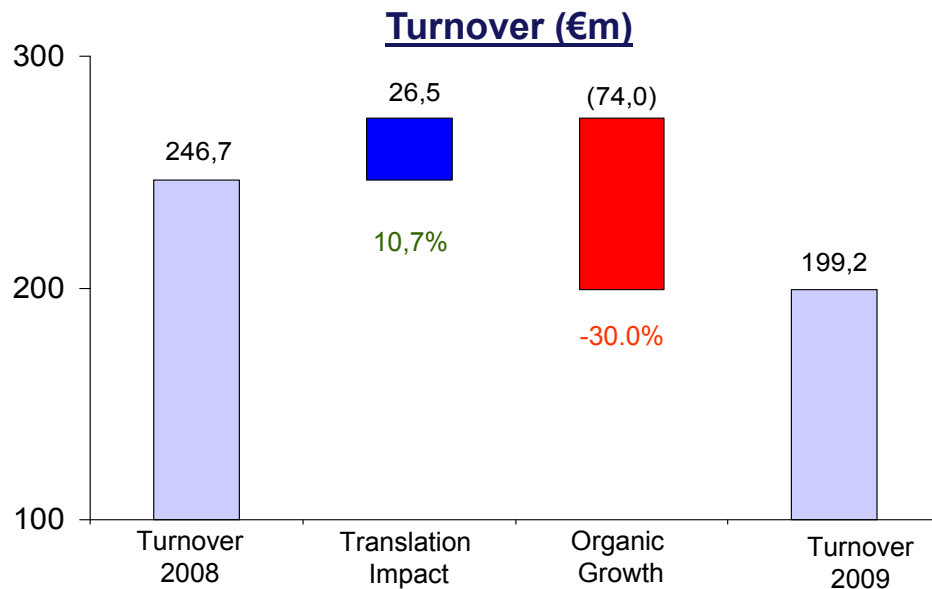
Demand continues to decline in the US; particularly in Florida

	FLORIDA		SOUTH ATLANTIC		USA	
<u>Cement Market Volumes⁽¹⁾</u>						
Cement Consumption (PCA) YTD June '09	-38%		-35%		-29%	
	12 Month Average	3 Month Average	12 Month Average	3 Month Average	12 Month Average	3 Month Average
<u>Total Housing Permits⁽²⁾</u>						
Variance	-44%	-53%	-43%	-46%	-41%	-47%

⁽¹⁾ Source: PCA Consumption Trends report, data to end June '09

⁽²⁾ PCA Market Pulse - data to end May '09

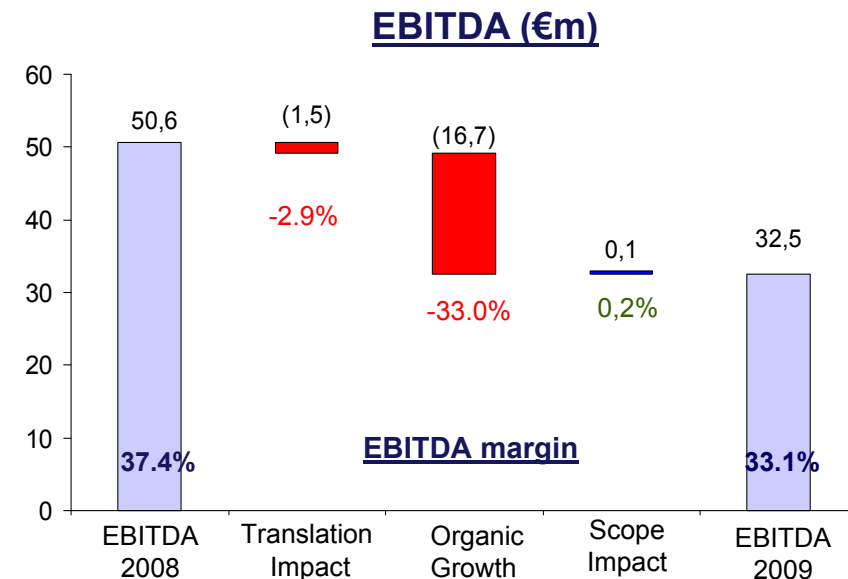
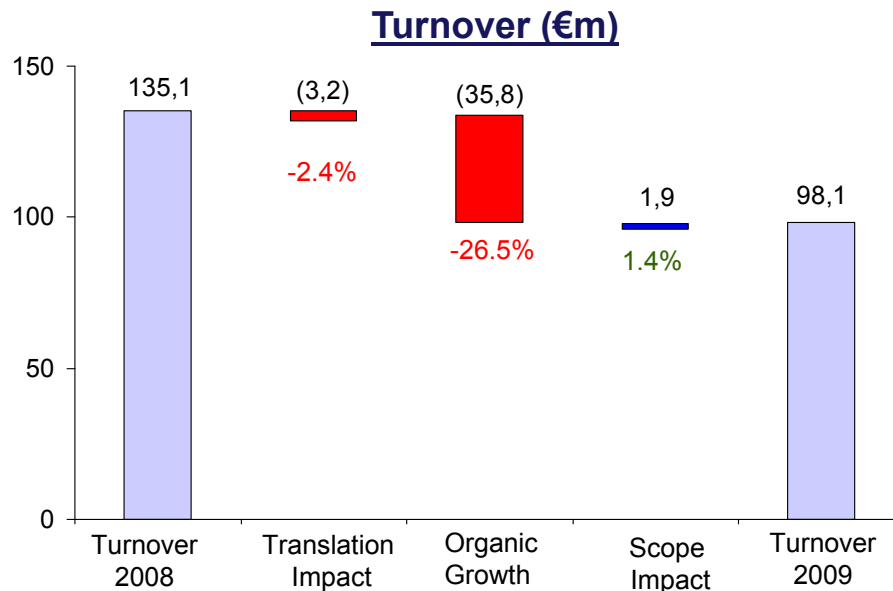
N.B.: PCA data are not necessarily representative of trends prevailing for Titan's operations



Market Overview, SE Europe Financial Results 1st Half 2009



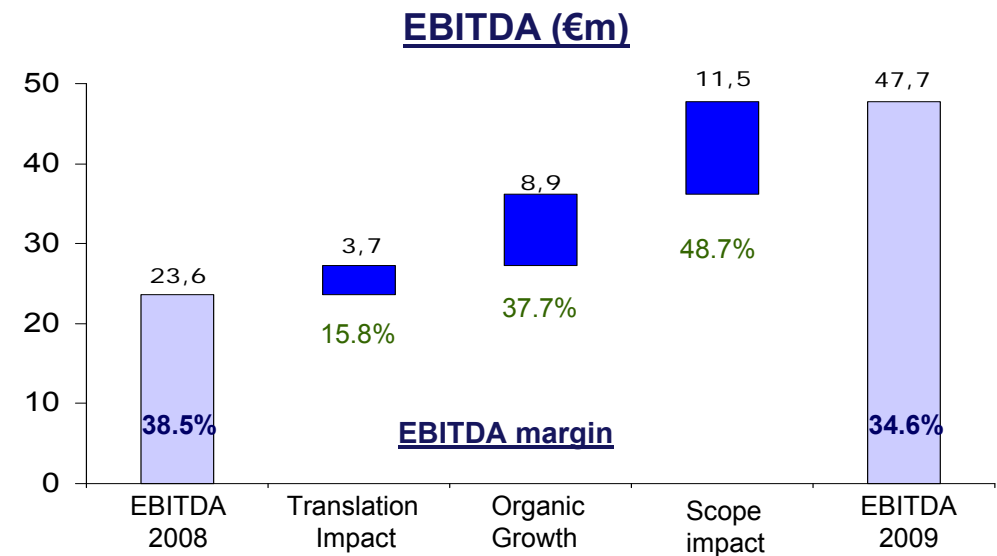
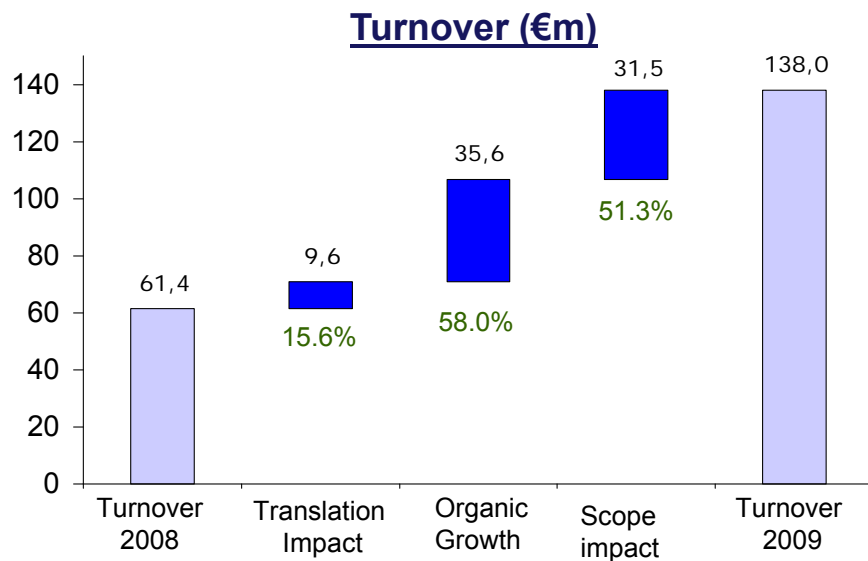
- Demand declined in all major markets
- New plant in Albania progresses according to plan (Q1 2010), while keep building market share
- Prices compare favorably against last year
- Acquisition of remaining minorities (3.65%) of Kosjeric (Serbia) through squeeze out (€2.6m)



Market Overview, Eastern Med. Financial Results 1st Half 2009



- In Egypt, volume and prices ahead of last year
- Beni Suef 2nd line on schedule for completion in early Nov 09; meet increased demand through purchased clinker & imported cement/clinker
- Exports slowdown from Turkey challenges surplus absorption and applies downward pressure on export and domestic prices
- Significant translation impact due to EGP appreciation vs. €





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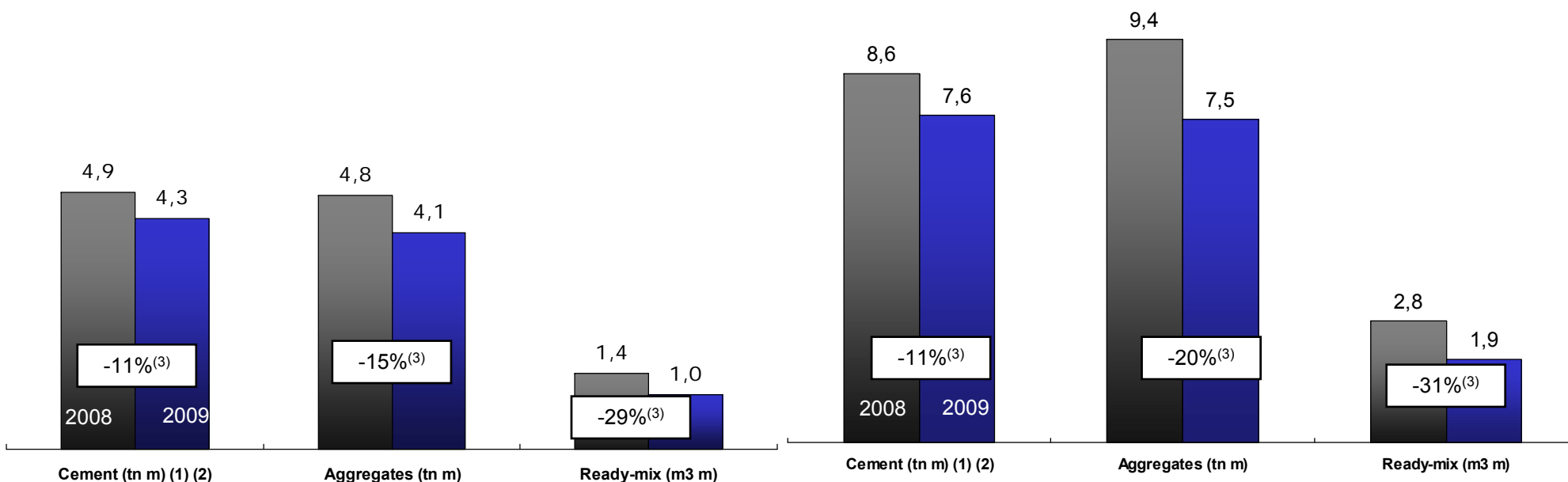
Key Sales Volume

1st Half 2009



The drop in cement volumes reflects the downturn in the US, Greece & SEE, partially offset by growth in East Med (organic & scope). The volume decline in other product lines is driven by poor market conditions in the USA & Greece

← 2nd Quarter → ← Half Year →



- (1) Cement sales include clinker and cementitious materials
- (2) Includes Egypt & Turkey at 100%, even when accounted for on a proportionate basis
- (3) % in boxes represents performance versus last year

Group Turnover and EBITDA 1st Half & Q2 2009

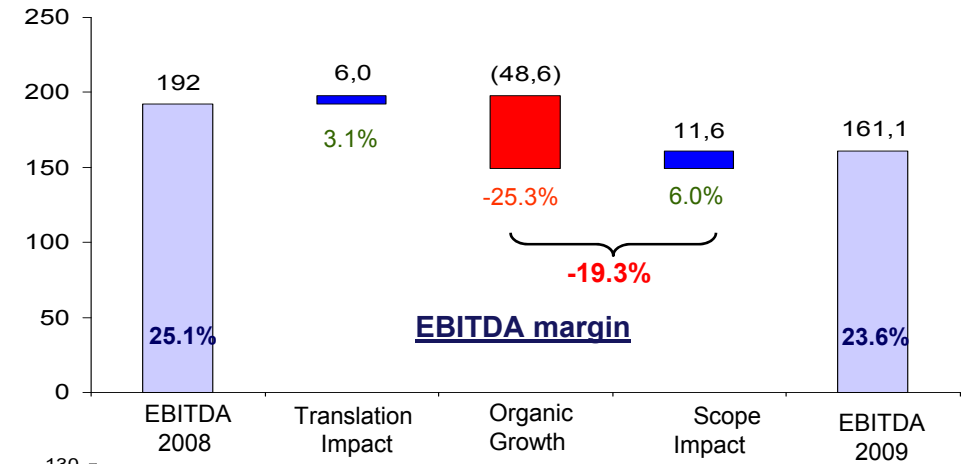
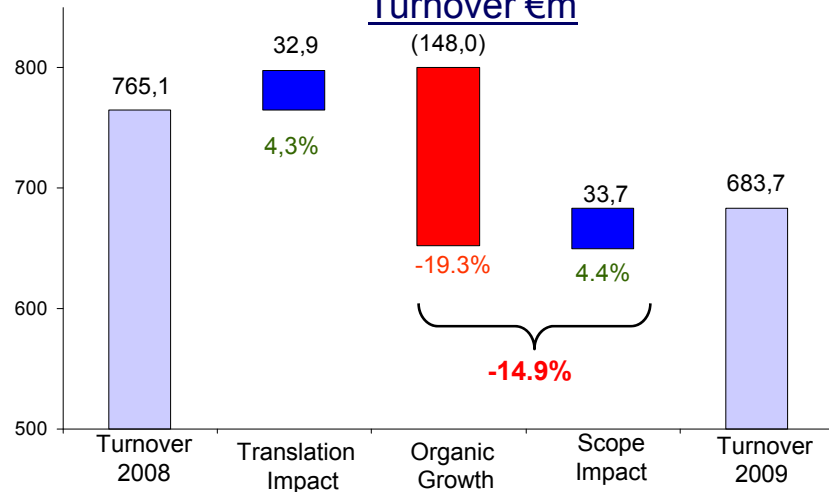


The rate of decline of the organic turnover and EBITDA in the 2nd quarter was lower compared to the 1st quarter of the year.

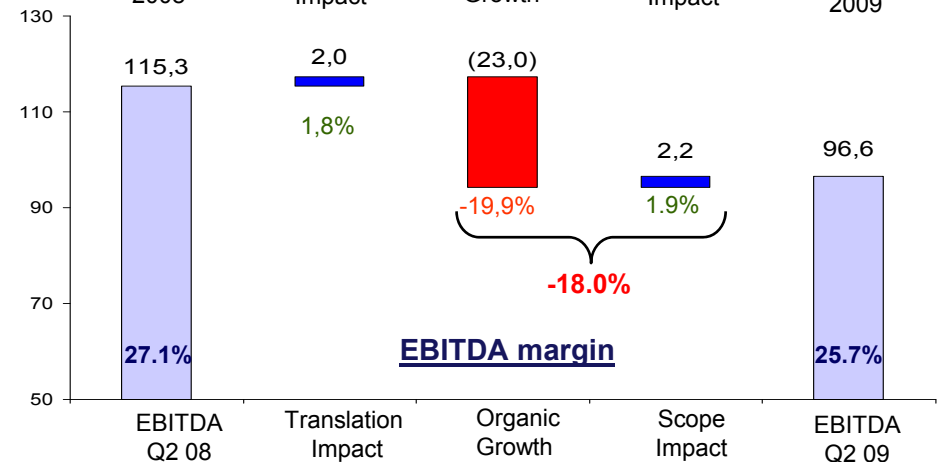
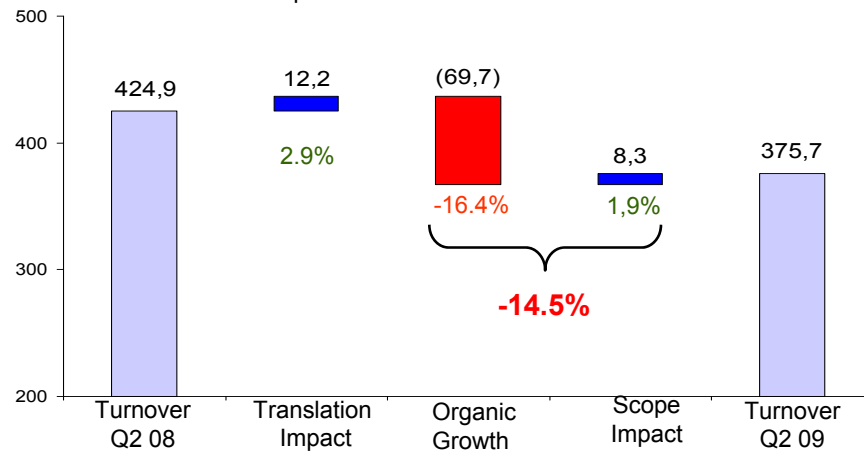
Turnover €m

EBITDA €m

1st Half



Q2



Financial Highlights

1st Half & Q2 2009



Net profit after tax & minorities is impacted negatively by the increased D&A, financing costs. Additionally, the €16m positive one-off tax items which were booked in Q2 2008, distort comparisons on a year-to-year basis

Q2 2009				1st Half 2009		
2009	2008	Var 09 vs 08		2009	2008	Var 09 vs 08
375,7	424,9	-11,6%	Turnover	683,7	765,1	-10,6%
96,6	115,3	-16,2%	EBITDA	161,1	192,1	-16,1%
25,7	27,1	-1,4pts	<i>EBITDA Margin</i>	23,6	25,1	-1,5pts
54,7	76,5	-28,5%	EBT	76,8	122,4	-37,2%
38,1	73,3	-48,0%	Net Profit after Taxes & Minorities	59,4	116,0	-48,8%

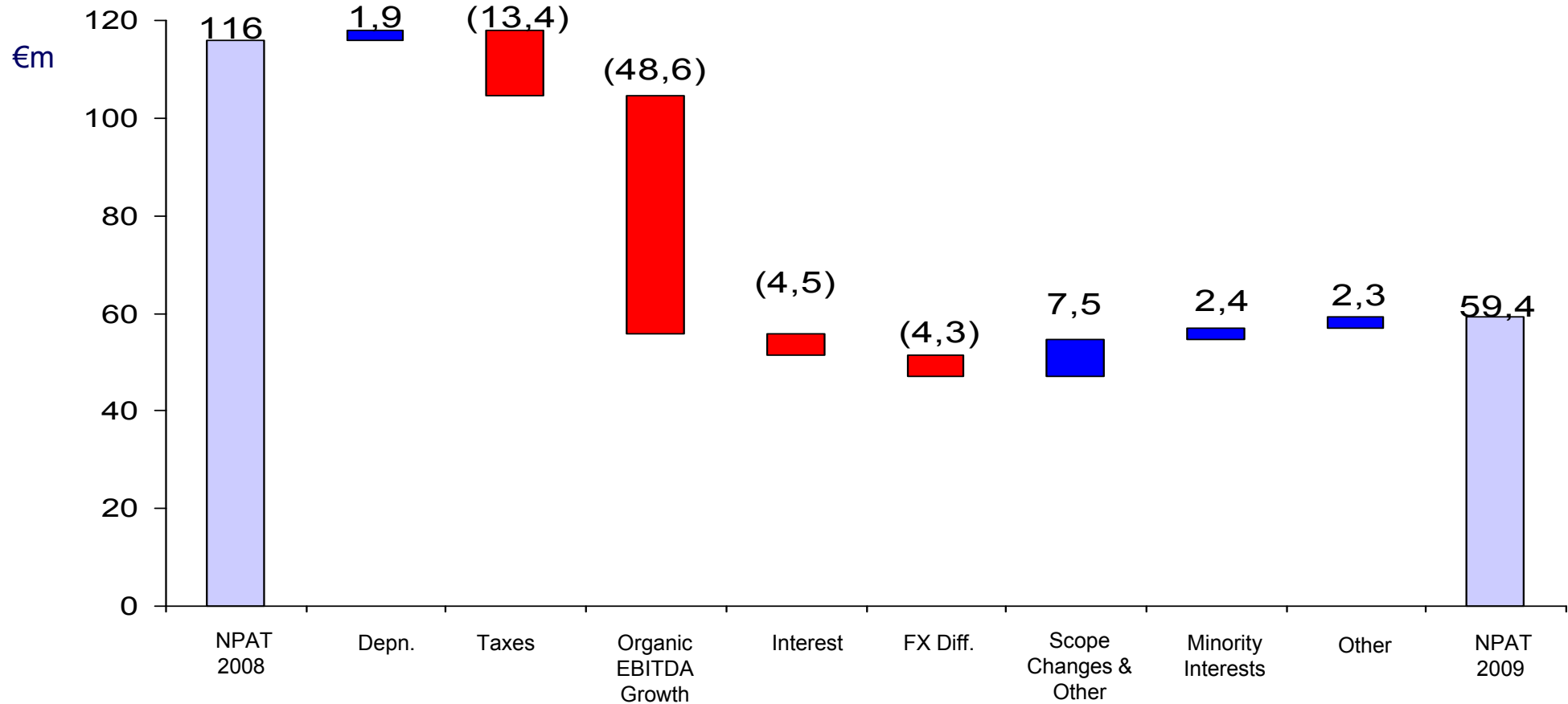
	30/6/2009	31/12/2008	Var
Share Price	18,8	13,9	35,3%
ASE Index	2.209,99	1.786,51	23,7%

Group Net Profit after Tax 1st Half 2009



Net profit after taxes and minorities almost halved due to:

- organic EBITDA decline, partially offset by acquisitions, and
- positive one-off tax items which benefited H1 2008



Foreign Currency Rates

1st Half 2009



P&L impacted by the strengthening of the \$ and EGP vs. the €

<u>BALANCE SHEET</u>	<u>30/6/2009</u>	<u>31/12/2008</u>	Variance
			<u>30/6/09 vs 31/12/08</u>
€1 = USD	1,41	1,39	-2%
€1 = EGP	7,91	7,68	-3%
1USD=EGP	5,59	5,52	-1%
€1 = RSD	93,44	88,60	-5%
1USD=JPY	95,88	90,64	-6%
€1 = TRY	2,16	2,15	-1%

<u>P&L</u>	<u>Ave 6M 09</u>	<u>Ave 6M 08</u>	Variance
			<u>Ave 6M 09 vs 6M 08</u>
€1 = USD	1,34	1,54	13%
€1 = EGP	7,50	8,39	11%
1USD=EGP	5,61	5,43	-3%
€1 = RSD	94,35	81,68	-16%
1USD=JPY	95,95	104,29	8%
€1 = TRY	2,16	1,91	-13%

<u>P&L</u>	<u>Ave Q2 09</u>	<u>Ave Q2 08</u>	Variance
			<u>Ave Q2 09 vs Q2 08</u>
€1 = USD	1,38	1,56	11%
€1 = EGP	7,77	8,39	7%
1USD=EGP	5,59	5,38	-4%
€1 = RSD	94,47	80,51	-17%
1USD=JPY	96,66	105,27	8%
€1 = TRY	2,15	1,94	-11%

Bulgarian Leva fixed at €1 = BGN 1,956

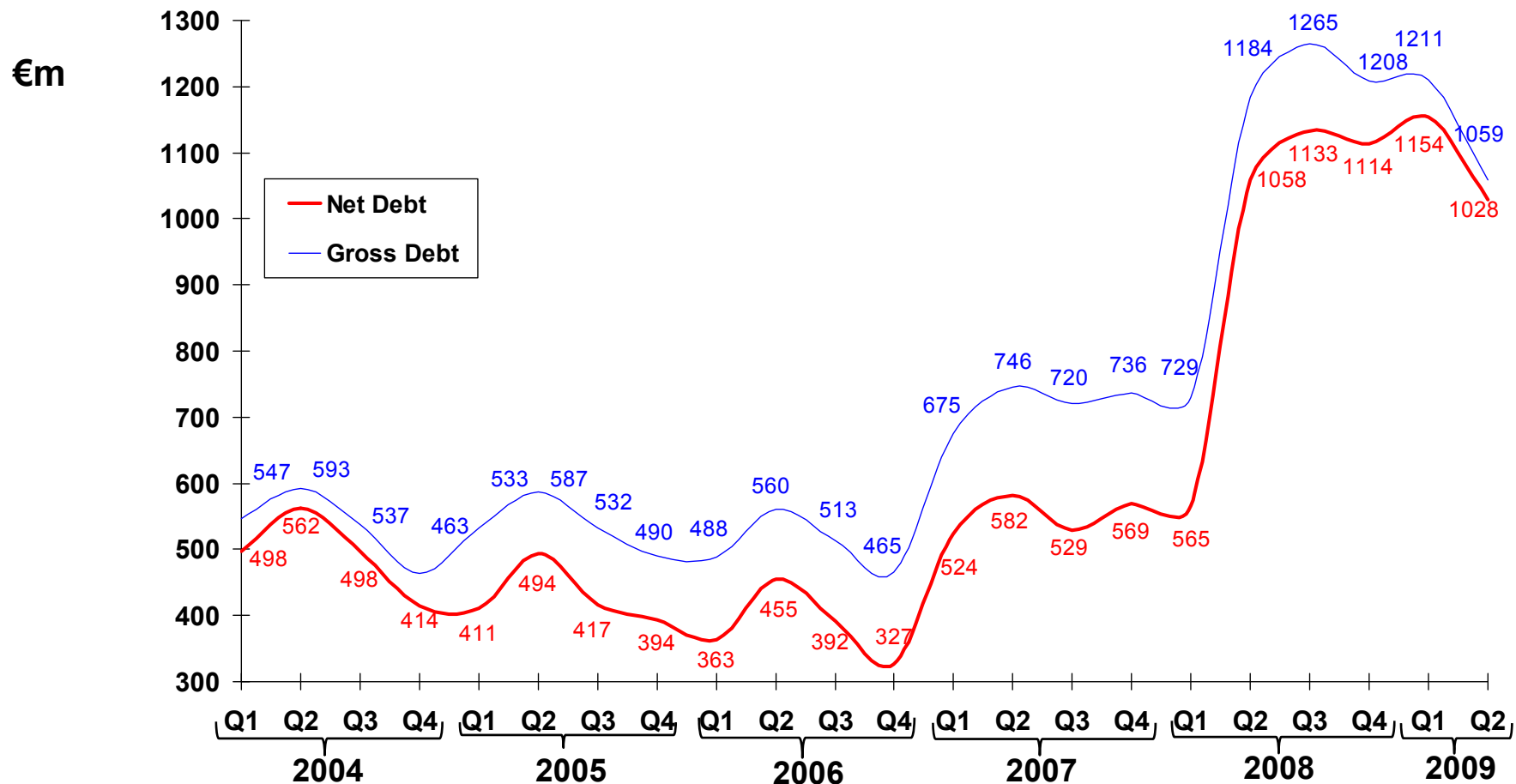
No change in €/MKD exchange rates

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

Net & Gross Debt as of 30.06.09



Gross Debt decreased by €149m since end of 2008, mainly due to positive free cash flow and cash utilization

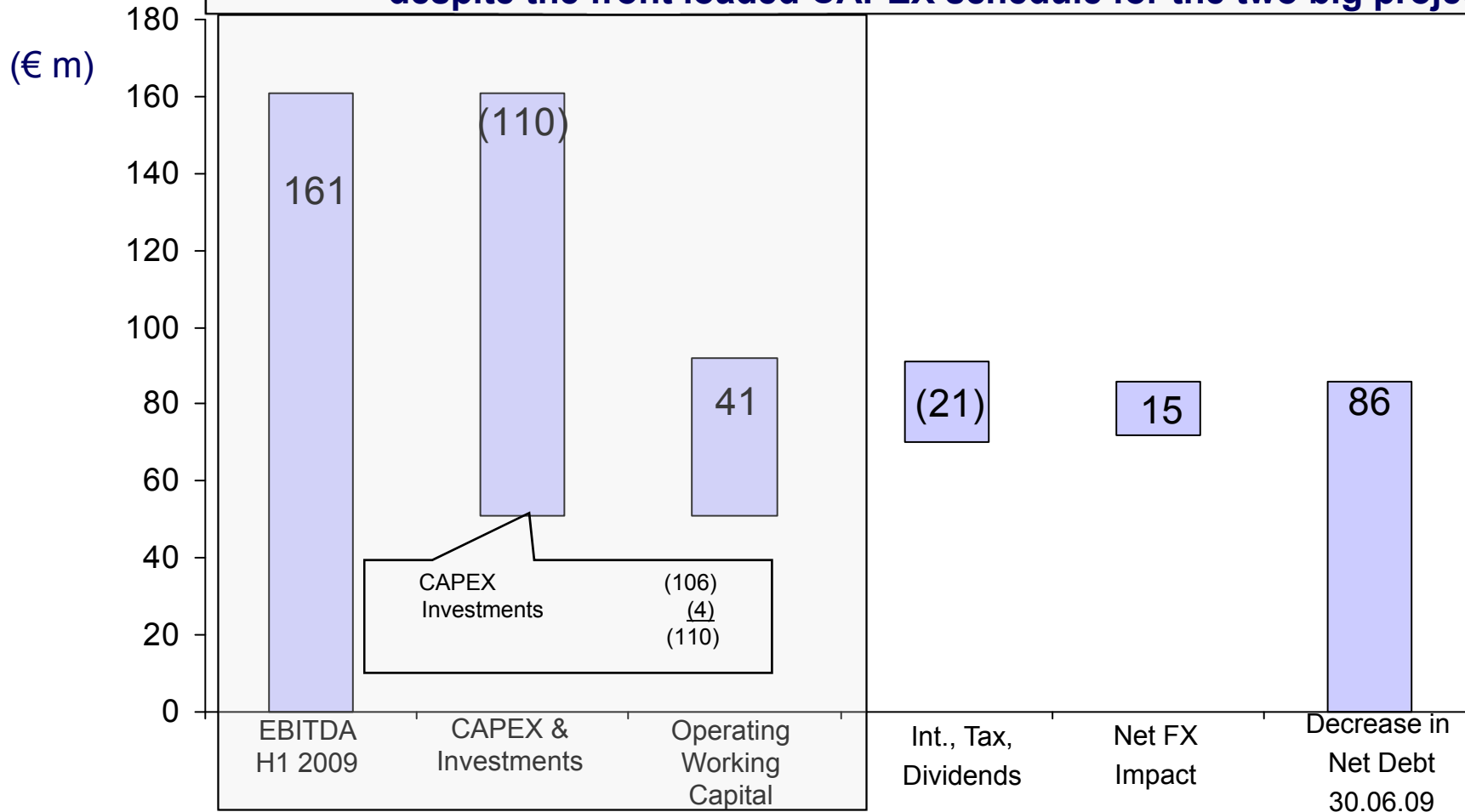


Sources and Uses of Cash

1st Half 2009



Free Cash Flow was positive €92m due to improving operating working capital and despite the front loaded CAPEX schedule for the two big projects





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- **“Green shoots” not yet visible**
- **Market trends not expected to change materially during the balance of the year**
- **Demand in Greece to maintain declining trend**
- **US outlook remains challenging as noted by the PCA in the Summer Forecast (-22%)**
- **In SEE, the decline of demand in major markets is expected to continue**
- **Market growth in Egypt is sustained throughout the year**
- **Prices broadly stable**
- **Complete investment in Egypt**
- **Declining solid fuel costs supporting profitability in H2 2009**
- **Maintain focus on cash flow and cost reduction**