

Athens, 5 March, 2015



# TITAN GROUP

2014 Financial Results

Investors' and Analysts' Conference Call



- 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
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## Group Financial Results

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# 2014 Highlights – Return to Profitability



- Turnover and EBITDA stable compared to 2013.
- Profit before taxes at €47m (2013: €9m loss) after €31m FX gains. Net Profit attributable to shareholders €31m (2013: €36m loss).
- Distribution of dividends (€0.15/share) and special reserves (€0.15/share).
- Sales growth in Greece and USA offset the decrease in Egyptian domestic market. Stable overall in SEE.
- Lost production in Egypt (50% of capacity) due to fuel shortages. First Beni Suef kiln coal conversion investment completed and operational as of December 2014.
- Favourable pricing conditions in the US and SEE. Exports benefit from strong \$ in Q4.
- Cost savings in Greece and SEE reduce CoGS while energy costs in Egypt rise sharply.
- Lower operating cash generation vs 2013 due to increased CAPEX and Working Capital.
- Net Debt Stabilizes Below €550m. Total capital markets borrowings €500m bonds (€300m raised in 2014). Credit rating BB by S&P.



# Positive Growth in Group Revenue and Margins. NPAT Boosted by FX Gains

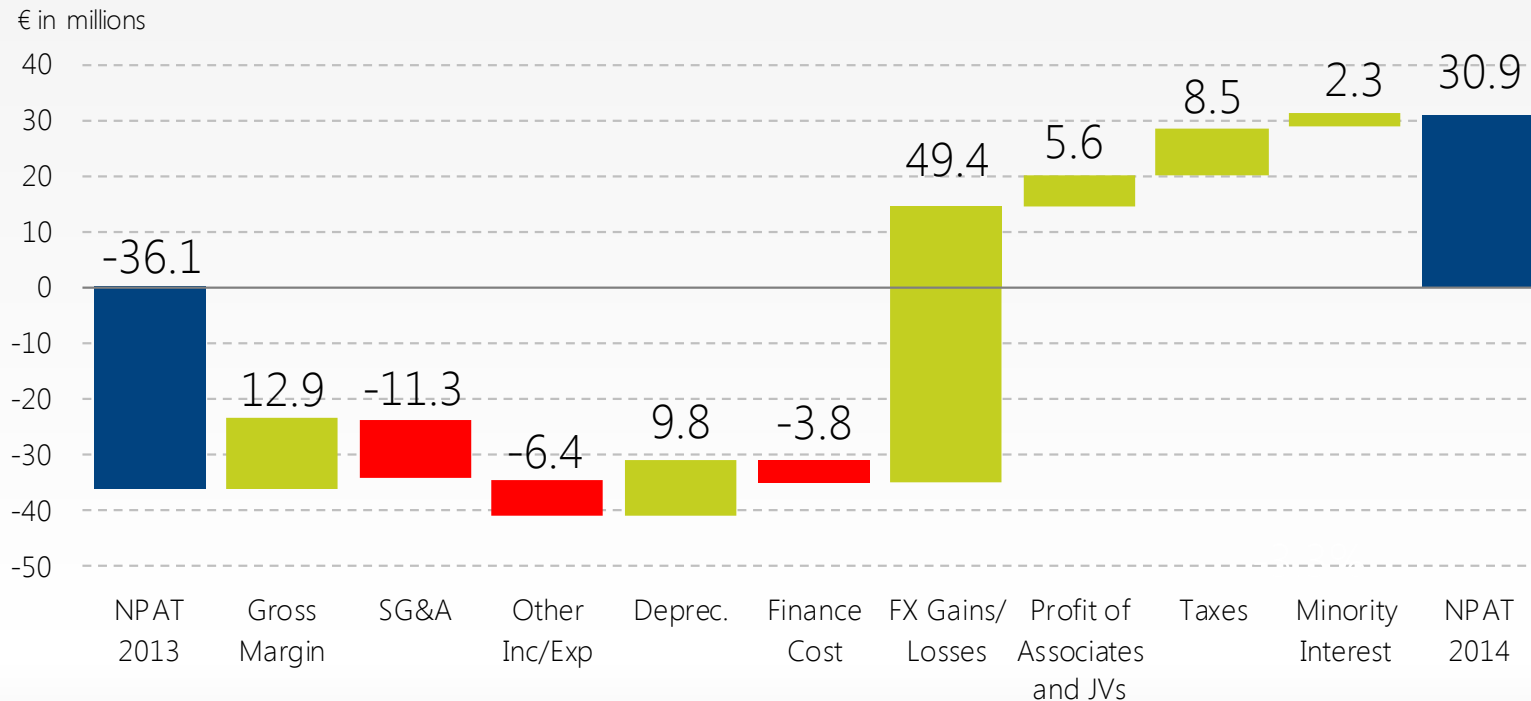


<i>In Million Euros, unless otherwise stated</i>	FY 2014	FY 2013	Variance	Q4 2014	Q4 2013	Variance
<b>Net Sales</b>	<b>1,158.4</b>	<b>1,127.9</b>	<b>2.7%</b>	<b>292.7</b>	<b>276.1</b>	<b>6.0%</b>
<i>Cost of Goods Sold</i>	<i>-863.9</i>	<i>-846.3</i>	<i>2.1%</i>	<i>-221.6</i>	<i>-209.0</i>	<i>6.0%</i>
<b>Gross Margin (before depreciation)</b>	<b>294.5</b>	<b>281.6</b>	<b>4.6%</b>	<b>71.1</b>	<b>67.1</b>	<b>5.9%</b>
<i>SG&amp;A</i>	<i>-119.4</i>	<i>-108.1</i>	<i>10.4%</i>	<i>-34.3</i>	<i>-27.3</i>	<i>25.7%</i>
<i>Other Income / Expense</i>	<i>6.5</i>	<i>12.9</i>	<i>-49.7%</i>	<i>-1.8</i>	<i>0.0</i>	
<b>EBITDA</b>	<b>181.6</b>	<b>186.4</b>	<b>-2.6%</b>	<b>34.9</b>	<b>39.9</b>	<b>-12.3%</b>
<i>Depreciation</i>	<i>-105.0</i>	<i>-114.8</i>	<i>-8.5%</i>	<i>-26.6</i>	<i>-27.8</i>	<i>-4.3%</i>
<i>Finance Costs - Net</i>	<i>-65.7</i>	<i>-61.9</i>	<i>6.2%</i>	<i>-21.6</i>	<i>-14.4</i>	<i>49.4%</i>
<i>FX Gains/Losses</i>	<i>31.1</i>	<i>-18.4</i>		<i>11.3</i>	<i>-5.3</i>	
<i>Share of profit of associates &amp; JVs</i>	<i>4.9</i>	<i>-0.7</i>		<i>1.4</i>	<i>0.4</i>	<i>244.9%</i>
<b>Profit Before Taxes</b>	<b>46.8</b>	<b>-9.4</b>		<b>-0.6</b>	<b>-7.3</b>	
<i>Income Tax Net</i>	<i>-11.1</i>	<i>-19.6</i>	<i>-43.5%</i>	<i>0.7</i>	<i>-14.0</i>	
<i>Non Controlling Interest</i>	<i>-4.8</i>	<i>-7.1</i>	<i>-32.6%</i>	<i>0.3</i>	<i>-0.3</i>	
<b>Net Profit after Taxes &amp; Minorities</b>	<b>30.9</b>	<b>-36.1</b>		<b>0.4</b>	<b>-21.5</b>	
<b>Earnings per Share (€/share) – basic</b>	<b>0.379</b>	<b>-0.442</b>		<b>0.005</b>	<b>-0.264</b>	
	<b>31 Dec' 14</b>	<b>31 Dec' 13</b>	<b>Variance</b>			
<b>Net Debt</b>	<b>541</b>	<b>509</b>	<b>6.6%</b>			
<b>Share Price</b>	<b>19.17</b>	<b>19.80</b>	<b>-3.2%</b>			
<b>ASE Index</b>	<b>826.18</b>	<b>1,162.68</b>	<b>-28.9%</b>			

# €67m NPAT Improvement Aided by Switch from FX Losses to FX Gains in the 2<sup>nd</sup> Half of 2014



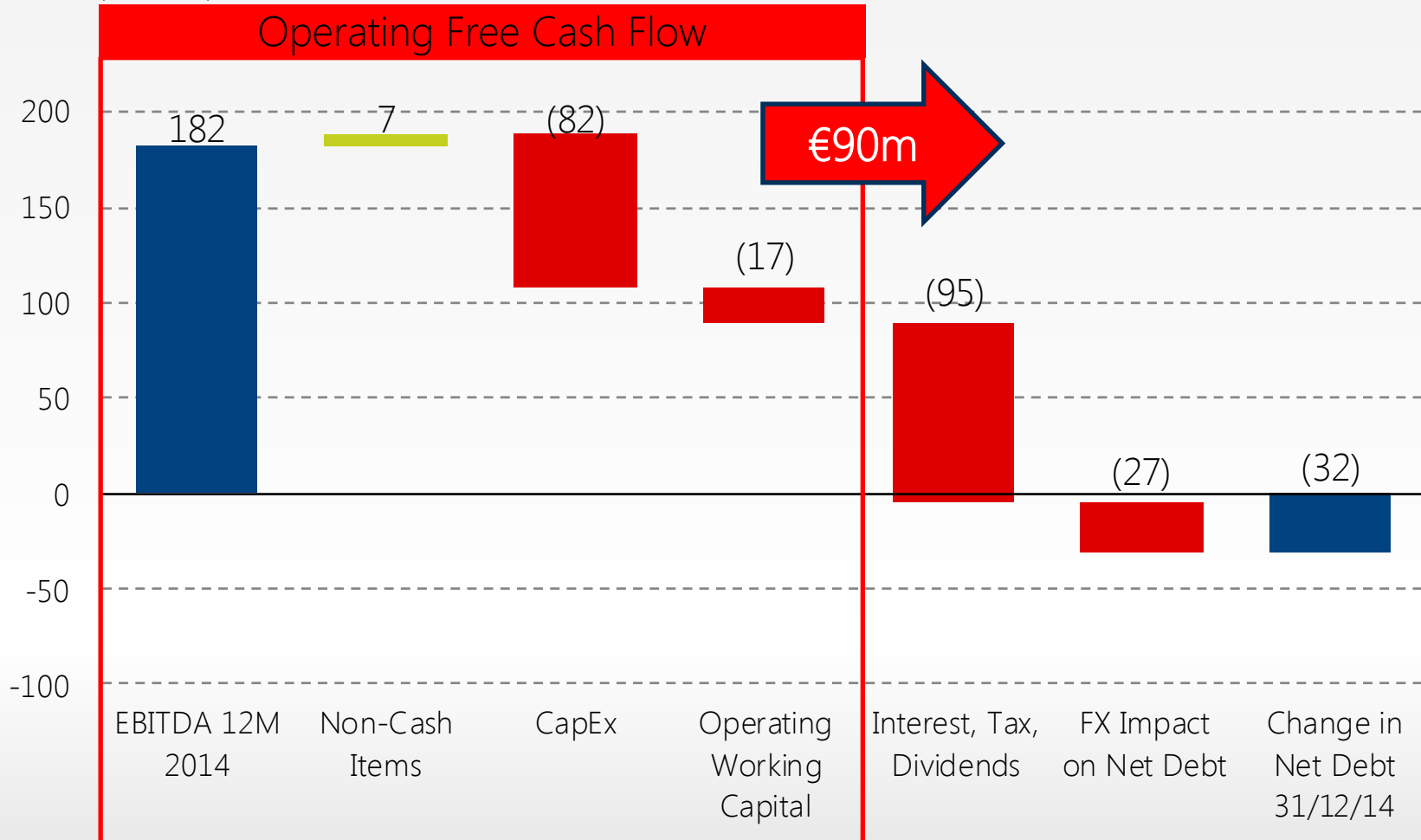
## Evolution of Group Net Profit after Taxes and Minorities – Full Year 2014



# Drop in Operating Free Cash Flow (€46m Below 2013) Due to Higher CAPEX and WC

## Sources and Uses of Cash

(€ in millions)



# Titan Group Balance Sheet – Strong Equity Base



<i>In Million Euros, unless otherwise stated</i>	31 Dec' 14	31 Dec' 13	Variance
<i>Property, plant &amp; equipment</i>	1,673.0	1,564.9	108.1
<i>Intangible assets and goodwill</i>	446.1	414.0	32.1
<i>Other non-current assets</i>	115.9	104.9	11.0
<b>Non-current assets</b>	<b>2,235.0</b>	<b>2,083.8</b>	<b>151.2</b>
<i>Inventories</i>	275.8	221.4	54.4
<i>Receivables and prepayments</i>	157.4	174.3	-16.9
<i>Cash and cash equivalents</i>	143.0	184.3	-41.3
<b>Current assets</b>	<b>576.2</b>	<b>580.0</b>	<b>-3.8</b>
<b>Total Assets</b>	<b>2,811.2</b>	<b>2,663.8</b>	<b>147.4</b>
<i>Share capital and share premium</i>	361.3	361.3	-
<i>Treasury shares</i>	-83.6	-87.7	4.1
<i>Retained earnings</i>	288.1	845.2	-557.1
<i>Other reserves</i>	941.2	297.3	643.9
<i>Non-controlling interests</i>	120.6	122.7	-2.1
<b>Total equity</b>	<b>1,627.6</b>	<b>1,538.8</b>	<b>88.8</b>
<i>Long-term borrowings</i>	634.2	599.1	35.1
<i>Deferred income tax liability</i>	184.0	163.5	20.5
<i>Other non-current liabilities</i>	80.2	66.0	14.2
<b>Non-current liabilities</b>	<b>898.4</b>	<b>828.6</b>	<b>69.8</b>
<i>Short-term borrowings</i>	49.5	93.7	-44.2
<i>Trade and other payables</i>	220.5	187.2	33.3
<i>Other current liabilities</i>	15.2	15.5	-0.3
<b>Current liabilities</b>	<b>285.2</b>	<b>296.4</b>	<b>-11.2</b>
<b>Total Equity and Liabilities</b>	<b>2,811.2</b>	<b>2,663.8</b>	<b>147.4</b>

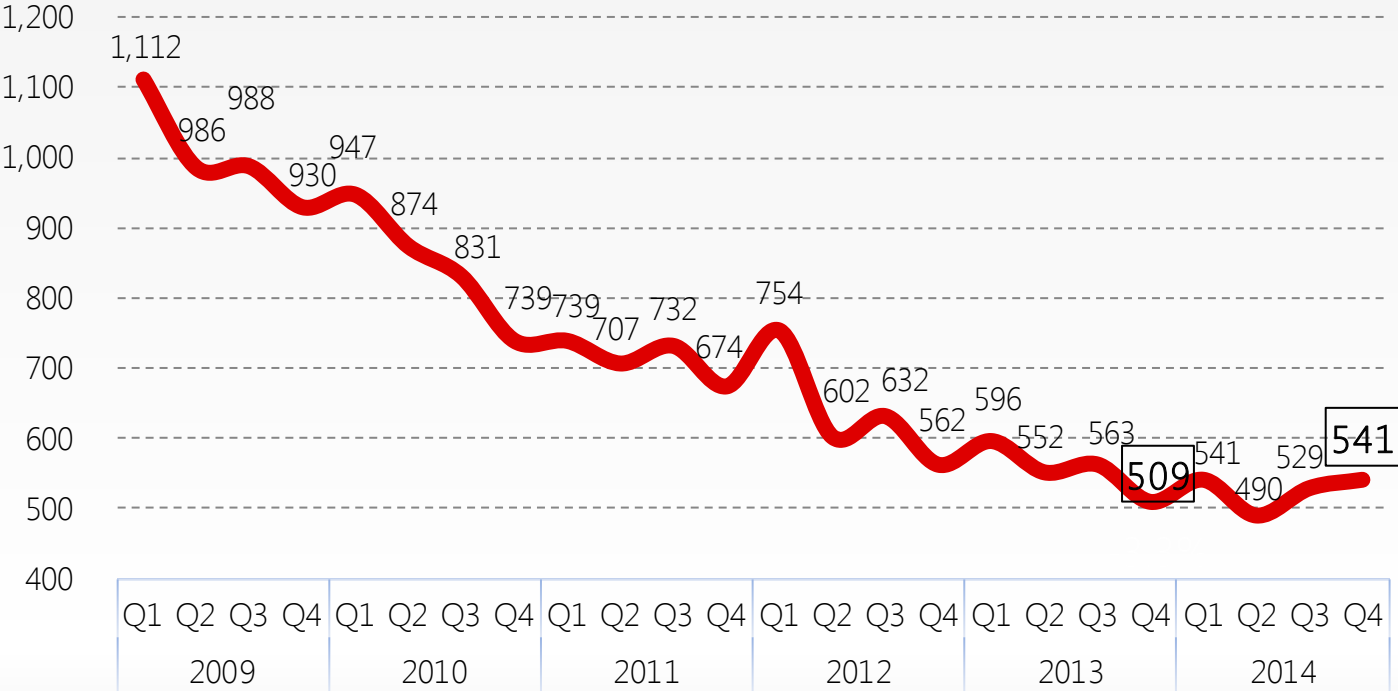


# Net Debt Stabilizes Below €550m



## Group Net Debt

(€ in millions)

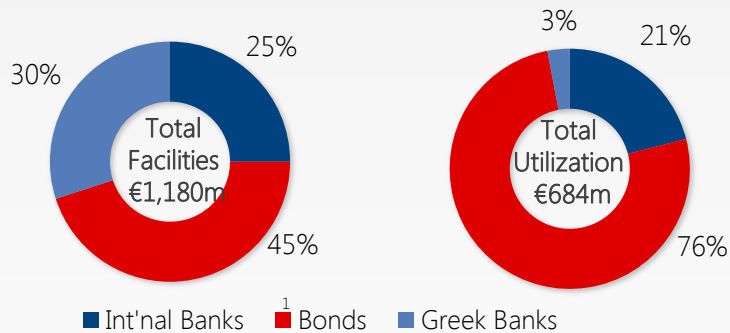


For comparability purposes all figures have been adjusted in order to exclude Turkey.

# Debt & Liquidity Profile

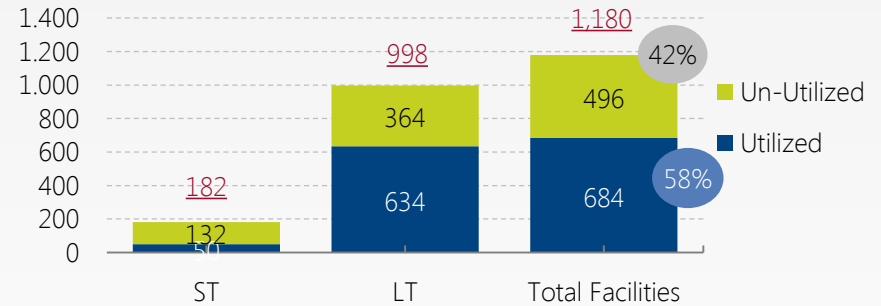


## Facilities / Utilization by Lender

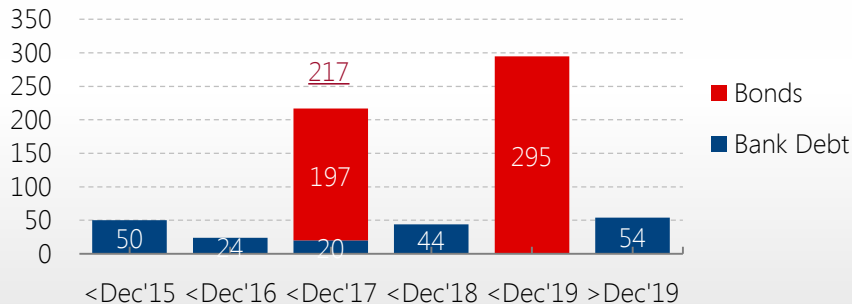


<sup>1</sup>: including US Industrial Revenue Bonds

## Facilities by Tenor / Utilization (€m)

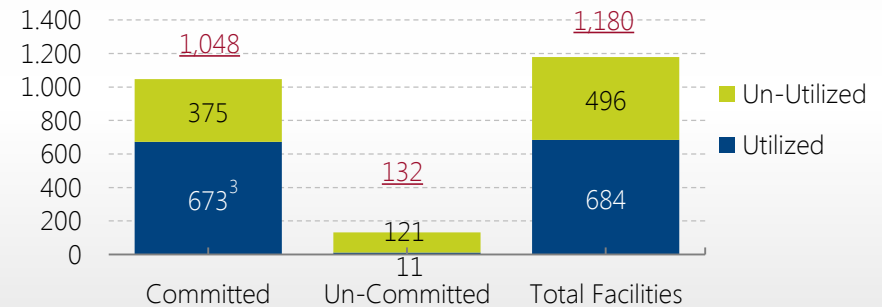


## Maturity Profile (€m)<sup>2</sup>



<sup>2</sup>: includes loan fees

## Facilities by Type / Utilization (€m)

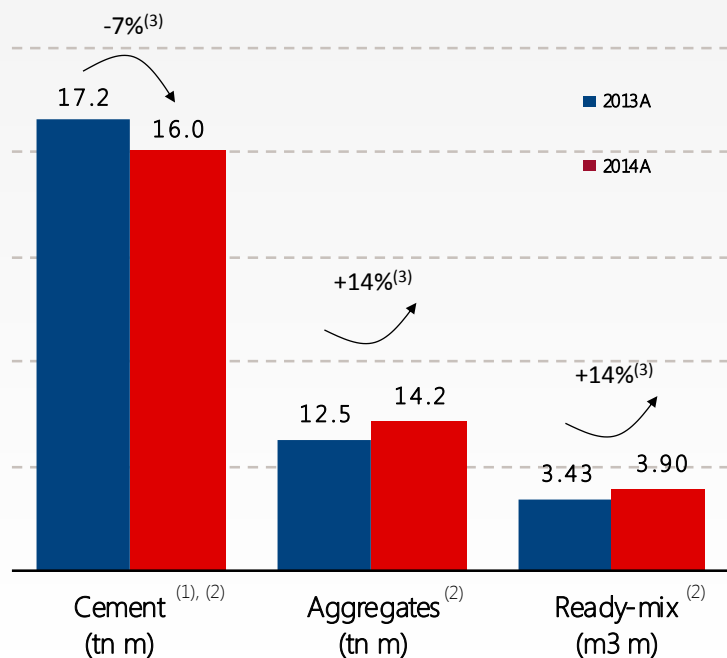


<sup>3</sup>: including Bonds

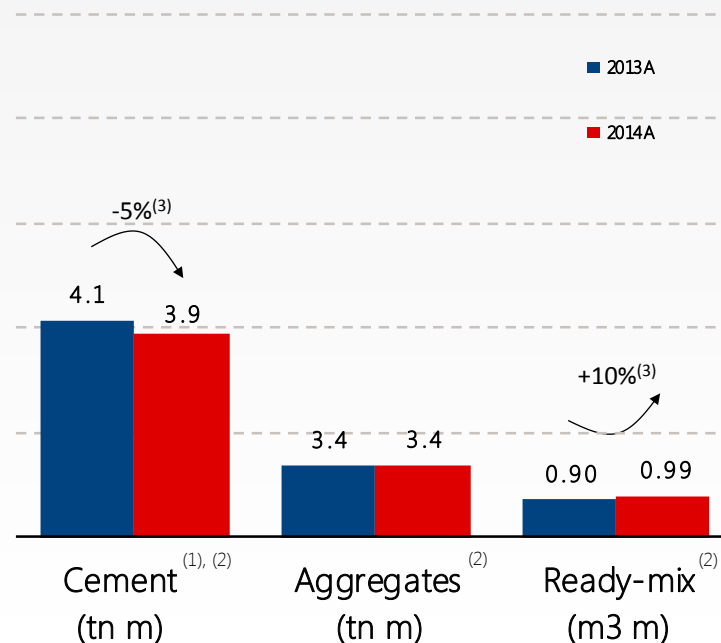
# Increase in Cement Sales in Greece and USA Cannot Offset the Drop in Egypt and Albania



## 12 Months Sales Volume



## 4th Quarter Sales Volume



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



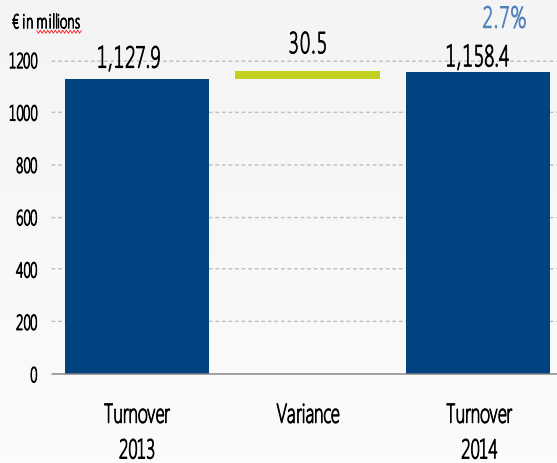
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## Market Overviews

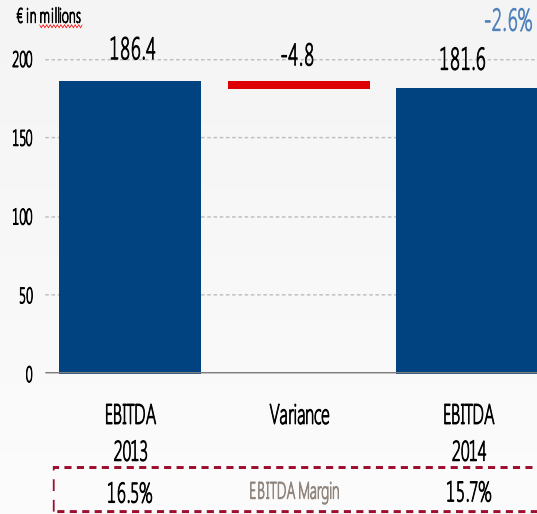
# 2014 a Profitable Year - Recovery in USA and Greece Offset by Lost Production in Egypt



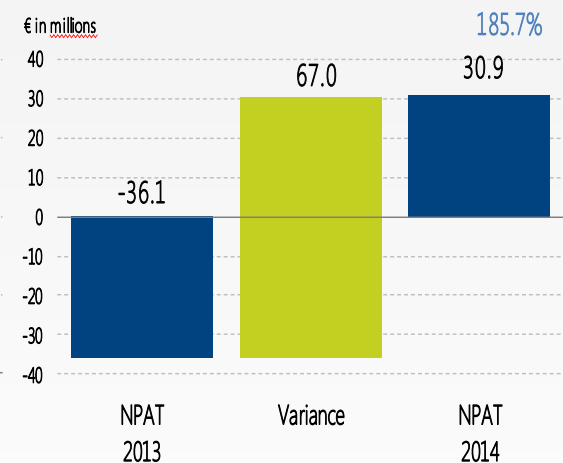
### Turnover



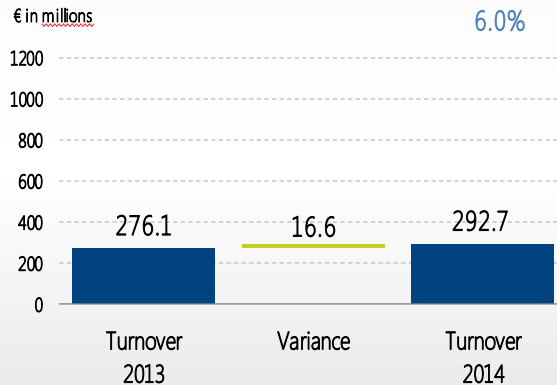
### EBITDA



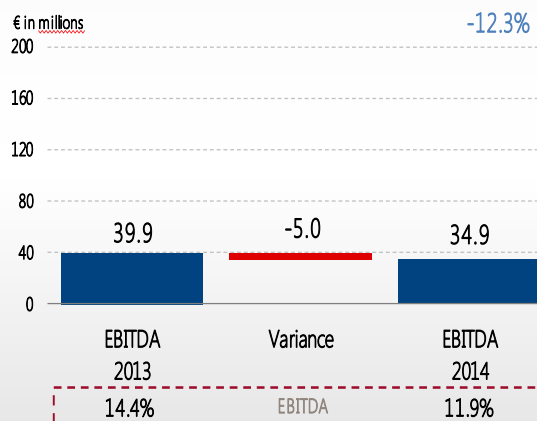
### NPAT



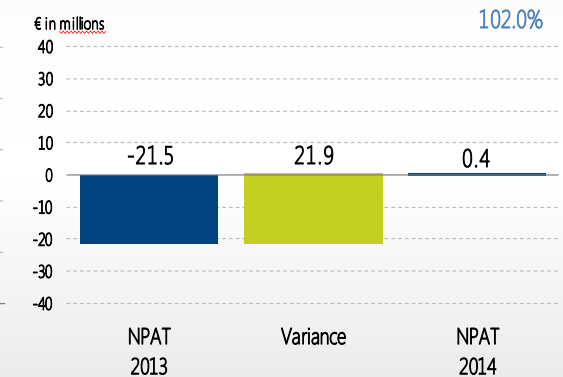
### Turnover



### EBITDA



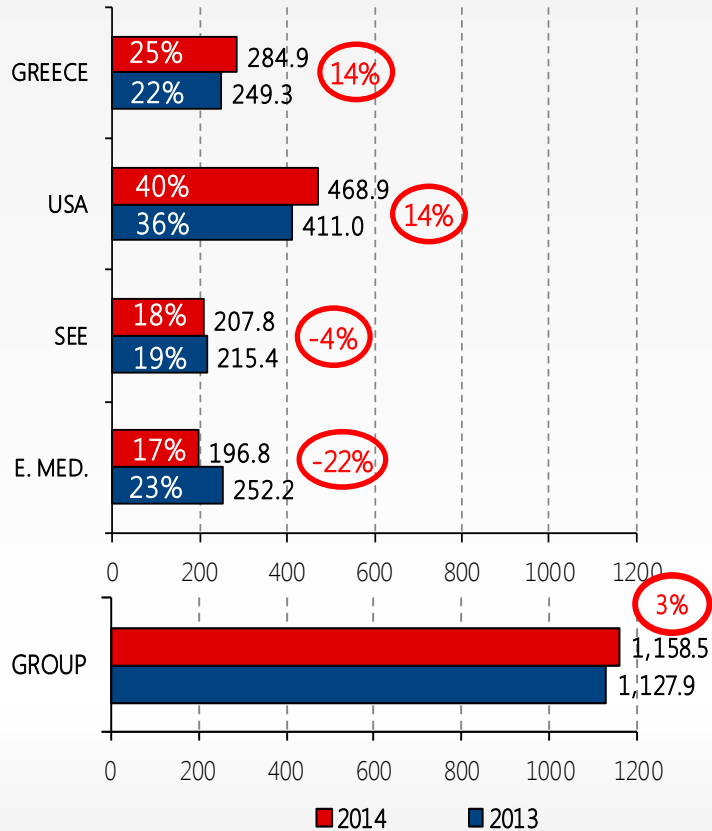
### NPAT



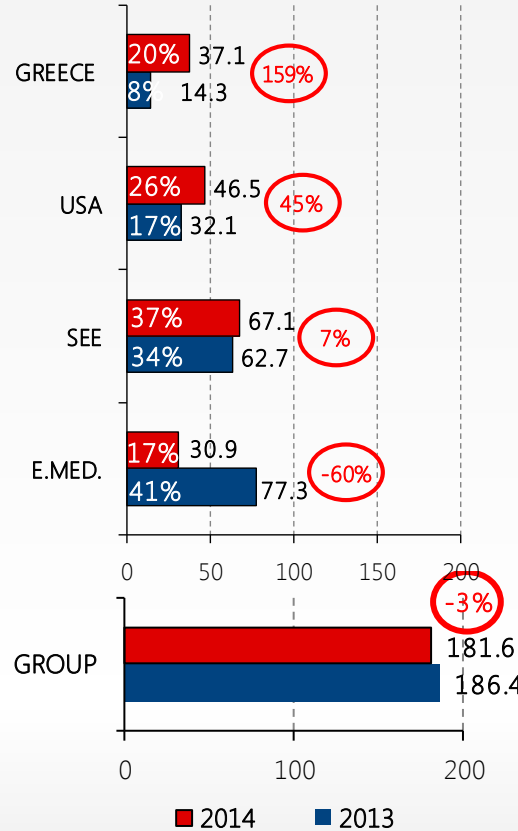
# 2014 Turnover, EBITDA and Total Assets by Region



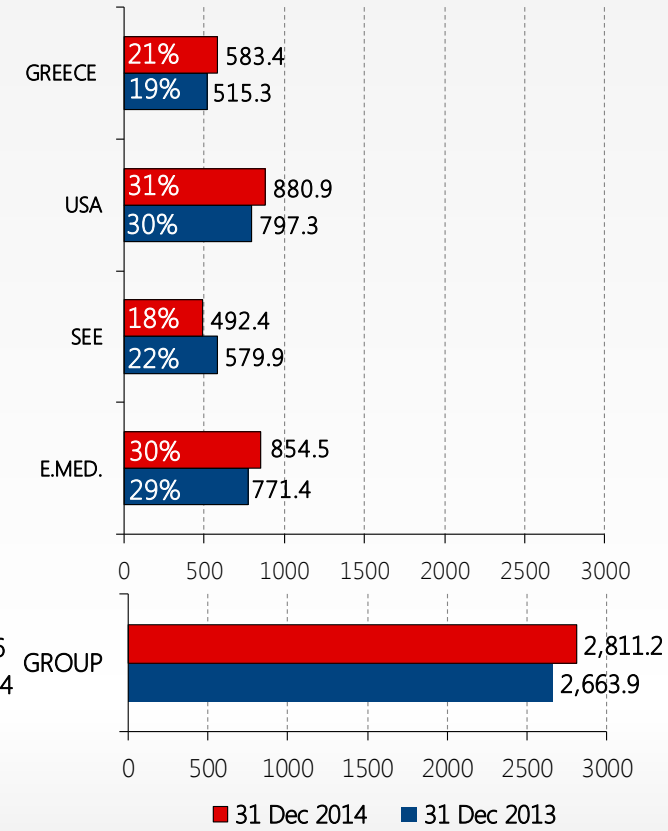
FY Turnover (€m)



FY EBITDA (€m)



Total Assets (€'000m)



Regional Performance Includes Exports to 3<sup>rd</sup> Parties and Terminals

X% Variance vs last year

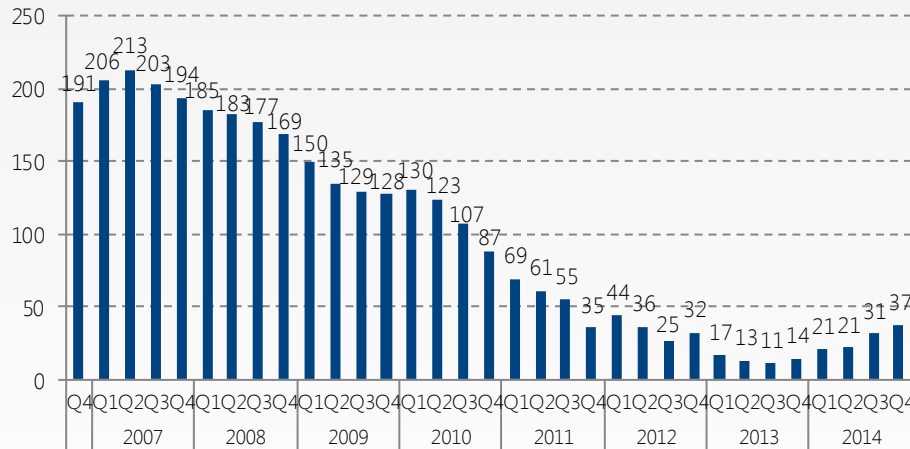
X% Weight contribution to total



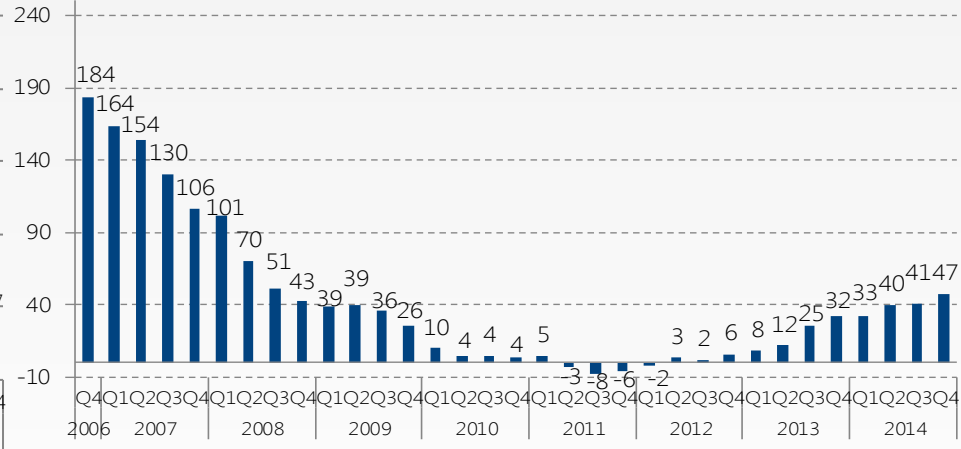
# EBITDA 12Month-Rolling Quarterly Analysis by Region 2006-2014



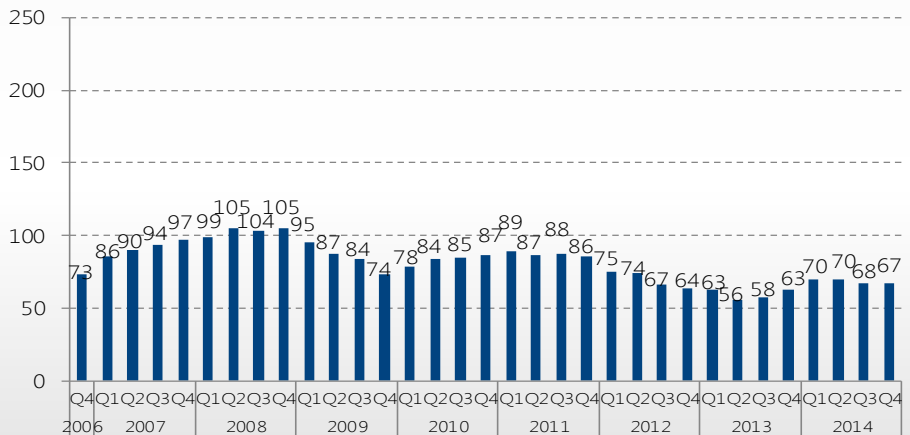
## GREECE



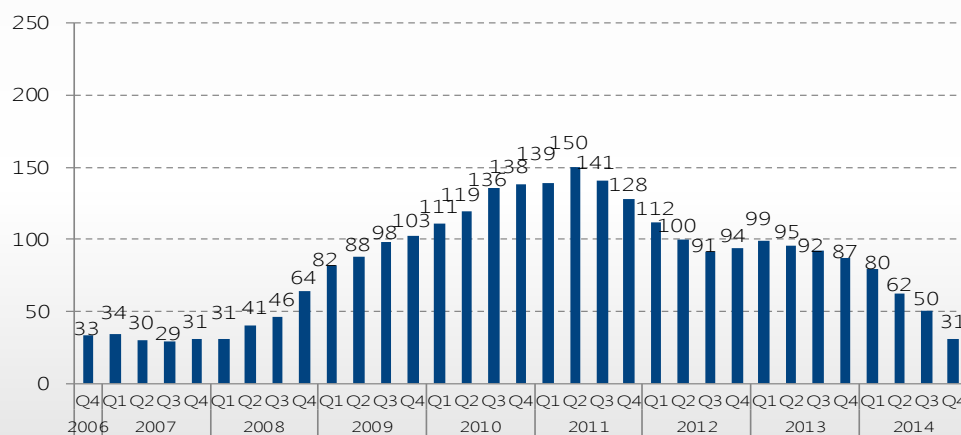
## USA



## SOUTH EASTERN EUROPE



## EASTERN MEDITERRANEAN



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

# In Greece, Higher Sales Volumes and Cost Efficiencies Boost Operating Profitability



Public works drive double-digit increase in domestic sales across all products.

Momentum in export sales continues, fuelled by increased clinker exports.

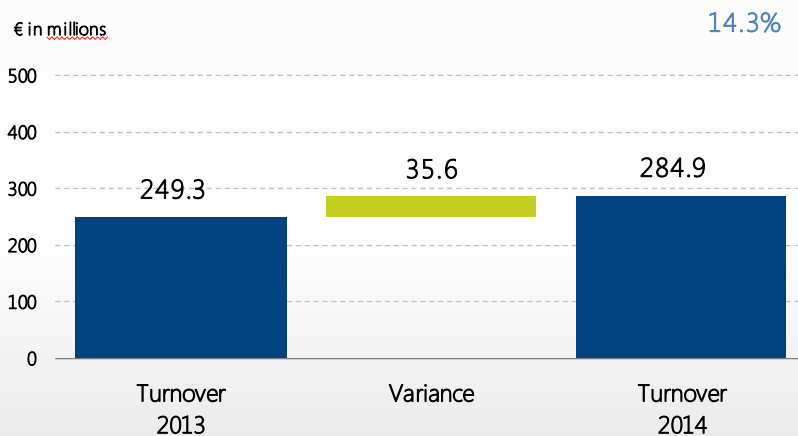
Cement domestic prices stable in 2014, slightly lower than last year. Realized Export prices benefit from strong \$ in Q4.

Lower Fuel and Electricity costs and increased use of alternative fuels contribute to cost savings.

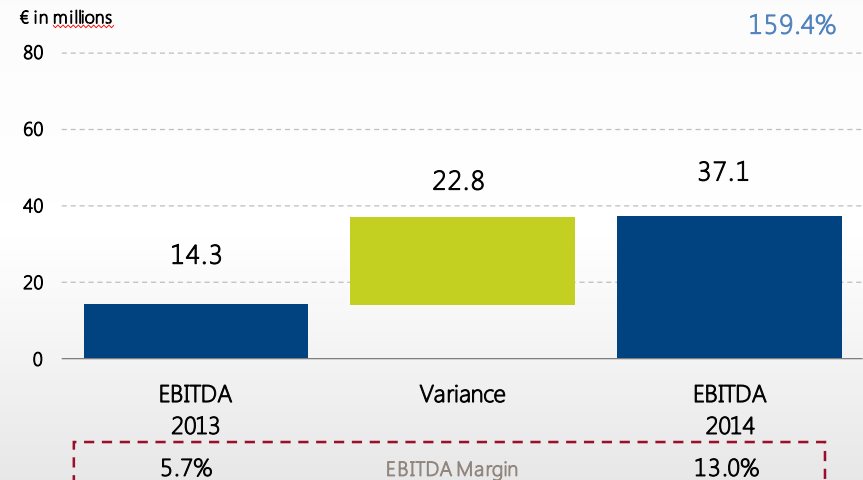
EBITDA margin almost doubled due to higher capacity utilization and fuel and electricity cost savings.

Stable positive operating free cash flow generation.

## Greece Turnover



## Greece EBITDA



# In the US Higher Sales Volumes and Favorable Pricing (Especially in Florida) Drive Performance



€14m higher operating profitability (EBITDA) and €15m fx gains (mainly in the 2<sup>nd</sup> half).

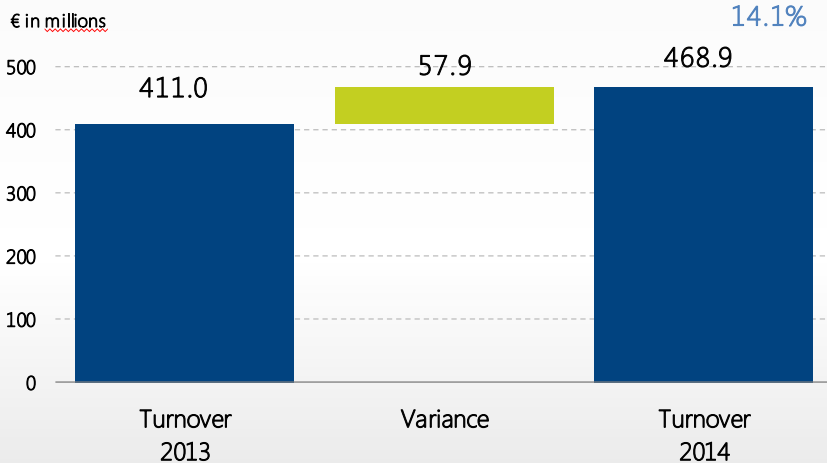
Volumes grew in all products and geographies. Strong market demand. US growth was driven by double-digit growth in Florida and more moderate in Mid-Atlantic.

Prices continued to increase across all geographies and products in 2014.

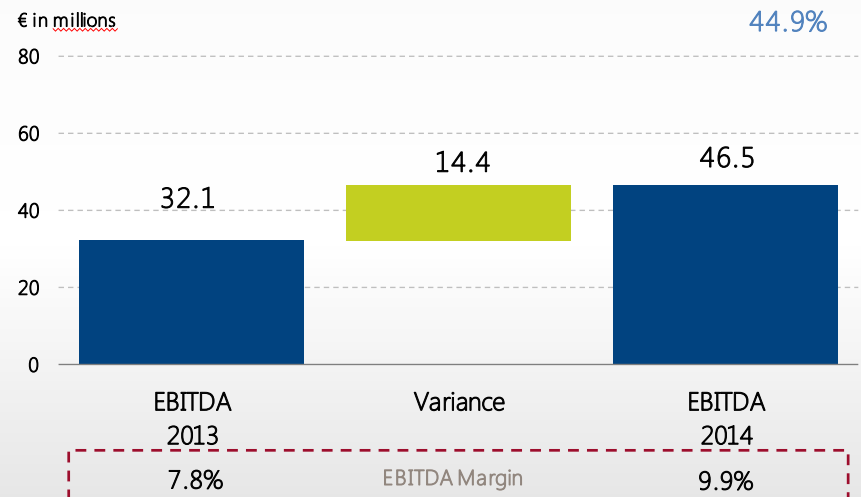
PCA forecasts 10.7% growth for our markets in 2015.

CAPEX spending focuses on business expansion and continuing sales growth.

## US Turnover



## US EBITDA



# In SEE, Price Increases and Contained Costs Counter-Balance the Drop in Albanian Sales



In SEE, the drop in sales volumes was balanced by better prices and cost savings, thus leaving Turnover stable with a small improvement in EBITDA margin. The Region contributes 18% of Group Turnover and 37% of Group EBITDA.

Sharp drop in construction activity in Albania reduces domestic cement sales and drives a decline in SEE sales in 2014.

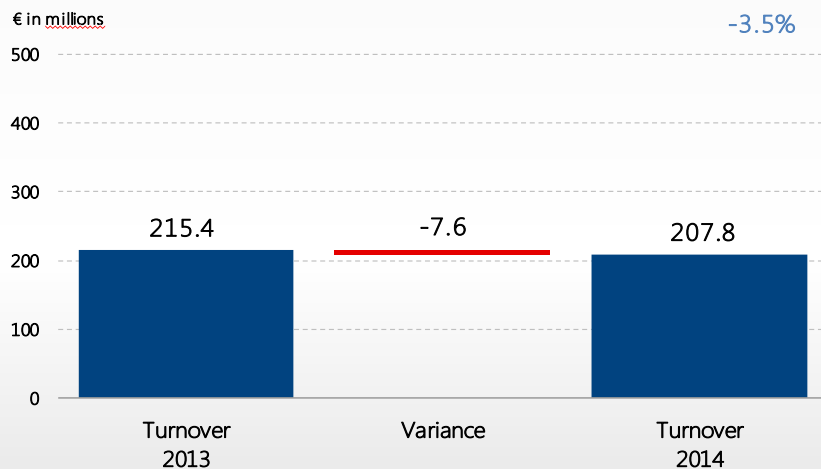
Average Region domestic cement sales prices increased, reverting to previous years' levels.

Savings in fuel and electricity costs, driven by lower unit prices and efficiencies.

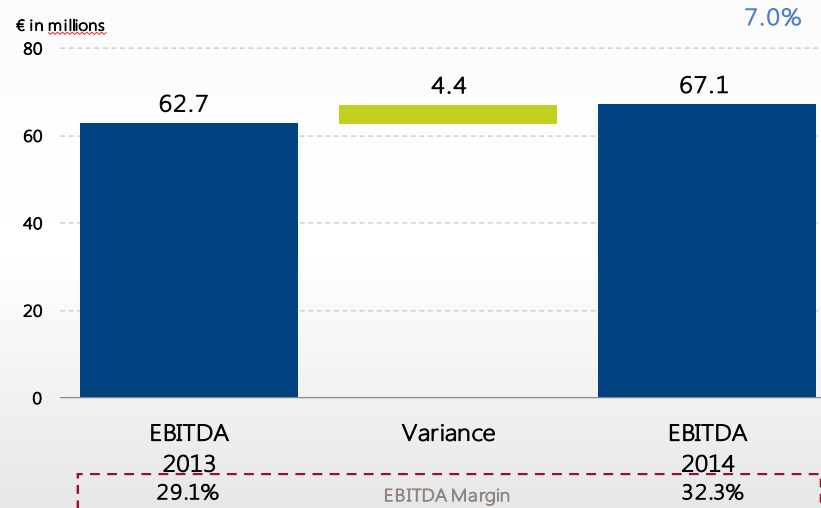
Substantial Free Cash Flow from operations, resulting from solid EBITDA and limited CAPEX and WC needs.

In February 2015, purchased from EBRD its 20% stake in Albania.

### SEE Turnover



### SEE EBITDA



# Gas Shortages in Egypt Cut Production, Limit Cement Sales and Reduce Profitability



Titan lost €55m in Turnover and €46m in EBITDA compared to 2013.

Titan Egypt Cement sales seriously curtailed (down ≈30%) due to low production caused by severe gas shortages. Market demand up 2.4%.

Titan Egypt purchased Clinker from Greece and Albania that partly covered production / market demand gap.

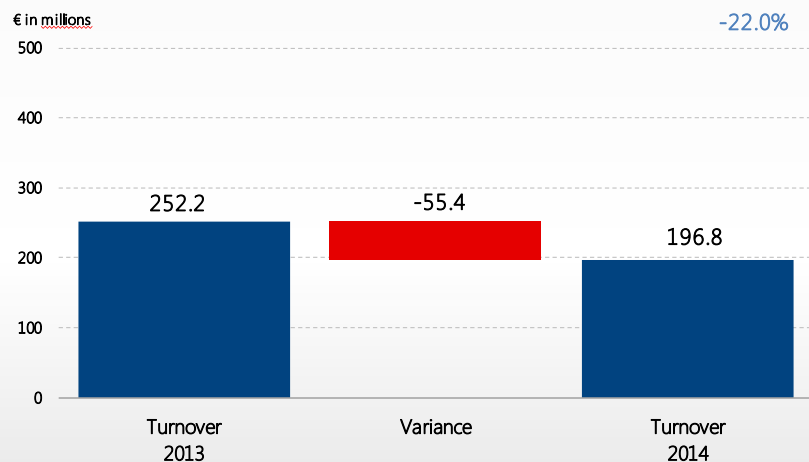
Beni-Suef first solid fuels grinding mill began to operate in December.

Cement sales prices increase vs 2013 but not enough to cover soaring gas and electricity price increases.

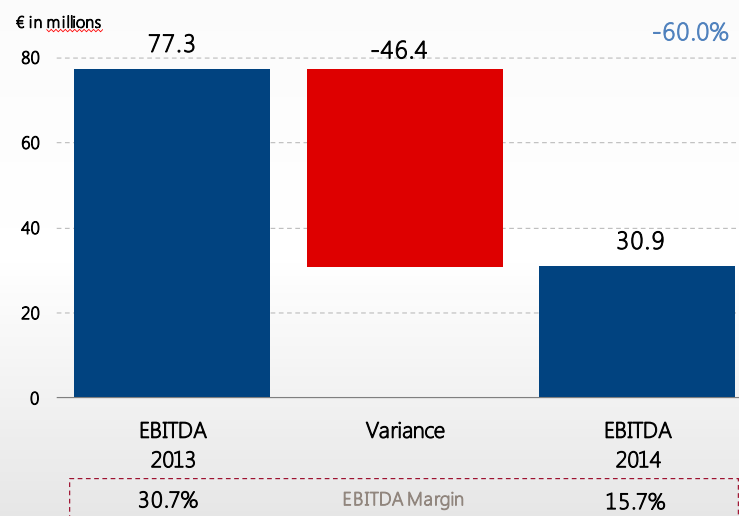
Increase in WC mainly due to higher inventories of petcoke, clinker and spare parts, also affected by FX.

Turkey 2014 contribution (NPAT) to the Group was €4.6m vs €-0.1 last year. Turnover higher by 6% to TLY244m, but decreased 4% in € terms.

### EMED Turnover



### EMED EBITDA







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Outlook



## USA

- Recovery momentum set to continue.
- Focus on capturing opportunities and on expanding margins.

## Eastern Med

- Demand likely to remain high, despite uncertainties.
- Focus on overcoming fuel constraints in Egypt.

## Greece

- Demand underpinned by funded public works.
- Focus on exports and cost competitiveness.

## S.E. Europe

- No catalyst for growth visible.
- Focus on synergies & efficiencies.

## Group Strategic Priorities

- Growth Set for targeted, disciplined and creative growth...
- Performance ...gradually returning to superior returns, based on customer & operating excellence...
- Sustainability ...with a single-minded focus on our distinctive social contact