



## Financial Results – 9 Months 2012



**Analysts' conference call**

**Athens, 12<sup>th</sup> November, 2012**

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- **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.**
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  - **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**
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- **TITAN assumes no obligation to update or alter such statements whether as a result of new information, future events or otherwise.**

# Agenda

- ❑ **Group Financial Results**
- ❑ **Market Overviews**
- ❑ **Outlook**

# Sales Volume Growth Does Not Translate into Improved Earnings

- ❑ **Second consecutive quarter of top-line growth, after 6 quarters of contraction.**
- ❑ **In Q3 softer prices in SEE, combined with higher input costs, take a toll on profitability.**
- ❑ **€100m year-on-year Net Debt reduction .**
- ❑ **Restructuring programme delivers €18.5m in recurring annual savings.**

# Volatility of Earnings, Despite Positive Sales Growth

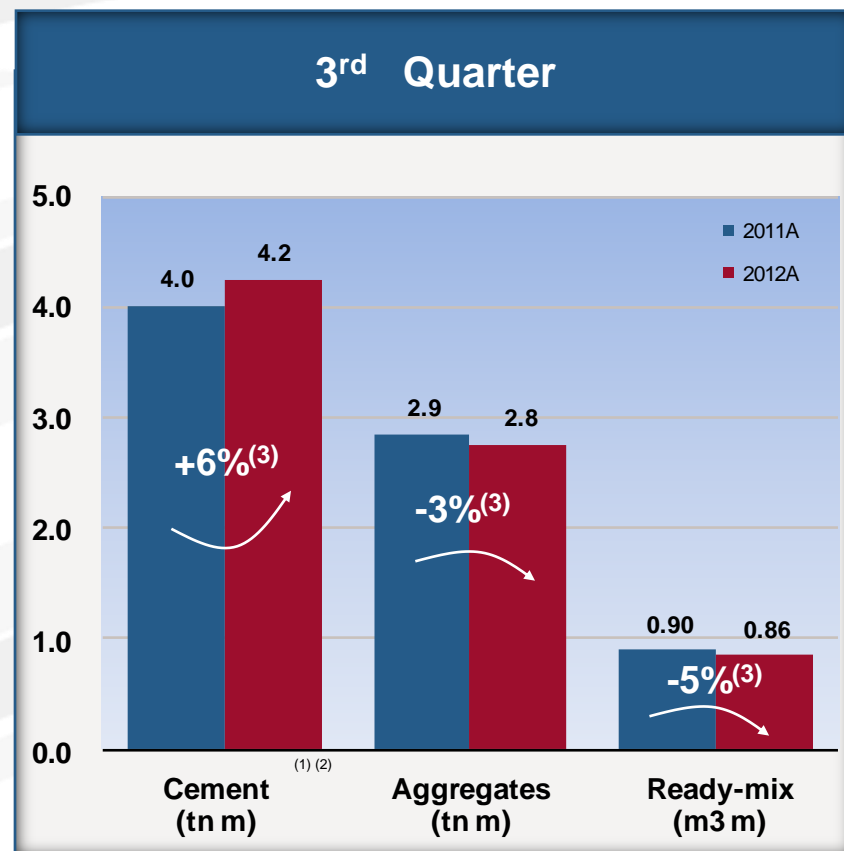
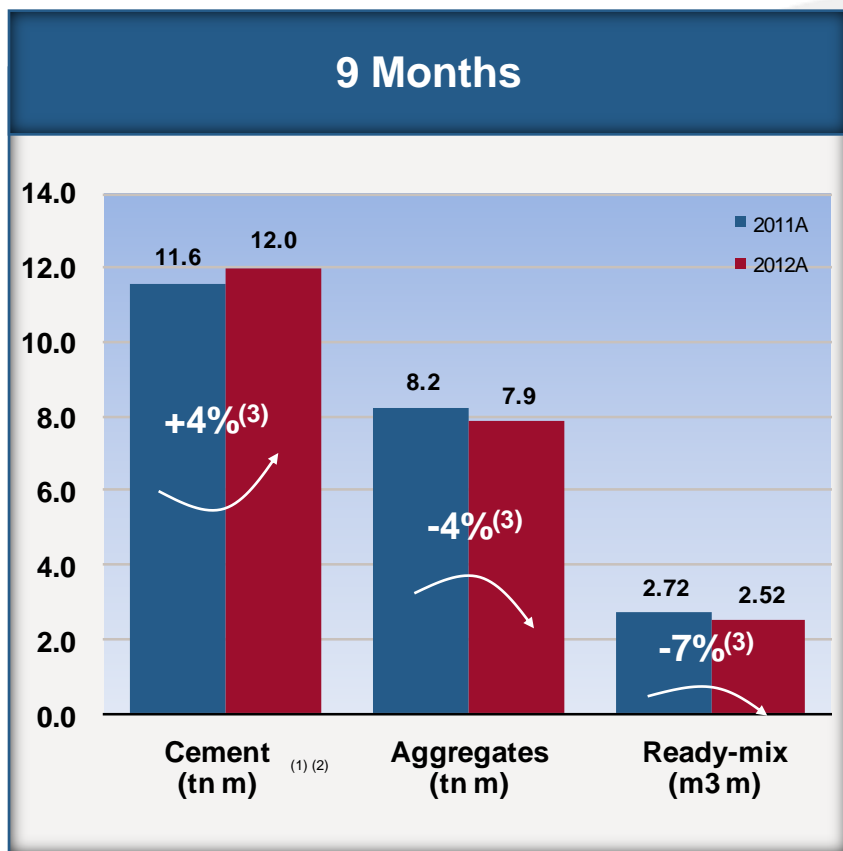
*In Million Euro, unless otherwise stated*

	9M 2012	9M 2011	Variance	Q3 2012	Q3 2011	Variance
<b>Net Sales</b>	<b>847.0</b>	<b>838.9</b>	1.0%	<b>299.2</b>	<b>282.0</b>	6.1%
<b>EBITDA</b>	<b>162.5</b>	<b>221.3</b>	-26.6%	<b>50.4</b>	<b>78.8</b>	-36.1%
<i>Adjusted EBITDA <sup>(1)</sup></i>	147.7	188.1	-21.4%	51.7	65.4	-21.0%
<b>Profit Before Taxes</b>	<b>26.1</b>	<b>76.0</b>		<b>-3.4</b>	<b>38.3</b>	
<b>Net Profit after Taxes &amp; Minorities</b>	<b>2.0</b>	<b>53.9</b>		<b>-6.4</b>	<b>29.9</b>	
<b>Earnings per Share (€/share) – basic</b>	0.0244	0.6621		-0.0780	0.3665	

(1) EBITDA excluding FX effect and other operating income/expense.

	30 Sep' 12	31 Dec' 11	Variance
<b>Share Price</b>	<b>15.00</b>	<b>11.59</b>	29.4%
<b>ASE Index</b>	<b>739.12</b>	<b>680.42</b>	8.6%
<b>Net Debt</b>	<b>667</b>	<b>708</b>	-5.8%

# Cement Sales Growth Continues Driven by US & Exports

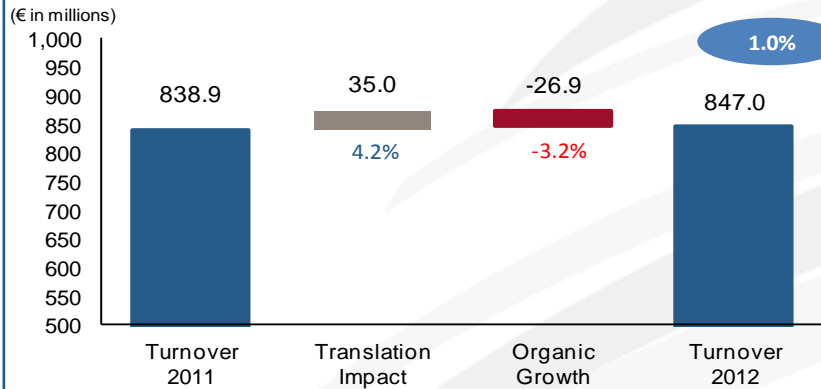


- (1) Cement sales include clinker and cementitious materials
- (2) Includes Turkey at 100%
- (3) % represents performance versus last year

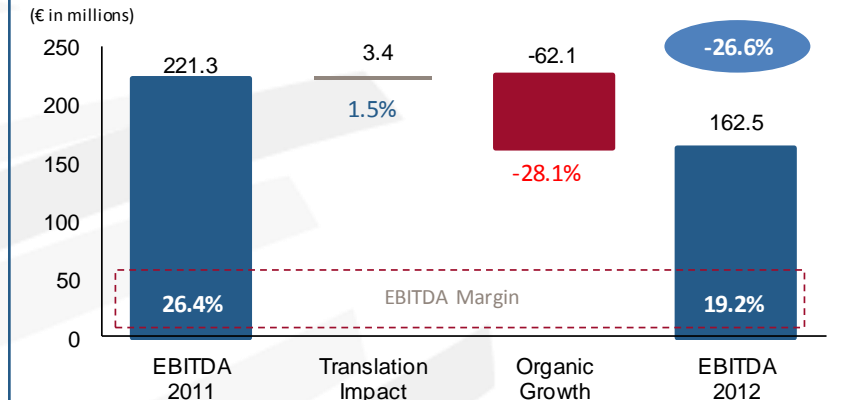
# Softer Market Conditions in SEE and Higher Input Costs Impact Q3 EBITDA

9 Months

## Turnover Reconciliation

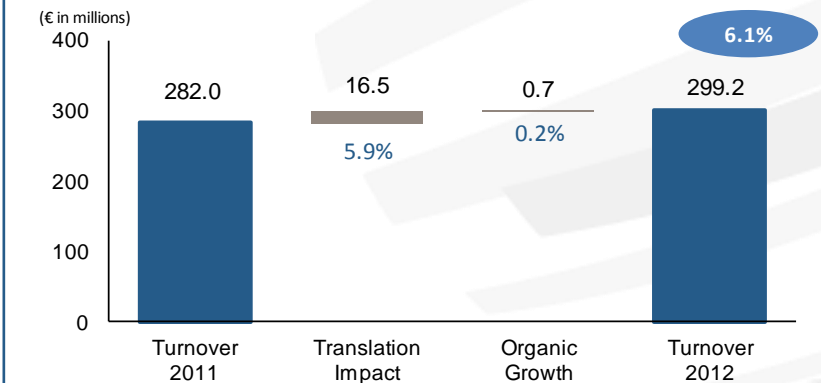


## EBITDA Reconciliation

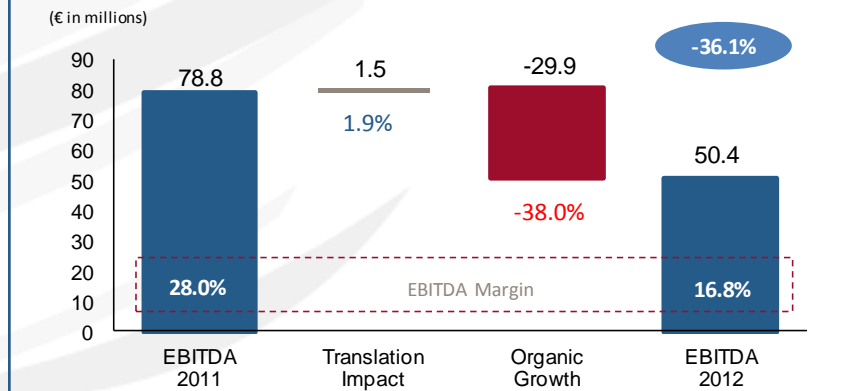


3rd Quarter

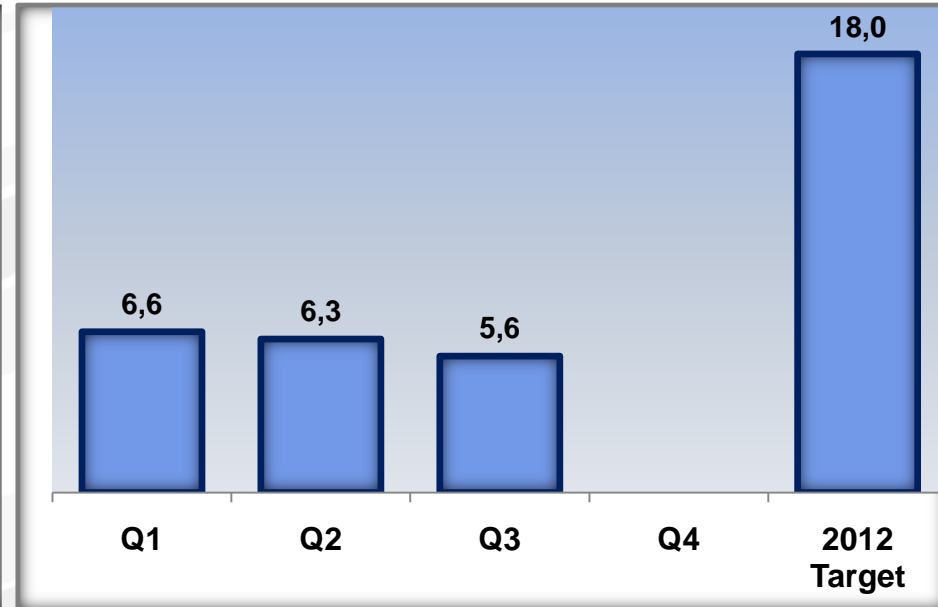
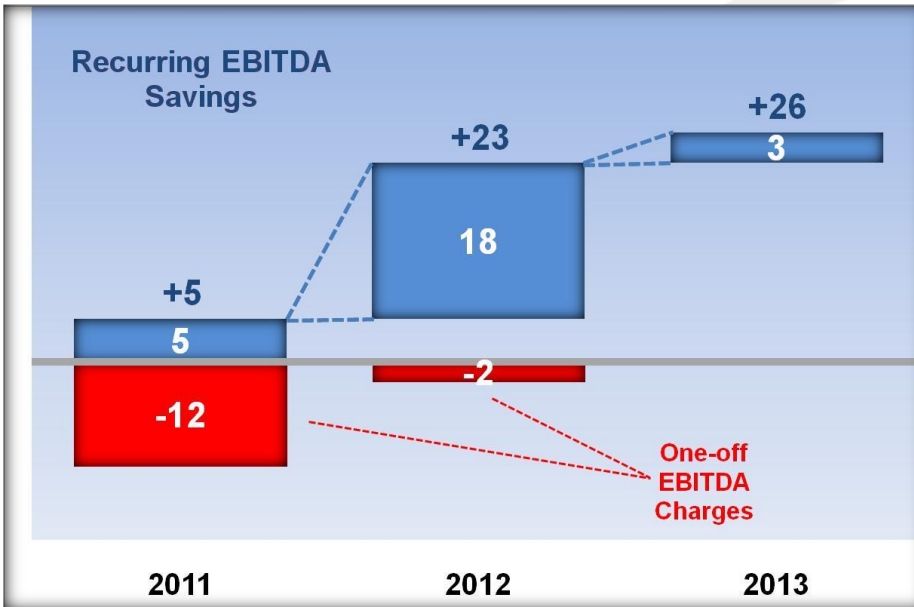
## Turnover Reconciliation



## EBITDA Reconciliation



# Realized Restructuring-Plan Savings Surpass 2012 Target



**Cumulative Cash Flow Impact**

Year	Cumulative Cash Flow Impact
2011	-18
2012	+3
2013	+29

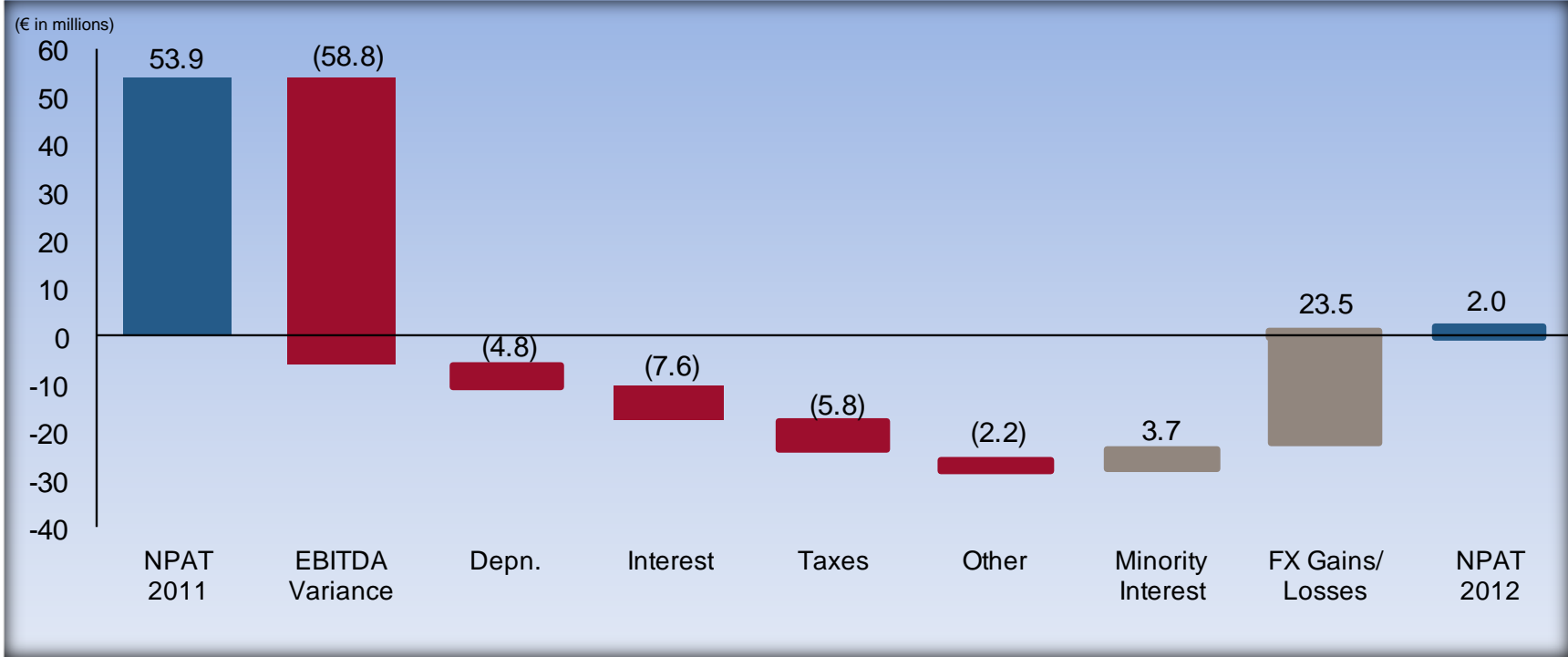
**2012 Recurring EBITDA Savings**

Quarter	2012 Recurring EBITDA Savings
Q1	6.6
Q2	6.3
Q3	5.6
Q4	18.0
2012 Target	18.5

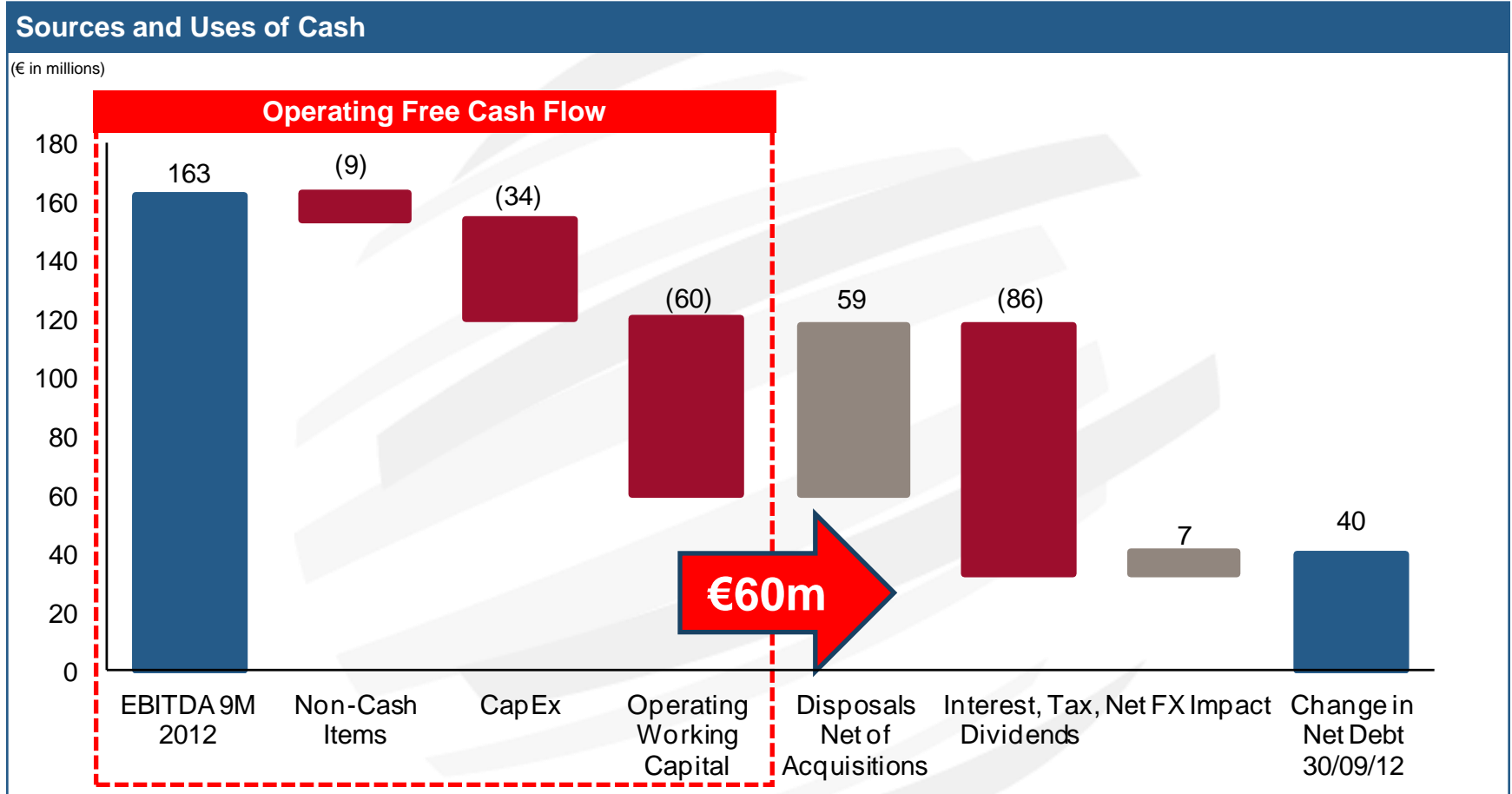


# NPAT after Minorities Impacted by Weak EBITDA and FX Gains

## Evolution of Group Net Profit After Taxes and Minorities



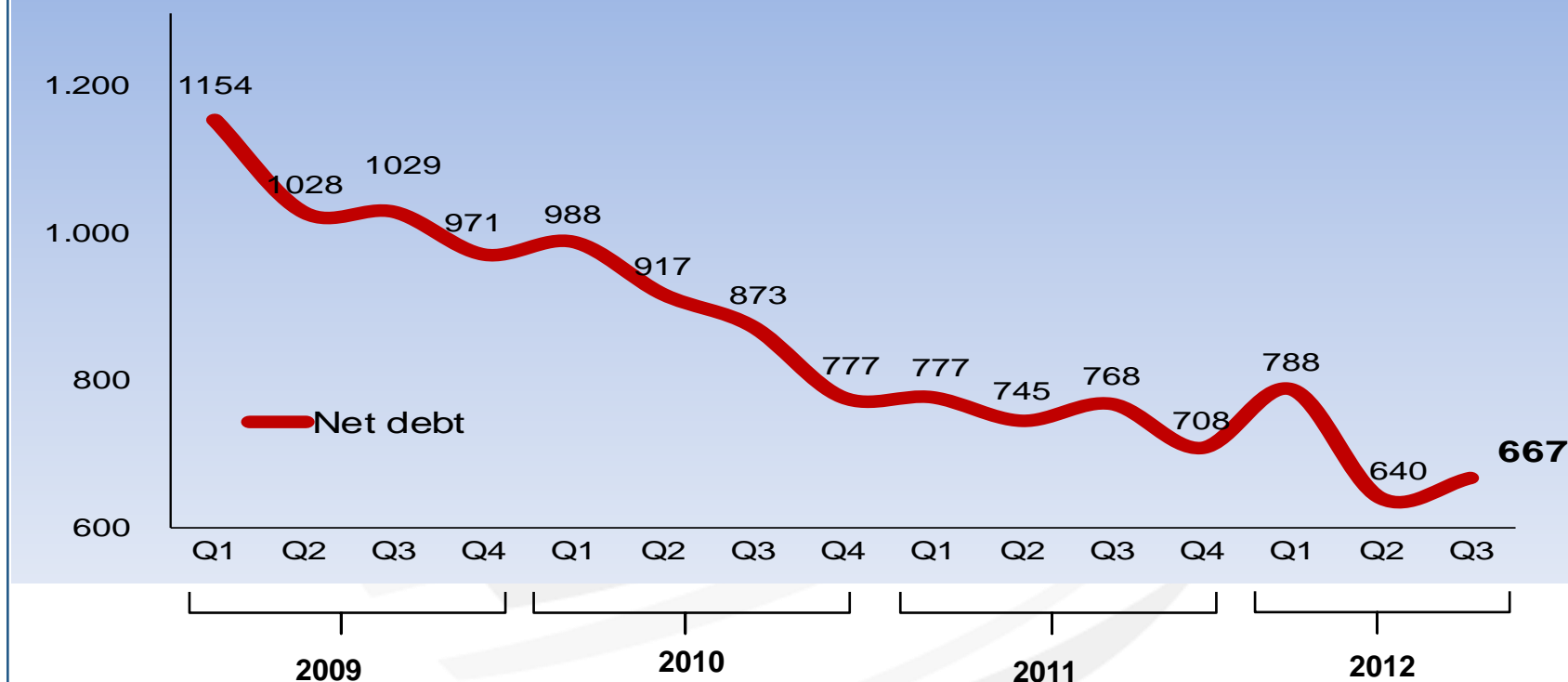
# Free Cash Flow from Operations is Augmented by Divestitures and Results in €40m Net Debt Reduction



# Net Debt Reduction of 0.5 B€ in less than 4 Years

## Group Net Debt

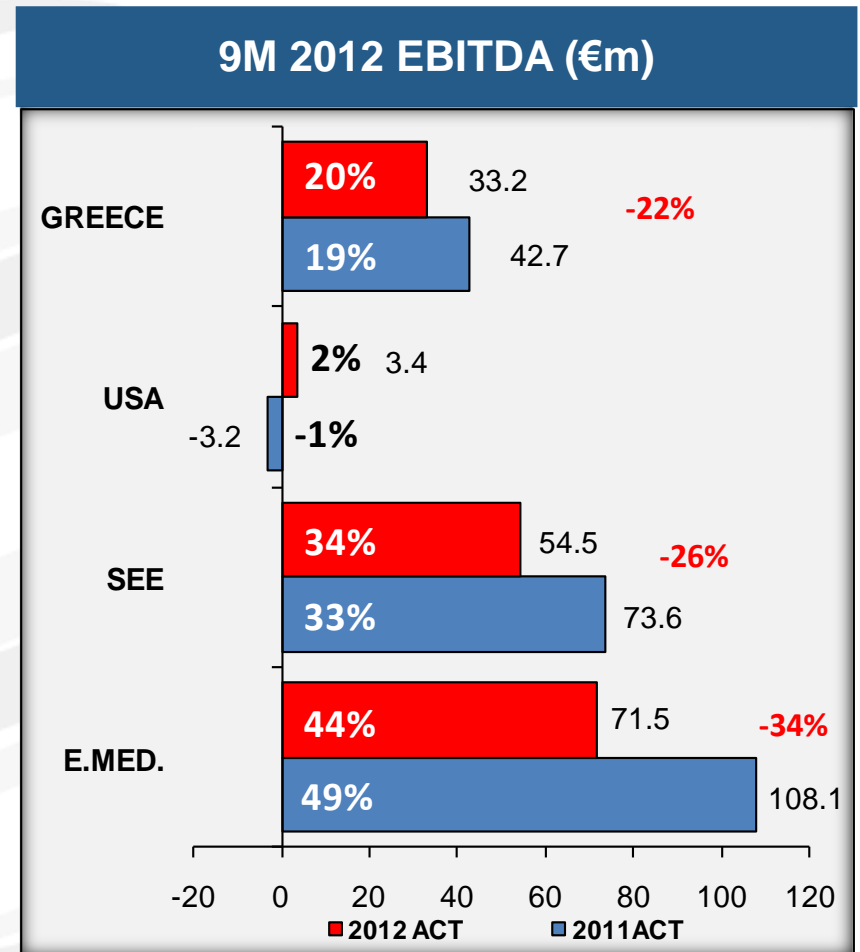
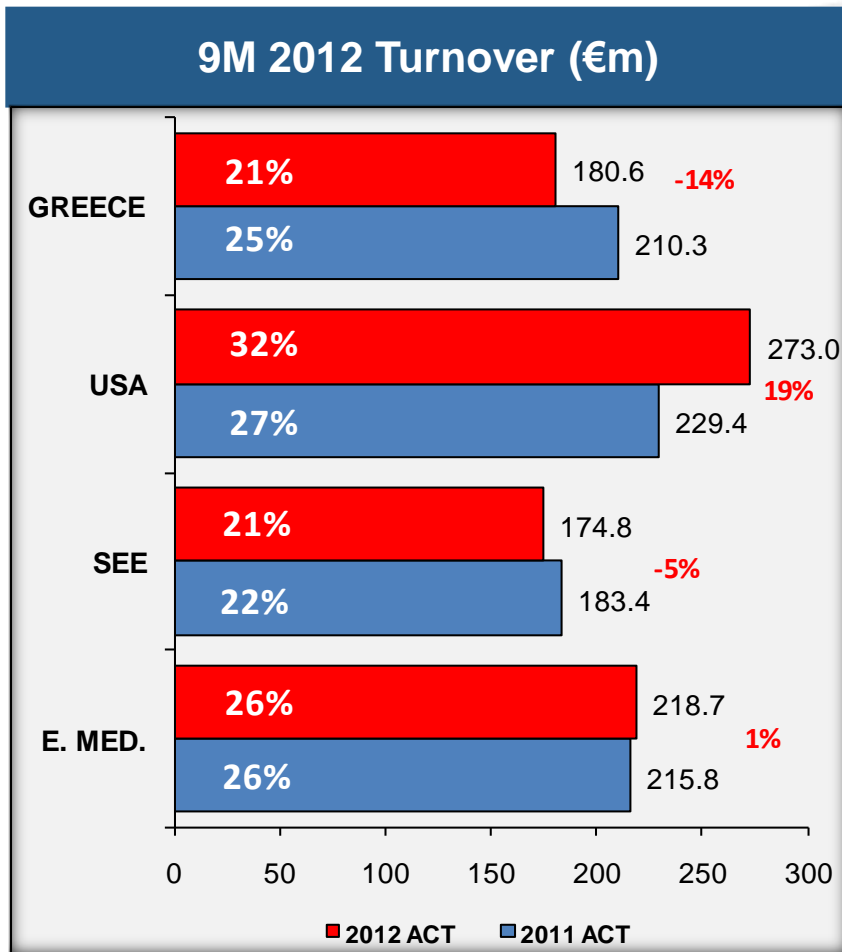
(€ in millions)



(1) calculation according to covenants definition in the syndicated loan of €585m

- ❑ **Group Financial Results**
- ❑ **Market Overviews**
- ❑ **Outlook**

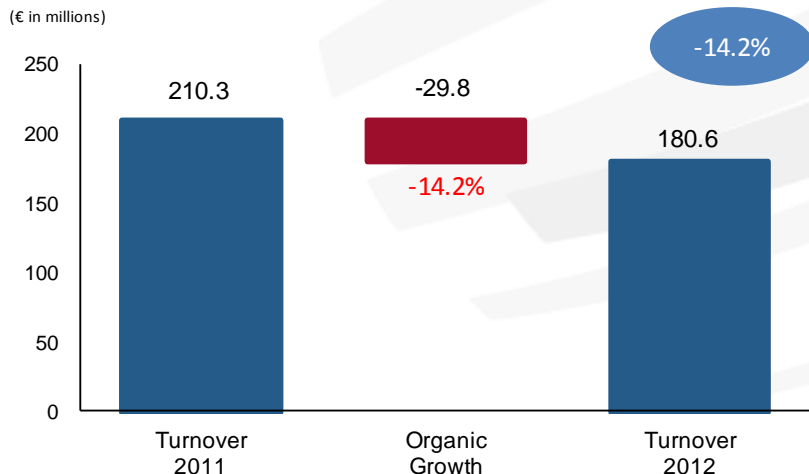
# Turnaround in US Amidst Continuing Uncertainties



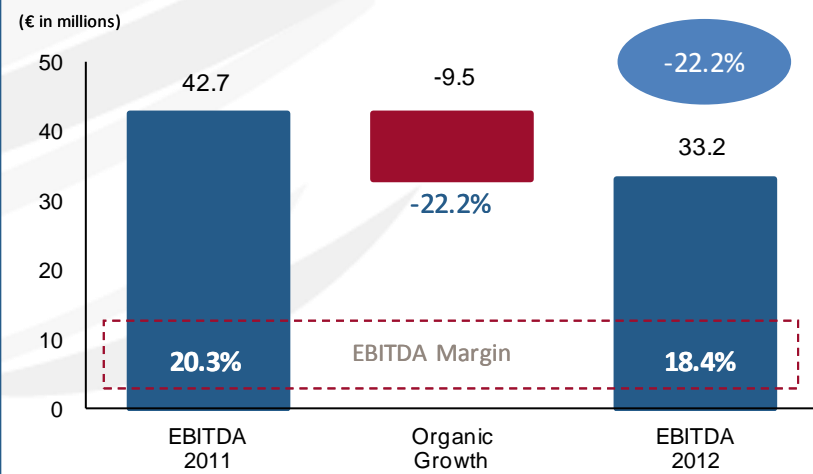
# Profitability in Greece Supported by Increased Exports & Restructuring

- Construction activity in depression amidst sovereign debt crisis.
- Worsening liquidity conditions lead to customers and suppliers bankruptcies.
- Domestic sales volumes continue free-fall across all products.
- Strong rebound of exports boosts capacity utilization and improves unit fixed costs.
- Prices continue to decline in all products.
- Sales of surplus EUA rights support margins, albeit at a lower level than 2011.
- Restructuring programme exceeds committed fixed cost savings.
- Bad Debt provisions cover 28% of total Trade Receivables.

## Greece Turnover Reconciliation



## Greece EBITDA Reconciliation



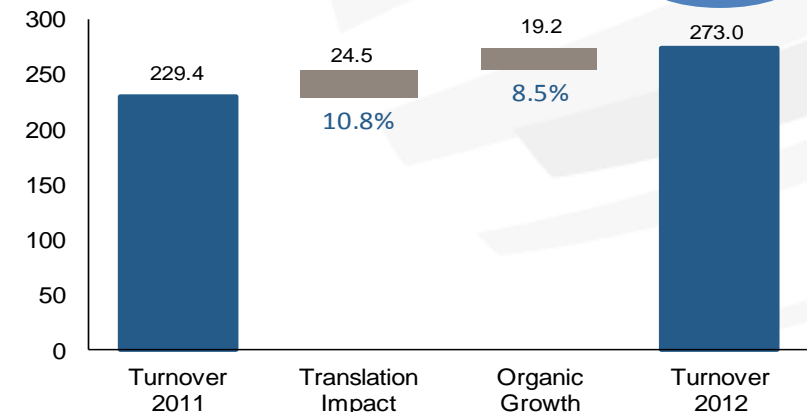
9 Months

# Sustained Growth in Construction Activity Raises Expectations for Margin Recovery in the USA

- Fatal accident in the Pennsuco, FL plant in August.
- USA cement consumption increased by 9.8% September YTD.
- New housing grows at 22.4 % August YTD. Multi-family residential units put in place increase by 44.6% . Non-residential construction also turns the corner with 5.5% growth.
- Continued double-digit growth for Titan America in cement and aggregates.
- Cement prices stabilize at low levels while Ready Mix prices are slowly trending up.
- \$34.8m cash proceeds from disposal of assets.

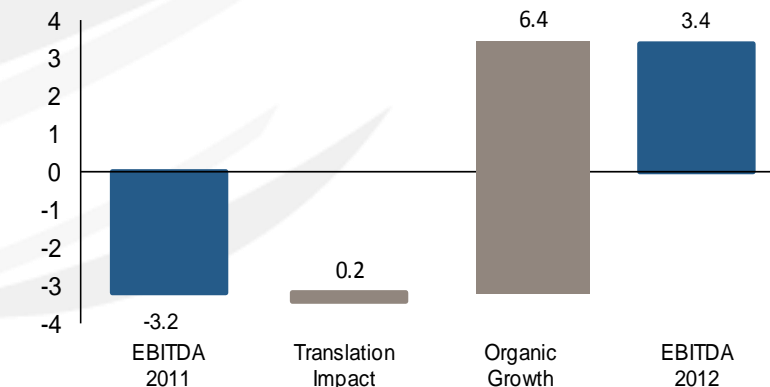
## US Turnover Reconciliation

(€ in millions)



## US EBITDA Reconciliation

(€ in millions)

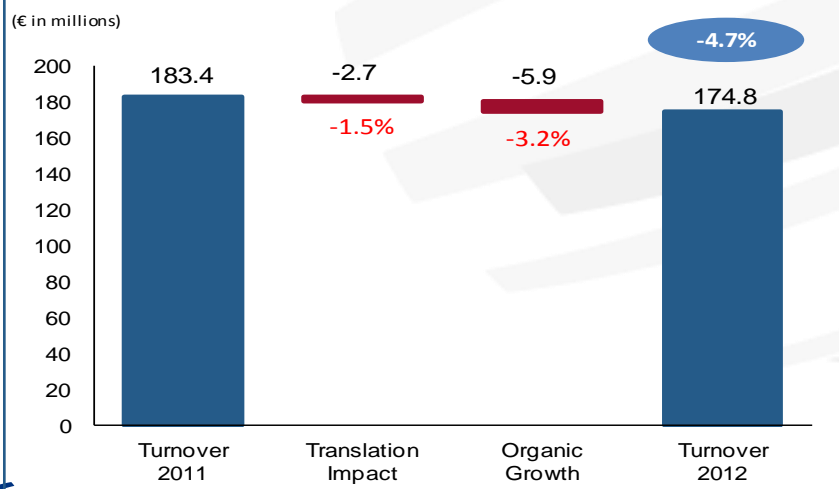


9 Months

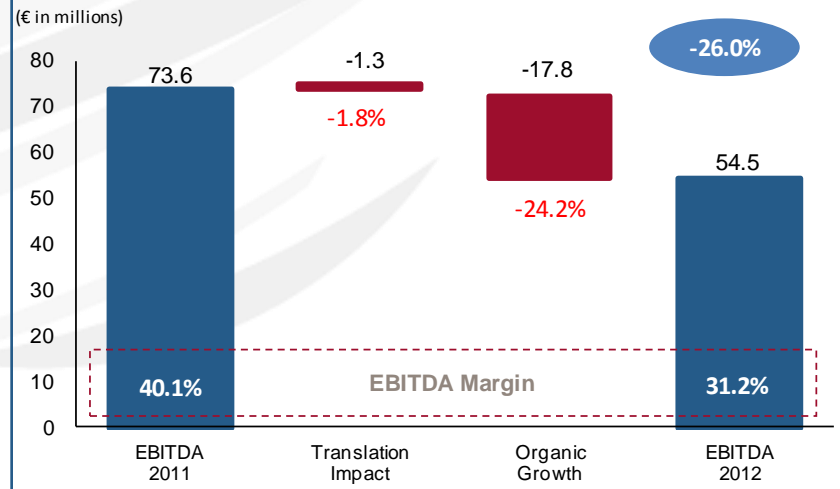
# Euro-zone Contagion Leads to Softer Demand for Construction Materials and Lower Prices in SEE

- Demand for Construction materials slowing down, affected by reduced public spending and fears of contagion.
- Decline in cement sales volumes is fully offset by increased exports.
- Price gains which materialized in 1H12 are partially reversed in Q3.
- Executed option to acquire stake of minority shareholder in Kosovo.
- Strengthened strategic cooperation with IFC in the Balkans through the sale of minority stake in TITAN's operations in Serbia, Kosovo and FYROM in Q2.
- Sales of surplus EUA rights support margins, but at a lower level than 2011.

## SEE Turnover Reconciliation



## SEE EBITDA Reconciliation



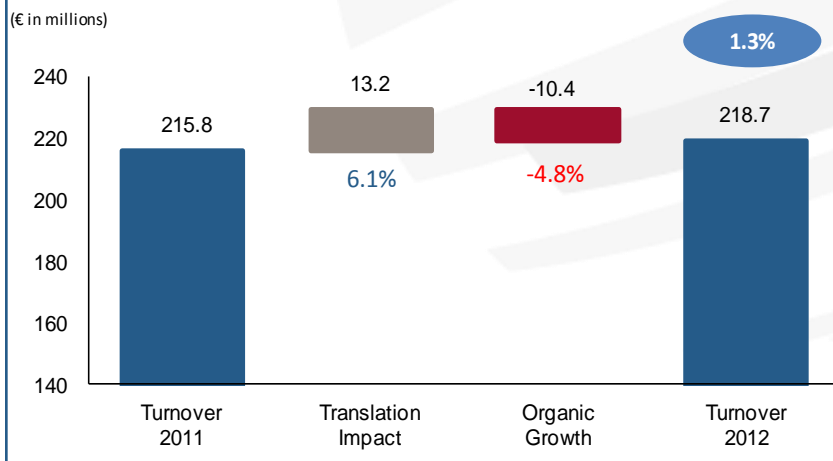
9 Months



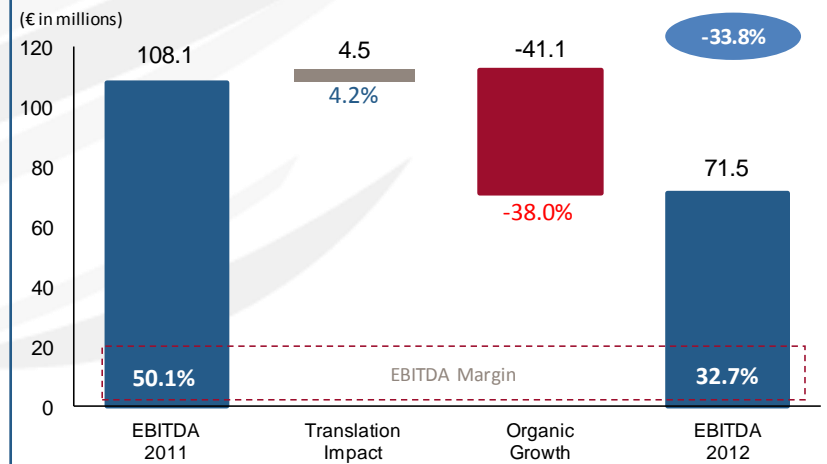
# Solid Performance in EMED on a like-for-like basis

- Political uncertainties construe a challenging business environment in Egypt.
- Cement demand in Egypt continues to grow, albeit at a slower pace of +7% YTD.
- Following 2 quarters of upward momentum, prices level off in Q3.
- Egypt costs severely impacted by increase in electricity and gas costs.
- 9M 2011 EBITDA augmented by 25 M€ of clay fee reversal.
- In Turkey, volume growth slows down. Prices on an upward trend.

## EMED Turnover Reconciliation



## EMED EBITDA Reconciliation



9 Months

- ❑ **Group Financial Results**
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- **Greece: Demand to continue to decline**
- **US: Positively oriented**
- **South Eastern Europe: Held back by EU crisis**
- **Eastern Med: Transition progressing in Egypt**
- **Focus remains on:**
  - **Free cash flow generation**
  - **Productivity initiatives**
  - **Reducing carbon footprint**
  - **Bolt –on growth initiatives**