



**TITAN 100 YEARS**  
LISTED ON THE ATHENS STOCK EXCHANGE

## Financial Results – 1<sup>st</sup> Quarter 2014



**Investors' and Analysts' conference call**

**Athens, 15<sup>th</sup> May 2014**

# Disclaimer

- 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

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

# Growth in Greece and South Eastern Europe Stand Out in a Low Seasonality, Non Trend-setting 1<sup>st</sup> Quarter

- ❑ **7% top-line growth in 1Q 2014.**
- ❑ **31% growth in operating profitability.**
- ❑ **Public Works drive growth in Greek domestic demand for the first time in 7 years.**
- ❑ **Improved performance in South Eastern Europe driven by mild-winter and price gains.**
- ❑ **Growth in US operating profits affected by extreme weather and front-loading of scheduled maintenance.**
- ❑ **Egypt sales curtailed by capacity constraints due to severe gas shortage.**

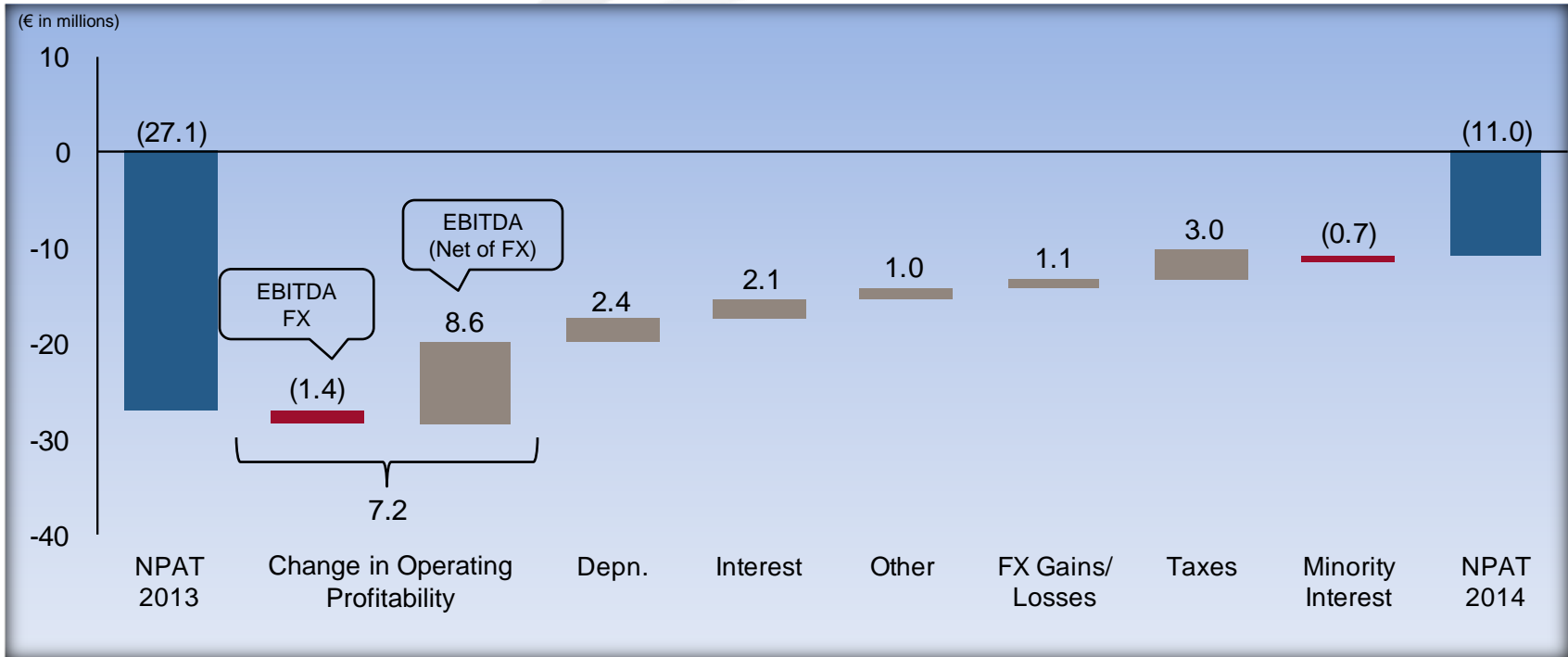
# Continued Improvement In a Seasonally Weak Quarter

<i>In Million Euro, unless otherwise stated</i>	2014	2013	Variance
<b>Net Sales</b>	<b>251.8</b>	<b>235.2</b>	7.0%
<i>Net Sales excl. Translation Impact</i>	258.3	235.2	9.8%
<b>EBITDA</b>	<b>30.5</b>	<b>23.3</b>	30.9%
<i>EBITDA excl. Translation Impact</i>	31.9	23.3	37.0%
FX Gains/Losses	-0.3	-1.3	
<b>Profit Before Taxes</b>	<b>-9.7</b>	<b>-23.5</b>	
<b>Net Profit after Taxes &amp; Minorities</b>	<b>-11.0</b>	<b>-27.1</b>	
<b>Earnings per Share (€/share) – basic</b>	<b>-0.135</b>	<b>-0.332</b>	

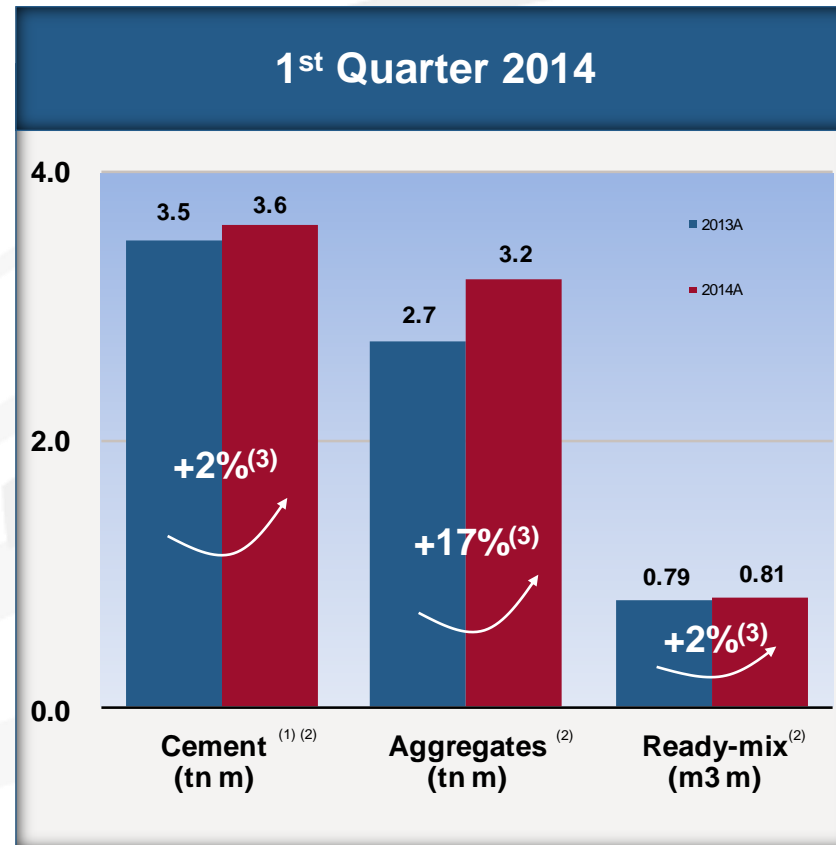
	31 Mar' 14	31 Dec' 13	Variance
<b>Share Price</b>	<b>25.39</b>	<b>19.80</b>	28.2%
<b>ASE Index</b>	<b>1,335.74</b>	<b>1,162.68</b>	14.9%
<b>Net Debt</b>	<b>541</b>	<b>509</b>	6.3%

# Net Losses Decline vs. Last Year as Operating Profitability Improves

## Evolution of Group Net Profit After Taxes and Minorities



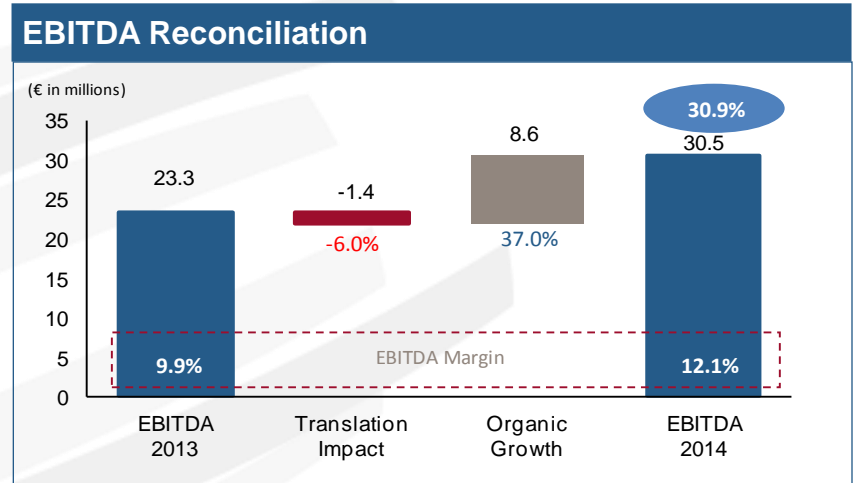
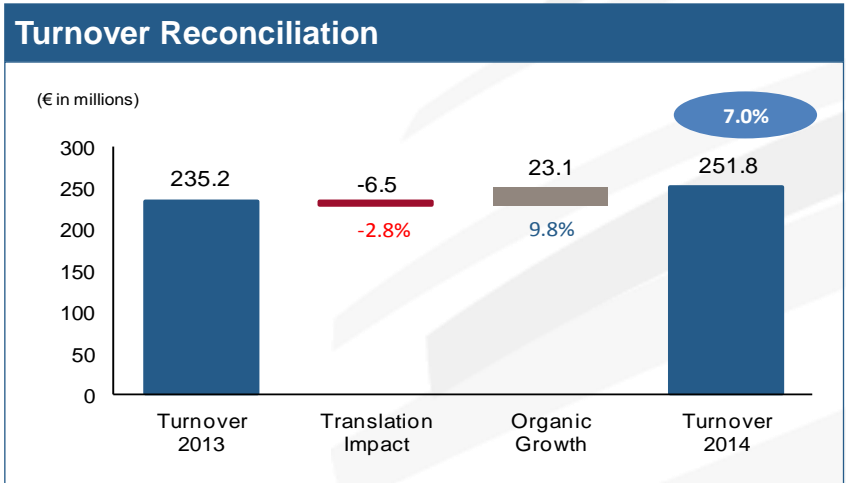
# Growing Demand Across All Regions Offsets Sales Drop Induced by Gas-shortage in Egypt



- (1) Cement sales include clinker and cementitious materials
- (2) Includes Turkey, does not include Associates
- (3) % represents performance versus last year

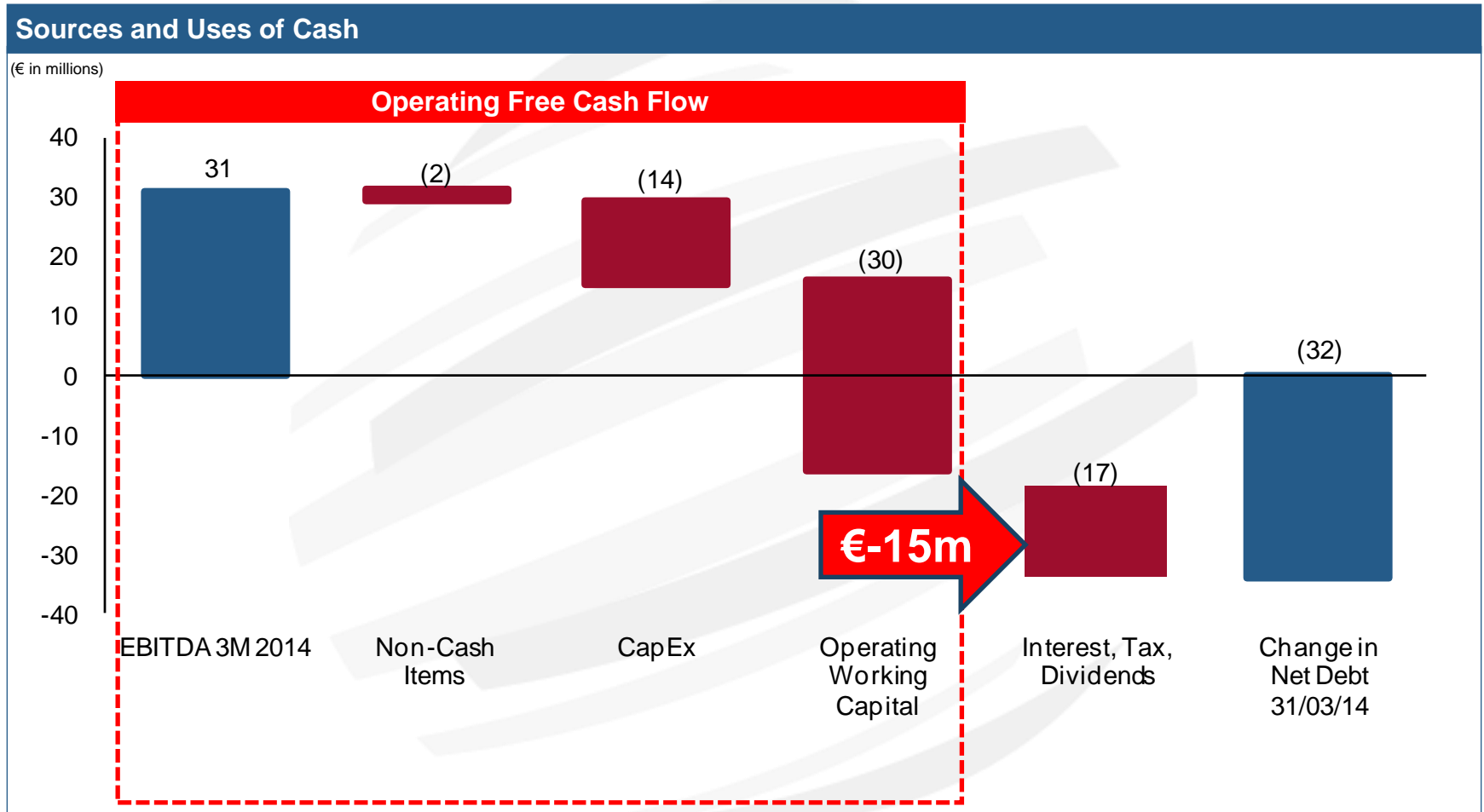
# Organic Operating Profits on the Rise Despite Negative Impact from Egypt and Extreme Weather in US

1st Quarter



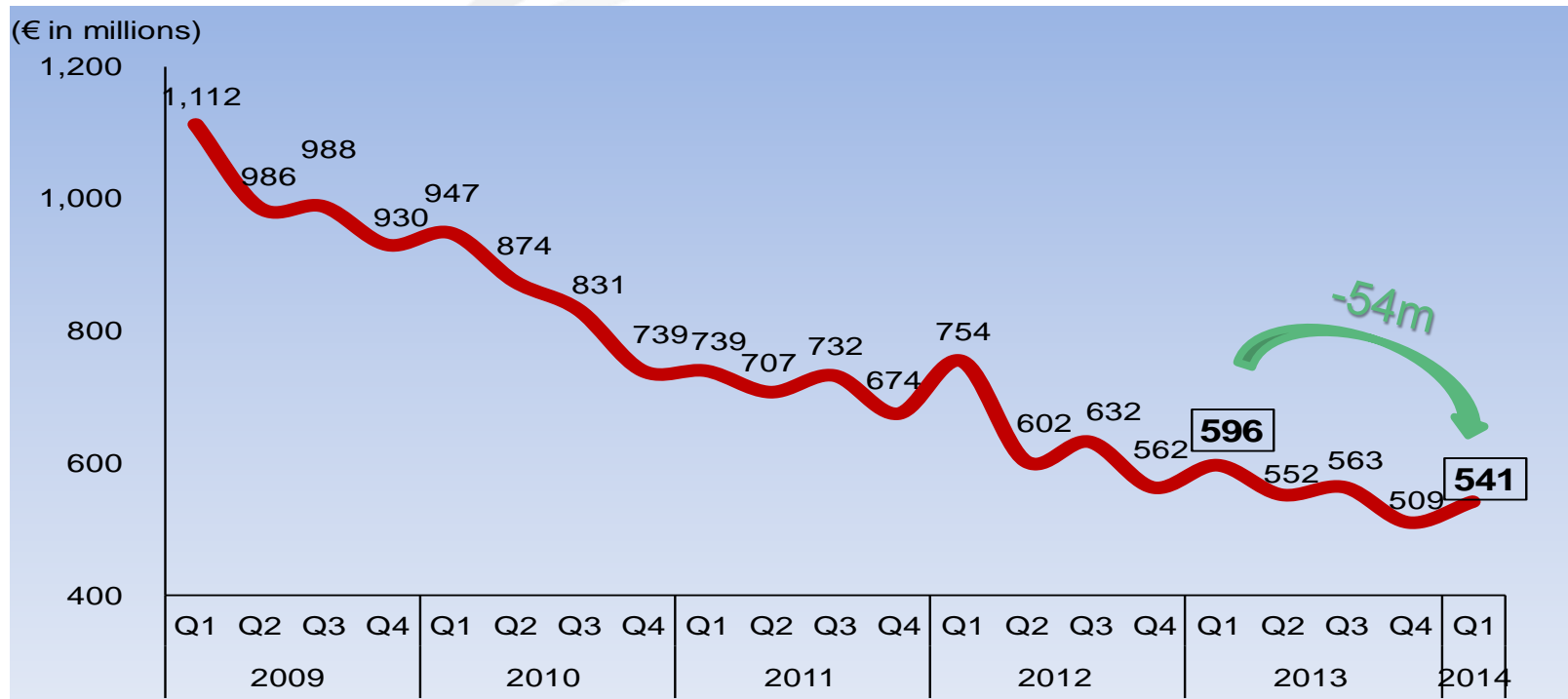


# Seasonally Higher Working Capital Leads to Negative Free Cash Flow



# Net Debt Reduced by €54M Compared to 1Q13

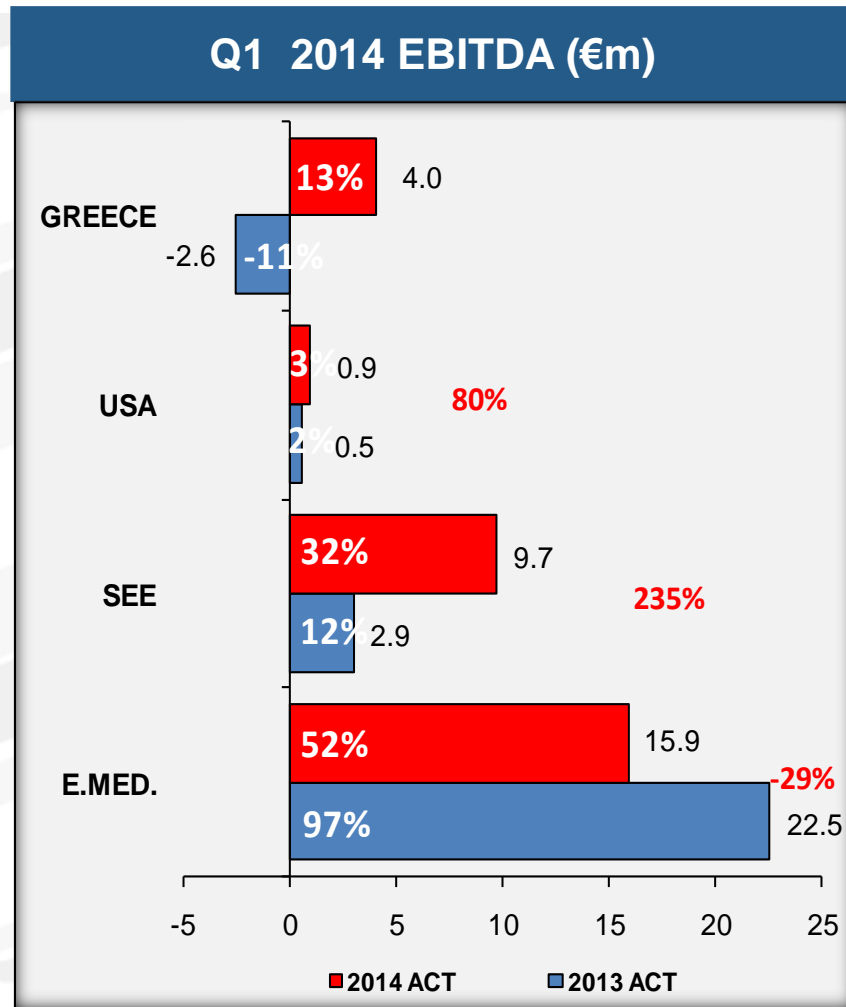
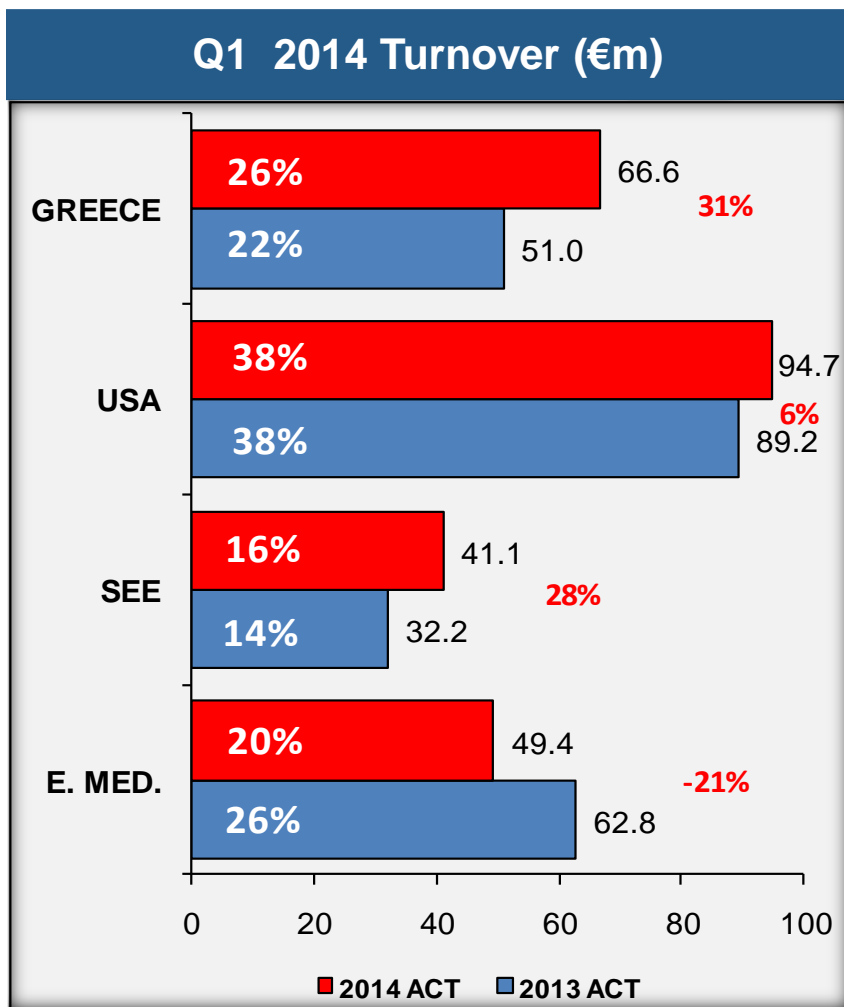
## Group Net Debt



For comparability purposes all figures have been adjusted in order to exclude Turkey.

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# Turnover and Operating Profits Grow Across All Regions Except for Fuel-constrained Egypt

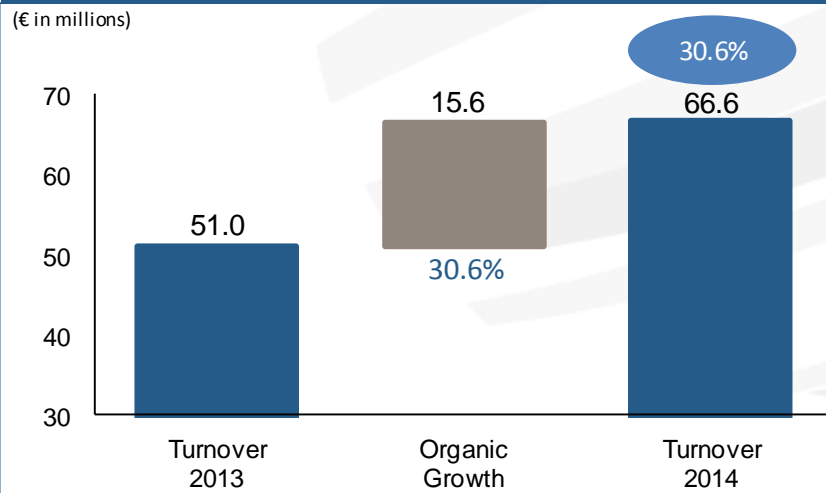


Regional performance includes exports to 3<sup>rd</sup> parties and Terminals

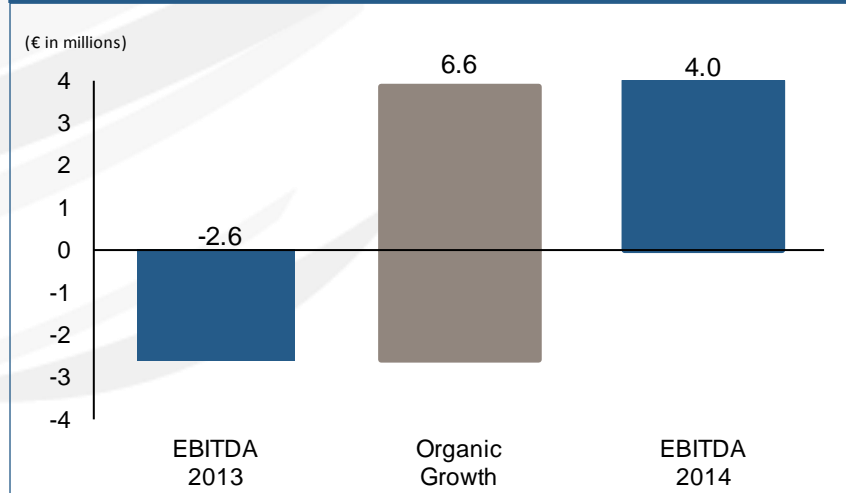
# Public Works Drive Domestic Growth in Greece

- For the first time in 7 years domestic sales of Cement grow by 27%, driven by public works and supported by mild winter.
- Growing exports still support operating rates.
- Prices continue to come under pressure.
- Disciplined management of fixed costs helps augment margins.
- €17m Bad Debt provisions, covering 27% of Trade Receivables.

## Greece Turnover Reconciliation



## Greece EBITDA Reconciliation

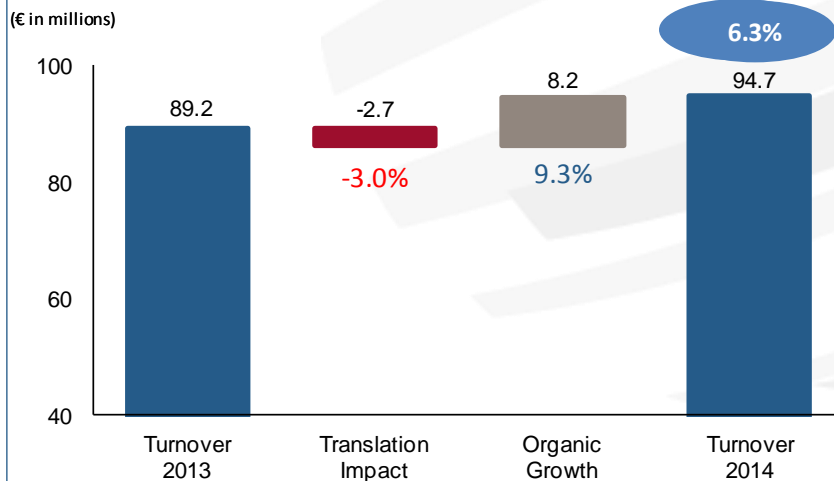


1st Quarter

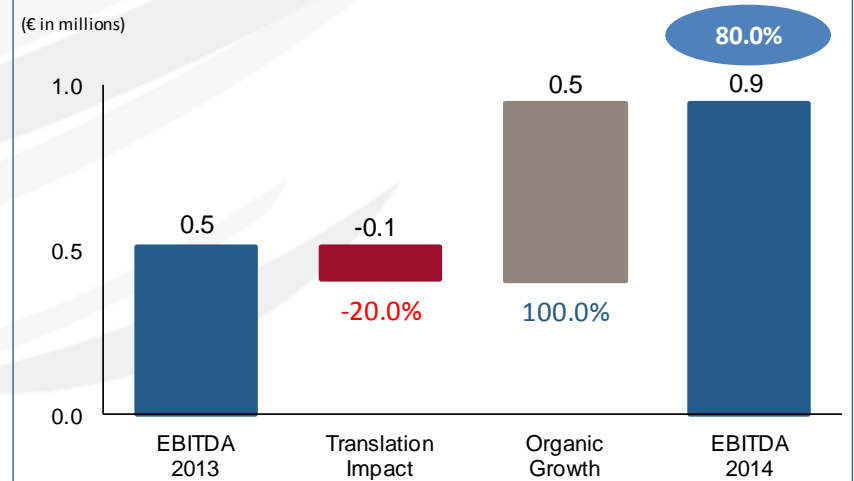
# US Performance Affected by Extreme Weather and Front-Loading of Maintenance Costs

- PCA reports +4.7% average market demand growth in 1Q 2014 USA.
- In Florida cement demand expanded at 23%, while consumption in Mid-Atlantic states hit by severe weather shrunk between 5-14%.
- Successful price increases in Cement, Ready-mix Concrete and Aggregates in 1Q.
- Negative impact on Operating Profits from scheduled front-loading of maintenance.

## US Turnover Reconciliation



## US EBITDA Reconciliation

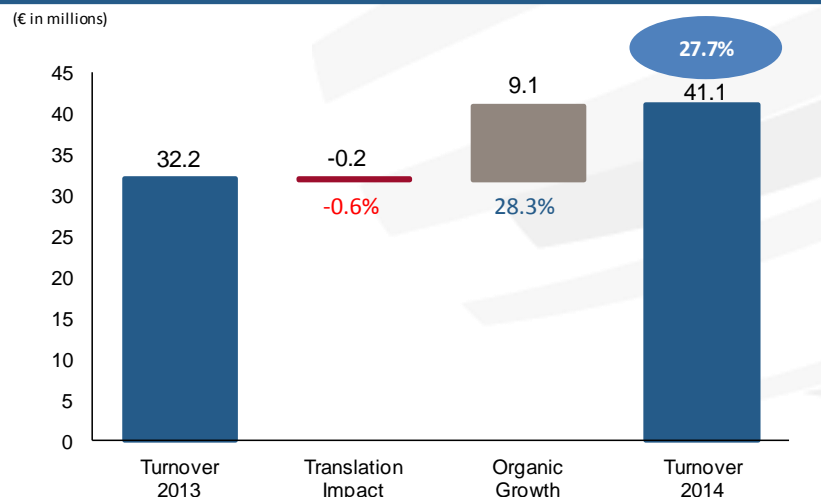


1st Quarter

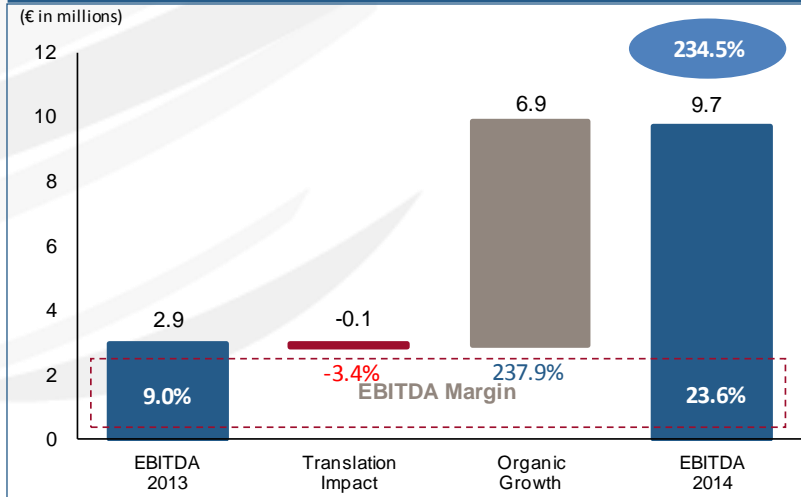
# In SEE, Profitability Rebounds as a Result of Growth in Both Sales Volumes and Prices

- A mild winter drives stronger construction activity in the South Eastern European region, amidst sluggish economic growth.
- As a result, Cement demand recorded growth in most SEE countries, as compared to last year.
- Further to price correction in the 2H of 2013, SEE also recorded higher average prices vs. last year in 1Q2014 .

## SEE Turnover Reconciliation



## SEE EBITDA Reconciliation

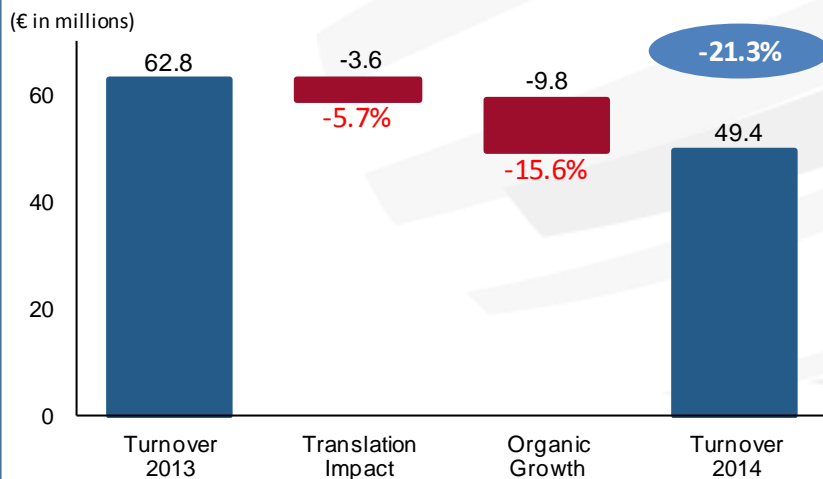


1st Quarter

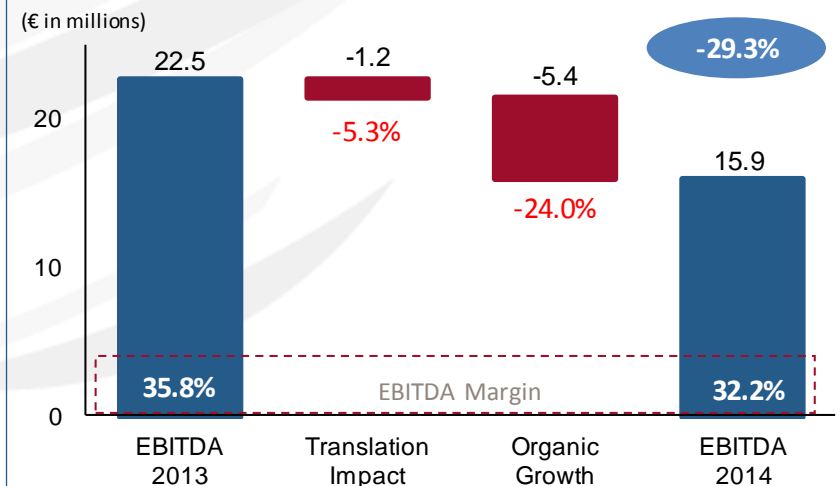
# In Egypt, Gas Shortages Affect Sales and Operating Profits

- Challenging business environment due to severe shortage in fuel.
- Egypt market demand growth reported at +2%.
- Titan Cement production curtailed by almost 1/3, leading to 24% reduction in sales volume.
- Cement prices increase in respond to rising input costs and short supply situation.
- Residual increase in Egyptian gas costs vs. 1Q 2013.

## EMED Turnover Reconciliation



## EMED EBITDA Reconciliation



1st Quarter



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- **Greece: demand to grow, underpinned by public works**
- **US: recovery momentum set to continue**
- **South Eastern Europe: no catalyst for growth yet visible**
- **Eastern Med: resilience in a challenging environment**

## **Group priorities:**

- **Maintain productivity gains**
- **Focus on operating excellence**
- **Position for growth**