



**Interim Condensed Financial
Statements
for the period
1 January – 30 September 2015
of the Group and Titan Cement
Company S.A.**



Index

	Pages
1. Interim Condensed Financial Statements	3
2. Notes to the Interim Condensed Financial Statements	11

The Interim Condensed Financial Statements presented through pages 3 to 35 both for the Group and the Parent Company, have been approved by the Board of Directors on 5th of November 2015.

Chairman of the Board of Directors

ANDREAS L. CANELLOPOULOS
ID No AB500997

Chief Executive Officer

DIMITRIOS TH. PAPALEXOPOULOS
ID No AK031353

Chief Financial Officer

MICHAEL H. COLAKIDES
Passport No K00215552

Finance Director Greece

GRIGORIOS D. DIKAIOS
ID No AB291692

Financial Consolidation Senior
Manager

ATHANASIOS S. DANAS
ID No AB006812

Interim Condensed Income Statement

(all amounts in Euro thousands)

	Note	Group		Company	
		For the nine months ended 30/9		For the nine months ended 30/9	
		2015	2014	2015	2014
Sales of goods	5	1,029,533	865,765	204,829	197,235
Cost of sales		-768,845	-642,329	-153,372	-157,098
Gross profit before depreciation and amortization		260,688	223,436	51,457	40,137
Other income		14,670	18,055	10,850	7,707
Administrative expenses		-81,390	-71,832	-25,661	-24,525
Selling and marketing expenses		-15,732	-13,250	-88	-104
Other expenses		-13,056	-9,753	-5,098	-580
Profit before interest, taxes, depreciation and amortization (EBITDA)		165,180	146,656	31,460	22,635
Depreciation and amortization related to cost of sales	8,9	-80,018	-74,003	-9,184	-9,060
Depreciation and amortization related to administrative and selling expenses	8,9	-4,521	-5,081	-969	-973
(Impairment)/reversal of impairment of tangible and intangible assets related to cost of sales	8,9	-149	692	-	692
Profit before interest and taxes		80,492	68,264	21,307	13,294
(Expenses)/income from participations and investments		-2,805	-11	-	19,989
Finance income		1,611	1,848	48	90
Finance costs		-49,416	-46,008	-17,872	-33,459
Gains from foreign exchange differences	25	8,551	19,710	582	255
Share of profit of associates and joint ventures	10	3,780	3,579	-	-
Profit before taxes		42,213	47,382	4,065	169
Income tax	7	-4,558	-11,810	-3,677	5,960
Profit for the period		37,655	35,572	388	6,129
Attributable to:					
Equity holders of the parent		36,181	30,504		
Non-controlling interests		1,474	5,068		
		37,655	35,572		
Basic earnings per share (in €)	18	0.4424	0.3737		
Diluted earnings per share (in €)	18	0.4396	0.3713		

The accompanying notes on pages 11 to 35 are an integral part of these financial statements

Interim Condensed Statement of Comprehensive Income

(all amounts in Euro thousands)

	Note	Group		Company	
		For the nine months ended 30/9		For the nine months ended 30/9	
		2015	2014	2015	2014
Profit for the period		37,655	35,572	388	6,129
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of foreign operations	17	14,987	56,770	-	-
Net losses on available-for-sale financial assets		-75	-163	-	-
Reclassification to income statement		1,468	-	-	-
		1,393	-163	-	-
Cash flow hedges		-221	1,660	-	1,660
Reclassification to income statement		-	370	-	-
Income tax effect	7	86	761	-	762
		-135	2,791	-	2,422
Net other comprehensive income to be reclassified to profit or loss in subsequent periods:		16,245	59,398	-	2,422
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>					
Re-measurement losses on defined benefit plans		-5	-	-	-
Income tax effect	7	2	-	-	-
		-3	-	-	-
Net other comprehensive loss not being reclassified to profit or loss in subsequent periods:		-3	-	-	-
Other comprehensive income for the period, net of tax		16,242	59,398	-	2,422
Total comprehensive income for the period, net of tax		53,897	94,970	388	8,551
Attributable to:					
Equity holders of the parent		53,378	86,237		
Non-controlling interests		519	8,733		
		53,897	94,970		

The accompanying notes on pages 11 to 35 are an integral part of these financial statements

Interim Condensed Income Statement for the 3rd Quarter

(all amounts in Euro thousands)

	Note	Group		Company	
		For the three months ended 30/9		For the three months ended 30/9	
		2015	2014	2015	2014
Sales of goods	5	356,749	304,731	59,688	63,392
Cost of sales		-262,205	-221,611	-45,689	-45,785
Gross profit before depreciation and amortization		94,544	83,120	13,999	17,607
Other income		5,156	6,013	8,445	2,387
Administrative expenses		-27,426	-23,813	-8,846	-9,269
Selling and marketing expenses		-5,423	-4,087	-28	-38
Other expenses		-6,981	-3,574	-3,804	-261
Profit before interest, taxes, depreciation and amortization (EBITDA)		59,870	57,659	9,766	10,426
Depreciation and amortization related to cost of sales	8,9	-26,606	-23,654	-3,000	-3,104
Depreciation and amortization related to administrative and selling expenses	8,9	-1,407	-1,661	-320	-312
Reversal of impairment of tangible and intangible assets related to cost of sales	8,9	13	-	-	-
Profit before interest and taxes		31,870	32,344	6,446	7,010
Expense from participations and investments		-1,337	-11	-	-11
Finance income		219	591	2	37
Finance costs		-16,778	-15,022	-5,488	-10,219
(Losses)/gains from foreign exchange differences	25	-4,215	21,231	-331	699
Share of profit of associates and joint ventures	10	1,535	1,549	-	-
Profit/(loss) before taxes		11,294	40,682	629	-2,484
Income tax	7	1,691	-9,666	-1,866	452
Profit/(loss) for the period		12,985	31,016	-1,237	-2,032
Attributable to:					
Equity holders of the parent		11,978	27,596		
Non-controlling interests		1,007	3,420		
		12,985	31,016		
Basic earnings per share (in €)	18	0.1463	0.3381		
Diluted earnings per share (in €)	18	0.1456	0.3358		

The accompanying notes on pages 11 to 35 are an integral part of these financial statements

Interim Condensed Statement of Comprehensive Income for the 3rd Quarter

(all amounts in Euro thousands)

	Note	Group		Company	
		For the three months ended 30/9		For the three months ended 30/9	
		2015	2014	2015	2014
Profit/(loss) for the period		12,985	31,016	-1,237	-2,032
Other comprehensive (loss)/income:					
<i>Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of foreign operations	17	-21,703	58,720	-	-
Losses on available-for-sale financial assets		-72	-296	-	-
Cash flow hedges		-221	351	-	567
Reclassification to income statement		-	370	-	-
Income tax effect	7	86	-64	-	-147
		-135	657	-	420
Net other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:		-21,910	59,081	-	420
Total comprehensive (loss)/income for the period, net of tax		-8,925	90,097	-1,237	-1,612
Attributable to:					
Equity holders of the parent		-7,855	81,739		
Non-controlling interests		-1,070	8,358		
		-8,925	90,097		

The accompanying notes on pages 11 to 35 are an integral part of these financial statements

Interim Condensed Statement of Financial Position

(all amounts in Euro thousands)

	Note	Group		Company	
		30/09/2015	31/12/2014	30/09/2015	31/12/2014
Assets					
Property, plant & equipment	8	1,762,725	1,677,282	236,906	236,468
Investment properties	14	9,099	9,267	9,746	9,908
Intangible assets and goodwill	9	449,873	441,808	1,871	1,973
Investments in subsidiaries	11	-	-	844,728	845,807
Investments in associates & joint ventures	10.11	76,003	86,533	-	-
Available-for-sale financial assets	14	1,354	1,406	172	111
Other non-current assets	14.15	18,263	16,204	3,054	2,960
Deferred tax asset	7	2,791	2,517	-	-
Non-current assets		2,320,108	2,235,017	1,096,477	1,097,227
Inventories	22	285,531	275,774	68,777	72,830
Trade receivables	23	111,596	95,288	42,105	36,857
Other receivables and prepayments	24	76,851	62,161	27,232	16,312
Available-for-sale financial assets	14	-	63	-	61
Cash and cash equivalents		168,150	142,946	16,360	16,971
Current assets		642,128	576,232	154,474	143,031
Total Assets		2,962,236	2,811,249	1,250,951	1,240,258
Equity and Liabilities					
Share Capital (84,632,528 shares of €4.00)	16	338,530	338,530	338,530	338,530
Share premium	16	22,826	22,826	22,826	22,826
Share options	16	1,722	1,620	1,722	1,620
Treasury shares	16	-79,430	-83,633	-79,430	-83,633
Other Reserves	17	994,171	939,525	518,836	496,236
Retained earnings		278,555	288,137	-3,228	47,722
Equity attributable to equity holders of the parent		1,556,374	1,507,005	799,256	823,301
Non-controlling interests		123,794	120,590	-	-
Total equity (a)		1,680,168	1,627,595	799,256	823,301
Long-term borrowings	14	774,715	634,195	381,790	336,694
Derivative financial instruments	14	1,281	2,438	-	-
Deferred tax liability	7	160,522	184,085	7,322	3,365
Retirement benefit obligations		31,577	31,727	14,531	14,029
Provisions	13	18,049	15,922	2,269	2,293
Other non-current liabilities	14	6,505	30,053	4,279	4,446
Non-current liabilities		992,649	898,420	410,191	360,827
Short-term borrowings	14	42,967	49,522	13	95
Trade and other payables		236,743	220,462	37,025	52,425
Derivative financial instruments	14	87	127	-	-
Current income tax payable		4,486	10,987	-	-
Provisions	13	5,136	4,136	4,466	3,610
Current liabilities		289,419	285,234	41,504	56,130
Total liabilities (b)		1,282,068	1,183,654	451,695	416,957
Total Equity and Liabilities (a+b)		2,962,236	2,811,249	1,250,951	1,240,258

The accompanying notes on pages 11 to 35 are an integral part of these financial statements

Interim Condensed Statement of Changes in Equity

(all amounts in Euro thousands)

Group	Attributable to equity holders of the parent									Non-controlling interests	Total equity
	Ordinary shares	Share premium	Preferred ordinary shares	Share options	Ordinary treasury shares	Preferred treasury shares	Other reserves (note 17)	Retained earnings	Total		
Balance at 1 January 2014	308,254	22,826	30,276	3,971	-87,563	-117	293,299	845,181	1,416,127	122,683	1,538,810
Profit for the period	-	-	-	-	-	-	-	30,504	30,504	5,068	35,572
Other comprehensive income	-	-	-	-	-	-	55,733	-	55,733	3,665	59,398
Total comprehensive income for the period	-	-	-	-	-	-	55,733	30,504	86,237	8,733	94,970
Dividends distributed to non-controlling interests	-	-	-	-	-	-	-	-	-	-2,779	-2,779
Contingency reserve distributed to shareholders (note 17)	-	-	-	-	-	-	-8,463	-	-8,463	-	-8,463
Sale - disposal of treasury shares for option plan (note 16)	-	-	-	-	4,805	-	-	-4,258	547	-	547
Deferred tax adjustment due to change in income tax rates (note 7)	-	-	-	-	-	-	-12,068	-	-12,068	-2,557	-14,625
Non-controlling interest's put option recognition	-	-	-	-	-	-	-220	-	-220	112	-108
Share based payment transactions	-	-	-	473	-	-	-	-	473	-	473
Transfer between reserves	-	-	-	-	-	-	16,764	-16,764	-	-	-
Balance at 30 September 2014	308,254	22,826	30,276	4,444	-82,758	-117	345,045	854,663	1,482,633	126,192	1,608,825
Balance at 1 January 2015	308,254	22,826	30,276	1,620	-83,516	-117	939,525	288,137	1,507,005	120,590	1,627,595
Profit for the period	-	-	-	-	-	-	-	36,181	36,181	1,474	37,655
Other comprehensive income/(loss)	-	-	-	-	-	-	17,197	-	17,197	-955	16,242
Total comprehensive income for the period	-	-	-	-	-	-	17,197	36,181	53,378	519	53,897
Dividends distributed to non-controlling interests	-	-	-	-	-	-	-	-	-	-1,241	-1,241
Dividends distributed to ordinary and preferred shares (note 19)	-	-	-	-	-	-	-	-12,695	-12,695	-	-12,695
Special reserve distributed to shareholders (notes 17, 19)	-	-	-	-	-	-	-12,695	-	-12,695	-	-12,695
Sale - disposal of treasury shares for option plan (note 16)	-	-	-	-	4,203	-	-	-3,615	588	-	588
Deferred tax adjustment due to change in income tax rates (note 7)	-	-	-	-	-	-	20,401	-2,673	17,728	3,840	21,568
Acquisition of non-controlling interests (notes 11, 21)	-	-	-	-	-	-	4,422	-3,643	779	551	1,330
Non-controlling interest's put option recognition (note 21)	-	-	-	-	-	-	1,525	-	1,525	-465	1,060
Share based payment transactions	-	-	-	761	-	-	-	-	761	-	761
Transfer between reserves	-	-	-	-659	-	-	23,796	-23,137	-	-	-
Balance at 30 September 2015	308,254	22,826	30,276	1,722	-79,313	-117	994,171	278,555	1,556,374	123,794	1,680,168

The accompanying notes on pages 11 to 35 are an integral part of these financial statements

Interim Condensed Statement of Changes in Equity (continued)

(all amounts in Euro thousands)

Company	Ordinary shares	Share premium	Preferred ordinary shares	Share options	Ordinary treasury shares	Preferred treasury shares	Other reserves (note 17)	Retained earnings	Total equity
Balance at 1 January 2014	308,254	22,826	30,276	3,971	-87,563	-117	511,258	-51,237	737,668
Profit for the period	-	-	-	-	-	-	-	6,129	6,129
Other comprehensive income	-	-	-	-	-	-	2,422	-	2,422
Total comprehensive income for the period	-	-	-	-	-	-	2,422	6,129	8,551
Contingency reserve distributed to shareholders (note 17)	-	-	-	-	-	-	-8,463	-	-8,463
Sale - disposal of treasury shares for option plan (note 16)	-	-	-	-	4,805	-	-	-4,258	547
Share based payment transactions	-	-	-	473	-	-	-	-	473
Transfer between reserves	-	-	-	-	-	-	20,000	-20,000	-
Balance at 30 September 2014	308,254	22,826	30,276	4,444	-82,758	-117	525,217	-69,366	738,776
Balance at 1 January 2015	308,254	22,826	30,276	1,620	-83,516	-117	496,236	47,722	823,301
Profit for the period	-	-	-	-	-	-	-	388	388
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	388	388
Dividends distributed to ordinary and preferred shares (note 19)	-	-	-	-	-	-	-	-12,695	-12,695
Special reserve distributed to shareholders (notes 17, 19)	-	-	-	-	-	-	-12,695	-	-12,695
Sale - disposal of treasury shares for option plan (note 16)	-	-	-	-	4,203	-	-	-3,615	588
Deferred tax adjustment due to change in income tax rate (note 7)	-	-	-	-	-	-	-392	-	-392
Share based payment transactions	-	-	-	761	-	-	-	-	761
Transfer between reserves	-	-	-	-659	-	-	35,687	-35,028	-
Balance at 30 September 2015	308,254	22,826	30,276	1,722	-79,313	-117	518,836	-3,228	799,256

The accompanying notes on pages 11 to 35 are an integral part of these financial statements

Interim Condensed Cash Flow Statement

(all amounts in Euro thousands)

	Note	Group		Company	
		For the nine months ended 30/9		For the nine months ended 30/9	
		2015	2014	2015	2014
Cash flows from operating activities					
Profit before taxes		42,213	47,382	4,065	169
<i>Adjustments for:</i>					
Depreciation/amortization & impairment of tangible and intangible assets	8.9	84,688	78,392	10,153	9,341
Provisions/(reversal of provisions)		6,638	417	4,784	-3,156
Exchange differences		-8,337	-19,128	-582	-255
Expenses/(income) from participations & investments		2,805	11	-	-19,989
Interest (income)/expense		47,042	43,513	17,445	33,064
Other adjustments		-1,515	-6,159	545	2,373
Adjusted profit before changes in working capital		173,534	144,428	36,410	21,547
(Increase)/decrease in inventories		-7,553	-32,729	551	-435
(Increase)/decrease trade and other receivables		-30,843	854	-14,347	-4,435
(Increase) in operating long-term receivables/payables		-2,248	-1,420	-93	-63
Increase/(decrease) in trade and other payables (excluding banks)		1,229	230	-11,152	-6,073
Cash generated from operations		134,119	111,363	11,369	10,541
Income tax paid		-15,424	-17,522	-431	-235
<i>Net cash flows from operating activities</i>		118,695	93,841	10,938	10,306
Cash flows from investing activities					
Share capital (increase)/decrease in subsidiaries, associates and joint ventures		-	-	-300	168,766
Purchase of tangible assets and investment properties	8	-127,072	-47,070	-10,551	-7,633
Purchase of intangible assets		-618	-382	-131	-331
Proceeds from sale of tangible and intangible assets	8.9	690	1,036	301	121
Proceeds from dividends		1,593	737	-	20,000
Interest received		689	1,848	48	90
<i>Net cash flows (used in)/from investing activities</i>		-124,718	-43,831	-10,633	181,013
Cash flows from financing activities					
Interest paid		-48,524	-49,235	-20,094	-31,539
Proceeds from sale of treasury shares (note 18)		588	547	588	547
Dividends & reserves paid to shareholders		-25,352	-8,436	-25,352	-8,436
Dividends written-off and paid to the Greek State		-	-67	-	-67
Dividends paid to non-controlling interests		-1,276	-89	-	-
Acquisition of non-controlling interests	11	-10,591	-	-	-
Proceeds from borrowings		318,661	728,824	84,112	242,477
Repayment of borrowings		-203,436	-735,739	-40,363	-396,834
<i>Net cash flows from/(used in) financing activities</i>		30,070	-64,195	-1,109	-193,852
Net increase/(decrease) in cash and cash equivalents		24,047	-14,185	-804	-2,533
Cash and cash equivalents at start of period		142,946	184,257	16,971	8,780
Effects of exchange rate changes		1,157	2,938	193	-4
Cash and cash equivalents at end of period		168,150	173,010	16,360	6,243

The accompanying notes on pages 11 to 35 are an integral part of these financial statements

Contents of the notes to the interim condensed financial statements

	<i>Page</i>
1. General information	12
2. Basis of preparation and summary of significant accounting policies	12
3. Estimates	15
4. Seasonality of operations	16
5. Segment information	17
6. Number of employees	17
7. Income tax	18
8. Property, plant and equipment	18
9. Intangible assets	19
10. Interest in associates and joint ventures	19
11. Principal subsidiaries, associates and joint ventures	20
12. Fiscal years unaudited by the tax authorities	23
13. Provisions	23
14. Fair value measurement	24
15. Other non-current assets	25
16. Share capital and premium	26
17. Other reserves	29
18. Earnings per share	30
19. Dividend proposed and distributed	30
20. Related party transactions	30
21. Contingencies and commitments	32
22. Inventories	34
23. Trade receivables	34
24. Other receivables and prepayments	34
25. Foreign exchange differences	35
26. Reclassifications	35
27. Principal exchange rates	35

1. General information

Titan Cement Co. S.A. (the Company) and, its subsidiaries (collectively the Group) are engaged in the production, trade and distribution of a wide range of construction materials, including cement, concrete, aggregates, cement blocks, dry mortars and fly ash. The Group operates primarily in Greece, the Balkans, Egypt, Turkey and the USA.

Information on the Group's structure is provided in note 11. Information on other related party relationships of the Group and the Company is provided in note 20.

The Company is a limited liability company incorporated and domiciled in Greece at 22^A Halkidos Street - 111 43 Athens with the registration number in the General Electronic Commercial Registry: 224301000 (formerly the Register of Sociétés Anonymes Number: 6013/06/B/86/90) and is listed on the Athens Stock Exchange.

These interim condensed financial statements (the financial statements) were approved for issue by the Board of Directors on 5 November 2015.

2. Basis of preparation and summary of significant accounting policies

These financial statements for the nine-month period ended 30 September 2015 have been prepared by management in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".

The financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2014.

However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual group financial statements.

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2014, except for the new or revised standards, amendments and/or interpretations that are mandatory for the periods beginning on or after 1 January 2015.

2.1. Standards and Interpretations effective for the current financial year that have no significant impact on the financial statements of the Group and the Company

IFRIC 21 "Levies"

This interpretation sets out the accounting for an obligation to pay a levy imposed by government that is not income tax. The interpretation clarifies that the obligating event that gives rise to a liability to pay a levy (one of the criteria for the recognition of a liability according to IAS 37) is the activity described in the relevant legislation that triggers the payment of the levy. The interpretation could result in recognition of a liability later than today, particularly in connection with levies that are triggered by circumstances on a specific date.

Annual Improvements to IFRSs 2013

The amendments set out below describe the key changes to three IFRSs following the publication of the results of the IASB's 2011-13 cycle of the annual improvements project.

IFRS 3 "Business combinations"

This amendment clarifies that IFRS 3 does not apply to the accounting for the formation of any joint arrangement under IFRS 11 in the financial statements of the joint arrangement itself.

IFRS 13 “Fair value measurement”

The amendment clarifies that the portfolio exception in IFRS 13 applies to all contracts (including non-financial contracts) within the scope of IAS 39/IFRS 9.

IAS 40 “Investment property”

The standard is amended to clarify that IAS 40 and IFRS 3 are not mutually exclusive.

2.2. New Standards and Interpretations issued but not yet effective and not early adopted by the Group and the Company**IFRS 9 “Financial Instruments” and subsequent amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2018)**

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39. The Group is currently investigating the impact of IFRS 9 on its financial statements. The Group cannot currently early adopt IFRS 9 as it has not yet been endorsed by the EU.

IFRS 15 “Revenue from Contracts with Customers” (effective for annual periods beginning on or after 1 January 2018)

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The Group is currently investigating the impact of IFRS 15 on its financial statements. The standard has not yet been endorsed by the EU.

IAS 19R (Amendment) “Employee Benefits” (effective for annual periods beginning on or after 1 February 2015)

These narrow scope amendments apply to contributions from employees or third parties to defined benefit plans and simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary.

IFRS 11 (Amendment) “Joint Arrangements” (effective for annual periods beginning on or after 1 January 2016)

This amendment requires an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a ‘business’. This amendment has not yet been endorsed by the EU.

IAS 16 and IAS 38 (Amendments) “Clarification of Acceptable Methods of Depreciation and Amortisation (effective for annual periods beginning on or after 1 January 2016)

This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate and it also clarifies that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. These amendments have not yet been endorsed by the EU.

IAS 27 (Amendment) “Separate financial statements” (effective for annual periods beginning on or after 1 January 2016)

This amendment allows entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and clarifies the definition of separate financial statements. This amendment has not yet been endorsed by the EU.

IFRS 10 and IAS 28 (Amendments) “Sale or Contribution of Assets between an Investor and its Associate or Joint Venture” (effective for annual periods beginning on or after 1 January 2016)

These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The amendments have not yet been endorsed by the EU.

IAS 1 (Amendments) “Disclosure initiative” (effective for annual periods beginning on or after 1 January 2016)

These amendments clarify guidance in IAS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies. The amendments have not yet been endorsed by the EU.

IFRS 10, IFRS 12 and IAS 28 (Amendments) “Investment entities: Applying the consolidation exception” (effective for annual periods beginning on or after 1 January 2016)

These amendments clarify the application of the consolidation exception for investment entities and their subsidiaries. The amendments have not yet been endorsed by the EU.

Annual Improvements to IFRSs 2012 (effective for annual periods beginning on or after 1 February 2015)

The amendments set out below describe the key changes to certain IFRSs following the publication of the results of the IASB’s 2010-12 cycle of the annual improvements project.

IFRS 2 “Share-based payment”

The amendment clarifies the definition of a ‘vesting condition’ and separately defines ‘performance condition’ and ‘service condition’.

IFRS 3 “Business combinations”

The amendment clarifies that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in IAS 32 “Financial instruments: Presentation”. It also clarifies that all non-equity contingent consideration, both financial and non-financial, is measured at fair value through profit or loss.

IFRS 8 “Operating segments”

The amendment requires disclosure of the judgments made by management in aggregating operating segments.

IFRS 13 “Fair value measurement”

The amendment clarifies that the standard does not remove the ability to measure short-term receivables and payables at invoice amounts in cases where the impact of not discounting is immaterial.

IAS 16 “Property, plant and equipment” and IAS 38 “Intangible assets”

Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

IAS 24 “Related party disclosures”

The standard is amended to include, as a related party, an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Annual Improvements to IFRSs 2014 (effective for annual periods beginning on or after 1 January 2016)

The amendments set out below describe the key changes to four IFRSs. The improvements have not yet been endorsed by the EU.

IFRS 5 “Non-current assets held for sale and discontinued operations”

The amendment clarifies that, when an asset (or disposal group) is reclassified from ‘held for sale’ to ‘held for distribution’, or vice versa, this does not constitute a change to a plan of sale or distribution, and does not have to be accounted for as such.

IFRS 7 “Financial instruments: Disclosures”

The amendment adds specific guidance to help management determine whether the terms of an arrangement to service a financial asset which has been transferred constitute continuing involvement and clarifies that the additional disclosure required by the amendments to IFRS 7, ‘Disclosure – Offsetting financial assets and financial liabilities’ is not specifically required for all interim periods, unless required by IAS 34.

IAS 19 “Employee benefits”

The amendment clarifies that, when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important, and not the country where they arise.

IAS 34 “Interim financial reporting”

The amendment clarifies what is meant by the reference in the standard to ‘information disclosed elsewhere in the interim financial report’.

3. Estimates

The preparation of the interim condensed financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim condensed financial statements, the significant judgments made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2014.

Exception of the aforementioned sources of uncertainty is the risk generated from latest developments on Greece.

The Legislative Act dated 28.06.2015 introduced a bank holiday in Greece and imposed capital controls. The bank holiday ended on 20.07.2015, however certain capital controls still remain in force.

As expected, the recent developments have a negative effect on the Greek economy for the second half of 2015, notwithstanding the fact that in the end the Greek Government reached an agreement with the European Institutions and the Greek Parliament has already approved the third ESM programme - which provides a three-year financing of €86 billion along with a number of prerequisites for the disbursement of the amounts of this loan.

It is likely that the aforementioned developments will negatively impact to some extent the Group’s Greek operations. However, risks stemming out of the Group’s exposure in Greece are mitigated due to the following factors:

Liquidity Risks

The Group maintains significant cash reserves (€155 mil. as at 30.09.2015), deposited with international banks outside Greece and has undrawn committed bank facilities amounting to €245 mil.. Furthermore the Group has successfully diversified its funding sources with more than 85% of its debt being raised in the international capital and bank markets.

Operational risks

Production/Revenues

Greek plants production capability is not affected by the capital controls. There is a risk that local demand which absorbs about 25% of cement produced in Greece may further decline. Such development may affect short term profitability which however represents a relatively low part of Group profitability. It is noted that exports which absorb about 75% of Group cement production in Greece, are not expected to be influenced by the current situation.

Receivables

The slowdown of the Greek economy in 2015 is expected to negatively impact our Greek customer base and consequently the quality of our Greek portfolio of receivables. Greek domestic trade receivables at 30.09.2015 amount to €49.7 mil., of which €15.8 mil. are more than 4 months overdue. It should be noted that sufficient provisions on these receivables exist for €12.3 mil.

The Group's geographical diversification, achieved through investments of over €3 billion since 2000, has extended the business and strengthened TITAN, effectively delinking the Group from Greek sovereign risk. It is noted that on June 29th 2015, Standard & Poor's confirmed Titan's credit rating as 'BB' and improved its outlook from 'stable' to 'positive'. The Group continuously evaluates the economic environment in Greece in order to assess the risks related to its business and timely take the necessary mitigating actions.

4. Seasonality of operations

The Group is a supplier of cement, concrete, aggregates and other building materials. The demand for these products is seasonal in temperate countries such as in Europe and North America. Therefore, the Group generally records lower revenues and operating profits during the first and fourth quarters when adverse weather conditions are present in the northern hemisphere. In contrast, sales and profitability tend to be higher during the second and third quarters, as favorable weather conditions support construction activity.

5. Segment information

For management information purposes, the Group is structured in four operating (geographic) segments: Greece and Western Europe, North America, Southeastern Europe and Eastern Mediterranean. Each operating segment is a set of countries. The aggregation of countries is based on geographic position.

Each region has a regional Chief Executive Officer (CEO) who reports to the Group's CEO. In addition, the Group's finance department is organized by geographic region for effective financial control and performance monitoring.

Management monitors the operating results of its business units separately for the purpose of making decisions, allocating resources and assessing performance. Segment performance is evaluated based on Earnings before Interest, Taxes, Depreciations & Amortization (EBITDA). Financing is managed on a group basis and finance costs and finance revenue are allocated to the operating segments.

	Greece and Western Europe		North America		Southeastern Europe		Eastern Mediterranean		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<i>(all amounts in Euro thousands)</i>										
<i>Period from 1/1-30/9</i>										
Gross revenue	241,290	243,589	496,687	345,545	160,950	166,960	178,918	146,573	1,077,845	902,667
Inter-segment revenue	-42,732	-29,871	-166	-139	-5,414	-6,892	-	-	-48,312	-36,902
Revenue from external customers	198,558	213,718	496,521	345,406	155,536	160,068	178,918	146,573	1,029,533	865,765
Profit before interest, taxes, depreciation, amortization and impairment	31,447	29,141	71,115	31,717	46,574	53,249	16,044	32,549	165,180	146,656
Profit/(loss) before interest and taxes	17,529	15,879	32,168	-2,966	30,192	36,240	603	19,111	80,492	68,264
<i>(all amounts in Euro thousands)</i>										
	Greece and Western Europe		North America		Southeastern Europe		Eastern Mediterranean		Total	
	30/09/2015	31/12/2014	30/09/2015	31/12/2014	30/09/2015	31/12/2014	30/09/2015	31/12/2014	30/09/2015	31/12/2014
Total assets	597,064	593,061	978,833	880,819	520,503	492,094	865,836	845,275	2,962,236	2,811,249
Total liabilities	264,464	237,253	520,322	470,293	148,146	149,936	349,136	326,172	1,282,068	1,183,654

Beginning in January 1, 2015, certain holdings companies, which were incorporated in the geographic areas of North America, Southeastern Europe and the Eastern Mediterranean, are now incorporated in the geographical area of Greece and Western Europe as parts of the corporate center for monitoring purposes. As a result, certain amounts of the year ended 31 December 2014 are reclassified among the geographical segments.

In the second quarter of 2015, Group decided to amend its allocation policy and implement the Organization for Economic Co-operation and Development (OECD) guidelines for allocation of certain Head Office corporate expenses from Greece to business segments. If these changes were recorded in the same period of 2014, then the "profit before interest, taxes, depreciation, amortization and impairment" would have been as follows:

	Greece and Western Europe		North America		Southeastern Europe		Eastern Mediterranean		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<i>(all amounts in Euro thousands)</i>										
Period from 1/1-30/9/2014										
Published		29,141		31,717		53,249		32,549		146,656
Adjusted		35,219		28,794		50,586		32,057		146,656

6. Number of employees

Number of employees as at the end of the reporting period: Group 5,323 (30.9.2014: 5,273), Company 825 (30.9.2014: 804).

7. Income tax

The Group and the Company calculate the period income tax using the tax rate that would be applicable to the expected total annual earnings.

The major components of income tax in the interim consolidated income statement and the interim statement of comprehensive income are:

	Group		Company	
	For the nine months ended 30/9		For the nine months ended 30/9	
	2015	2014	2015	2014
<i>(all amounts in Euro thousands)</i>				
Current income tax expense	-9,525	-16,921	-112	-696
Deferred tax	4,967	5,111	-3,565	6,656
Income tax recognised in interim income statement	-4,558	-11,810	-3,677	5,960
Income tax recognised in other comprehensive income	88	761	-	762
Total income taxes	-4,470	-11,049	-3,677	6,722

The movement of the net deferred tax liabilities is analyzed as follows:

	Group		Company	
	For the nine months ended 30/9		For the nine months ended 30/9	
	2015	2014	2015	2014
<i>(all amounts in Euro thousands)</i>				
Opening balance 1/1	181,568	162,314	3,365	14,215
Tax (income)/expense during the period recognised in the income statement	-4,967	-5,111	3,565	-6,656
Tax income during the period recognised in the other comprehensive income	-88	-761	-	-762
Deferred tax adjustment recognised in the statement of changes in equity *	-21,568	14,625	392	-
Exchange differences	2,786	11,061	-	-
Ending balance 30/9	157,731	182,128	7,322	6,797

Deferred income taxes are calculated in full on temporary differences under the liability method using the principal tax rates that apply to the countries in which the companies of the Group operate.

On 30 September 2015, the net ending balance of deferred liabilities is €157.0 mil. and it consists mainly of: a) €238.7 mil. deferred tax liabilities mainly from property, plant & equipment and intangible assets and b) €78.2 mil. deferred tax assets from tax loss carried forward, €7.5 mil. from provisions and €7.8 mil. from post-employment and termination benefits.

(*) During the third quarter of 2015, the tax rate of the Parent Company increased from 26% to 29%. On the contrary, the tax rate of the Group subsidiaries in Egypt decreased from 30% to 22%, as opposed to 2014 that it had increased from 25% to 30%. These changes resulted in the recalculation of the 2015 and 2014 net deferred tax liability.

8. Property, plant and equipment

	Group		Company	
	For the nine months ended 30/9		For the nine months ended 30/9	
	2015	2014	2015	2014
<i>(all amounts in Euro thousands)</i>				
Opening balance 1/1	1,677,282	1,569,137	236,468	232,332
Additions / capitalizations	127,072	48,157	10,551	7,633
Disposals (net book value)	-2,166	-1,658	-25	-22
Depreciation charge & impairments	-78,163	-71,156	-10,088	-9,834
Exchange differences	37,573	73,363	-	-
Other	1,127	1,114	-	-223
Ending balance 30/9	1,762,725	1,618,957	236,906	229,886

There are no pledges on the Group and Company assets.

Assets with a net book value of €2,166 thousand were disposed of by the Group during the nine months ended 30 September 2015 (1.1-30.9.2014: €1,658 thousand) resulting in a net loss of €1,476 thousand (1.1-30.9.2014: net loss €630 thousand).

9. Intangible assets

(all amounts in Euro thousands)

Group

	Goodwill	Other intangible assets	Total
Opening balance 1/1/2015	357,509	84,299	441,808
Additions	-	618	618
Depreciation charge & impairments	-	-6,764	-6,764
Exchange differences	13,962	171	14,133
Other	-	78	78
Ending balance 30/9/2015	371,471	78,402	449,873

	Goodwill	Other intangible assets	Total
Opening balance 1/1/2014	323,010	86,826	409,836
Additions	-	382	382
Disposals	-	-8	-8
Depreciation charge & impairments	-	-7,461	-7,461
Exchange differences	20,733	3,818	24,551
Other	-	148	148
Ending balance 30/9/2014	343,743	83,705	427,448

Goodwill is tested for impairment at the end of each fiscal year and when circumstances indicate that the carrying value may be impaired. The Group's impairment test for goodwill and intangible assets with indefinite lives is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year ended 31 December 2014.

Company

	Intangible assets	
	2015	2014
Opening balance 1/1	1,973	1,185
Additions	131	485
Disposals (net book value)	-	-7
Depreciation charge / reversal of impairment	-233	326
Ending balance 30/9	1,871	1,989

10. Investments in associates and joint ventures

The Group interim financial statements incorporate the following companies with the equity method of consolidation:

a) Karieri AD with ownership percentage 48.711% (31.12.2014: 48.711%), Karierni Materiali AD with ownership percentage 48.764% (31.12.2014: 48.764%), Vris OOD with ownership percentage 48.764% (31.12.2014: 48.764%). The aforementioned companies based in Bulgaria, operate in the aggregates business and are not listed on a public exchange market.

b) Adocim Cimento Beton Sanayi ve Ticaret A.S. with ownership percentage 50% (31.12.2014: 50%). The Group has joint control over the joint venture and therefore applied the equity method of consolidation as at 1 January 2014. The Adocim Cimento Beton Sanayi ve Ticaret A.S. is based in Turkey, operates in the production of cement and is not listed on a public exchange market.

c) ASH Venture LLC with ownership percentage 33% (31.12.2014: 33%) which beneficiates, markets and sells fly ash. ASH Venture LLC began its commercial activity on 1 January 2014 and it is based in USA.

d) Transbeton-Domiki SA, which was incorporated in the consolidated financial statements until 30 September 2014 with the equity consolidation method (ownership percentage 30.9.2014: 50%). On 1 October 2014, the Group acquired the remaining 50% of the Transbeton-Domiki S.A. and now it is incorporated in consolidated financial statements with the full method of consolidation. Transbeton-Domiki S.A. is based in Greece and operates in the ready-mix and aggregates business.

The movement of the Group's participation in associates and joint ventures is analyzed as follows:

(all amounts in Euro thousands)

	30/09/2015	31/12/2014
Opening balance 1/1	86,533	77,252
Share of profit of associates and joint ventures	3,780	4,945
Dividends received	-1,593	-1,404
Establishment	-	5,133
Change in consolidation method	-	-3,360
Exchange differences	-12,717	3,975
Other	-	-8
Ending balance	76,003	86,533

11. Principal subsidiaries, associates and joint ventures

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	30/09/2015		31/12/2014	
			% of investment (*)		% of investment (*)	
			Direct	Indirect	Direct	Indirect
Full consolidation method						
Titan Cement Company S.A	Greece	Cement producer	Parent company		Parent company	
Aeolian Maritime Company	Greece	Shipping	100.000	-	100.000	-
Aitolika Quarries S.A.	Greece	Quarries & aggregates	-	63.723	-	63.723
Albacem S.A.	Greece	Trading company	99.996	0.004	99.996	0.004
Arktias S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Interbeton Construction Materials S.A.	Greece	Ready mix & aggregates	99.892	0.108	99.892	0.108
Intertitan Trading International S.A.	Greece	Trading company	99.995	0.005	99.995	0.005
KTIMET Quarries S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Porfirion S.A.	Greece	Production and trade of electricity	-	100.000	-	100.000
Gournon Quarries S.A.	Greece	Quarries & aggregates	54.930	45.070	54.930	45.070
Quarries of Tagaradon Community S.A.	Greece	Quarries & aggregates	-	79.928	-	79.928
Vahou Quarries S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Sigma Beton S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Titan Atlantic Cement Industrial and Commercial S.A.	Greece	Investment holding company	43.947	56.053	43.947	56.053
Titan Cement International Trading S.A.	Greece	Trading company	99.960	0.040	99.933	0.067
Transbeton - Domiki S.A.	Greece	Ready mix	-	100.000	-	100.000
Double W & Co OOD	Bulgaria	Port	-	99.989	-	99.989
ECO Conception EOOD (1)	Bulgaria	Alternative fuels	-	-	-	99.989
Granitoid AD	Bulgaria	Trading company	-	99.760	-	99.760
Gravel & Sand PIT AD	Bulgaria	Quarries & aggregates	-	99.989	-	99.989
Trojan Cem EOOD	Bulgaria	Trading company	-	83.599	-	83.599
Zlatna Panega Beton EOOD	Bulgaria	Ready mix	-	99.989	-	99.989
Zlatna Panega Cement AD	Bulgaria	Cement producer	-	99.989	-	99.989
Green Alternative Energy Assets EAD	Bulgaria	Alternative fuels	-	100.000	-	100.000
Cementi ANTEA SRL (2)	Italy	Trading company	-	80.000	-	60.000
Cementi Crotone S.R.L.	Italy	Import & distribution of Cement	-	100.000	-	100.000
Fintitan SRL	Italy	Import & distribution of cement	100.000	-	100.000	-
Separation Technologies Canada Ltd	Canada	Processing of fly ash	-	100.000	-	100.000
Aemos Cement Ltd	Cyprus	Investment holding company	100.000	-	100.000	-
Alvacim Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Gaea Green Alternative Energy Assets Limited	Cyprus	Investment holding company	-	100.000	-	100.000
Balkcem Ltd	Cyprus	Investment holding company	-	88.151	-	88.151
East Cement Trade Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Feronia Holding Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Iapetos Ltd	Cyprus	Investment holding company	100.000	-	100.000	-
KOCEM Limited	Cyprus	Investment holding company	-	100.000	-	100.000
Rea Cement Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Terret Enterprises Ltd	Cyprus	Investment holding company	-	88.151	-	88.151
Themis Holdings Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Titan Cement Cyprus Limited	Cyprus	Investment holding company	-	88.151	-	88.151
Tithys Ltd	Cyprus	Investment holding company	-	88.151	-	88.151
Alexandria Portland Cement Co. S.A.E	Egypt	Cement producer	-	82.513	-	82.513
Beni Suef Cement Co.S.A.E.	Egypt	Cement producer	-	82.513	-	82.513
Titan Beton & Aggregate Egypt LLC	Egypt	Quarries & aggregates	-	83.118	-	83.118
Sharr Beteiligungs GmbH	Germany	Investment holding company	-	88.151	-	88.151

11. Principal subsidiaries, associates and joint ventures (continued)

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	30/09/2015		31/12/2014	
			% of investment (*)		% of investment (*)	
			Direct	Indirect	Direct	Indirect
Full consolidation method						
Titan Cement U.K. Ltd	U.K.	Import & distribution of cement	100.000	-	100.000	-
Titan Global Finance PLC	U.K.	Financial services	100.000	-	100.000	-
Alexandria Development Co.Ltd	U.K.	Investment holding company	-	82.717	-	82.717
Titan Egyptian Inv. Ltd	U.K.	Investment holding company	-	100.000	-	100.000
Carolinas Cement Company LLC	U.S.A.	Own/develop real estate	-	100.000	-	100.000
Essex Cement Co. LLC	U.S.A.	Trading company	-	100.000	-	100.000
Markfield America LLC	U.S.A.	Insurance company	-	100.000	-	100.000
Massey Sand and Rock Co	U.S.A.	Quarries & aggregates	-	100.000	-	100.000
Mechanicsville Concrete LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Metro Redi-Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Miami Valley Ready Mix of Florida LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Pennsuco Cement Co. LLC	U.S.A.	Cement producer	-	100.000	-	100.000
Roanoke Cement Co. LLC	U.S.A.	Cement producer	-	100.000	-	100.000
S&W Ready Mix Concrete Co. Inc.	U.S.A.	Ready mix	-	100.000	-	100.000
S&W Ready Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Separation Technologies LLC	U.S.A.	Processing of fly ash	-	100.000	-	100.000
Standard Concrete LLC	U.S.A.	Trading company	-	100.000	-	100.000
ST Mid-Atlantic LLC	U.S.A.	Processing of fly ash	-	100.000	-	100.000
ST Equipment & Technology LLC	U.S.A.	Sales of fly ash processing equipment	-	100.000	-	100.000
Summit Ready-Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Titan Florida LLC	U.S.A.	Cement producer	-	100.000	-	100.000
Titan Mid-Atlantic Aggregates LLC	U.S.A.	Quarries & aggregates	-	100.000	-	100.000
Titan Virginia Ready Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Titan America LLC	U.S.A.	Investment holding company	-	100.000	-	100.000
Trusa Realty LLC	U.S.A.	Real estate brokerage	-	100.000	-	100.000
Tyson Material Transport LLC	U.S.A.	Transportation	-	100.000	-	100.000
Cementara Kosjeric DOO	Serbia	Cement producer	-	88.151	-	88.151
Stari Silo Company DOO	Serbia	Trading company	-	88.151	-	88.151
TCK Montenegro DOO	Montenegro	Trading company	-	88.151	-	88.151
Cement Plus LTD	F.Y.R.O.M	Trading company	-	54.339	-	54.339
GAEA Zelena Alternative Enerjia DOOEL	F.Y.R.O.M	Alternative fuels	-	100.000	-	100.000
Rudmark DOOEL	F.Y.R.O.M	Trading company	-	83.599	-	83.599
Usje Cementarnica AD	F.Y.R.O.M	Cement producer	-	83.599	-	83.599
Vesa DOOL	F.Y.R.O.M	Trading company	-	100.000	-	100.000
Kosovo Construction Materials L.L.C.	Kosovo	Quarries & aggregates	-	88.151	-	88.151
Sharrcem SH.P.K.	Kosovo	Cement producer	-	88.151	-	88.151
Alba Cemento Italia, SHPK (2)	Albania	Trading company	-	80.000	-	60.000
Antea Cement SHA (2)	Albania	Cement producer	-	80.000	-	60.000
GAEA Enerjia Alternative e Gjelber Sh.p.k.	Albania	Alternative fuels	-	100.000	-	100.000
Dancem APS	Denmark	Trading company	-	100.000	-	100.000
Aeas Netherlands B.V.	Holland	Investment holding company	-	88.151	-	88.151
Colombus Properties B.V.	Holland	Investment holding company	100.000	-	100.000	-
Holtitan B.V.	Holland	Investment holding company	-	88.151	-	88.151
Salentijn Properties1 B.V.	Holland	Investment holding company	100.000	-	100.000	-
Titan Cement Netherlands BV	Holland	Investment holding company	-	88.151	-	88.151

11. Principal subsidiaries, associates and joint ventures (continued)

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	30/09/2015		31/12/2014	
			% of investment (*)		% of investment (*)	
			Direct	Indirect	Direct	Indirect
Equity consolidation method						
Adocim Cimento Beton Sanayi ve Ticaret A.S.	Turkey	Cement producer	-	50.000	-	50.000
ASH Venture LLC	U.S.A.	Processing of fly ash	-	33.000	-	33.000
Karieri AD	Bulgaria	Quarries & aggregates	-	48.711	-	48.711
Karierni Materiali AD	Bulgaria	Quarries & aggregates	-	48.764	-	48.764
Vris OOD	Bulgaria	Quarries & aggregates	-	48.764	-	48.764

(*) Percentage of investment represents both percentage of shareholding and percentage of control

Significant Group structure changes

1) Liquidated subsidiary

2) Alvacim Ltd, a Group subsidiary, purchased the 20% stake held by the European Bank for Reconstruction and Development (EBRD) in ANTEA CEMENT SHA (ANTEA), a Titan Group subsidiary in Albania. As a result of this purchase, Titan Group holds 80% of ANTEA's share capital, whereas the remaining 20% is held by the International Finance Corporation (IFC) (note 21).

The movement of the Company's investments in subsidiaries, is analyzed as follows:

(all amounts in Euro thousands)

	30/09/2015	31/12/2014
Participation in subsidiaries on 1 January	845,807	1,243,829
Share capital decrease in subsidiaries	-1,179	-392,950
Provision for impairment of investments	-	-5,211
Other	100	139
Participation in subsidiaries	844,728	845,807

12. Fiscal years unaudited by the tax authorities

(1) Titan Cement Company S.A	2010,2013-2014	Cementi ANTEA SRL	2010-2014
(2) Aeolian Maritime Company	-	Colombus Properties B.V.	2010-2014
(1) Albacem S.A.	2013-2014	Holtitan BV	2010-2014
(1) Arktias S.A.	2010,2013-2014	Aeas Netherlands B.V.	2010-2014
(1) Interbeton Construction Materials S.A.	2007-2010, 2013-2014	(2) Titan Cement U.K. Ltd	2009-2014
(1) Intertitan Trading International S.A.	2008 -2010,2013-2014	(2) Separation Technologies U.K. Ltd	-
(1) Porfirion S.A.	2010,2013-2014	(5) Titan America LLC	2011-2014
(1) Vahou Quarries S.A.	2010,2013-2014	Separation Technologies Canada Ltd	2014
(1) Quarries Gournon S.A.	2010,2013-2014	Stari Silo Copmany DOO	2008-2014
(1) Quarries of Tagaradon Community S.A.	2010,2013-2014	Cementara Kosjeric DOO	2006-2014
(1) Aitolika Quarries S.A.	2013-2014	TCK Montenegro DOO	2007-2014
(1) Sigma Beton S.A.	2010,2013-2014	Double W & Co OOD	2007-2014
(1) Titan Atlantic Cement Industrial and Commercial S.A.	2010,2013-2014	Granitoid AD	2007-2014
(1) Titan Cement International Trading S.A.	2013-2014	Gravel & Sand PIT AD	2007-2014
(1) KTIMET Quarries S.A.	2010,2013-2014	Zlatna Panega Beton EOOD	2008-2014
(1) Transbeton - Domiki S.A.	2010,2012-2014	Zlatna Panega Cement AD	2010-2014
Aemos Cement Ltd	2008-2014	Cement Plus LTD	2014
Alvacim Ltd	2010-2014	Rudmark DOOEL	2006-2014
(3) Balkcem Ltd	2008,2010-2014	Usje Cementarnica AD	2009-2014
Iapetos Ltd	2007-2014	Titan Cement Netherlands BV	2010-2014
Rea Cement Ltd	2008-2014	Alba Cemento Italia, SHPK	2012-2014
Themis Holdings Ltd	2007-2014	Antea Cement SHA	2013-2014
(4) Tithys Ltd	2006,2008-2014	Sharr Beteiligungs GmbH	2011-2014
Feronia Holding Ltd	2007-2014	Kosovo Construction Materials L.L.C.	2010-2014
Vesa DOOL	2006-2014	SharrCem Sh.P.K	2011-2014
Trojan Cem EOOD	2010-2014	(2) Alexandria Development Co.Ltd	-
Dancem APS	2009-2014	Alexandria Portland Cement Co. S.A.E	2010-2014
Titan Global Finance PLC	2007-2014	GAEA Green Alternative Energy Assets Ltd	2007-2014
Geospan Doel	2010-2014	Beni Suef Cement Co.S.A.E.	2009-2014
Terret Enterprises Ltd	2009-2014	East Cement Trade Ltd	2006-2014
Salentijn Properties1 B.V.	2010-2014	Titan Beton & Aggregate Egypt LLC	2009-2014
Titan Cement Cyprus Limited	2007-2014	(2) Titan Egyptian Inv. Ltd	-
KOCEM Limited	2007-2014	Green Alternative Energy Assets EAD	2012-2014
ECO Conception EOOD	2013-2014	GAEA Zelena Alternative Enerjia DOOEL	2013-2014
(2) Fintitan SRL	2009-2014	GAEA Enerjia Alternative e Gjelber Sh.p.k.	2014
Cementi Crotone S.R.L.	2010-2014		

(1) For the fiscal year 2013 the above companies were tax audited by their Certified Auditors Accountants, according to the terms of article 82, par. 5 of the Law 2238/1994. The tax audit for the fiscal year 2014 was conducted by the Certified Auditors Accountants according to the article 65A, par. 1 of L. 4174/2013 that has been accordingly revised by L. 4262/2014.

(2) Under special tax status.

(3) Fiscal year of 2009 has been audited.

(4) Fiscal year of 2007 has been audited.

(5) Companies operating in the U.S.A., are incorporated in the Titan America LLC subgroup (note 11).

13. Provisions

Group

Group provisions presented in short and long term liabilities as at 30 September 2015 amounted to €23.2 mil. (31.12.2014: €20.1 mil.).

The above amount includes among others, the provision for the rehabilitation of quarries amounting to €13.9 mil. (31.12.2014: €13.6 mil.), the provision for staff costs of €4.0 mil. (31.12.2014: €3.5 mil.) and other provisions for risks none of which are individually material to the Group.

Company

Company provisions presented in short and long term liabilities as at 30 September 2015 amounted to €6.7 mil. (31.12.2014: €5.9 mil.). The above amount includes among others, the provision for the rehabilitation of quarries amounting to €2.2 mil. (31.12.2014: €2.2 mil.) and the provision for staff costs of €4.0 mil. (31.12.2014: €3.5 mil.).

14. Fair value measurement

Set out below is a comparison by category of carrying amounts and fair values of the Group's and the Company's assets and liabilities, that are carried in the statement of the financial position:

Fair value <i>(all amounts in Euro thousands)</i>	Group				Company			
	Carrying amount		Fair value		Carrying amount		Fair value	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014	30/9/2015	31/12/2014	30/9/2015	31/12/2014
Assets								
Investment property	9,099	9,267	9,099	9,267	9,746	9,908	9,746	9,908
Available for-sale financial assets	1,354	1,469	1,354	1,469	172	172	172	172
Other non-current assets	18,263	16,204	18,263	16,204	3,054	2,960	3,054	2,960
Liabilities								
Long term borrowings	774,715	634,195	779,429	651,656	381,790	336,694	385,263	346,372
Short term borrowings	42,967	49,522	42,981	49,525	13	95	13	95
Trade and other payables	236,743	220,462	236,743	220,462	37,025	52,425	37,025	52,425
Derivative financial instruments	1,368	2,565	1,368	2,565	-	-	-	-
Other non-current liabilities	6,505	30,053	6,505	30,053	4,279	4,446	4,279	4,446

Note: Derivative financial instruments consist of cross currency interest rate swaps (CCS), forward foreign exchange contracts and oil swaps.

The management assessed that the cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments with the exception of the put option that the Group has granted to non-controlling interest shareholder of its subsidiary in Albania (note 21).

Fair value hierarchy

The Group and the Company use the following hierarchy for determining and disclosing the fair value of the assets and liabilities by valuation method:

Level 1: based on quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: based on valuation techniques whereby all inputs having a significant effect on the fair value are observable, either directly or indirectly and includes quoted prices for identical or similar assets or liabilities in markets that are not so much actively traded.

Level 3: based on valuation techniques whereby all inputs having a significant effect on the fair value are not observable market data.

The following table provides the fair value measurement hierarchy of the Group's and the Company's assets and liabilities at 30 September 2015.

Fair value <i>(all amounts in Euro thousands)</i>	Group		Company		Fair value hierarchy
	Fair value		Fair value		
	30/9/2015	31/12/2014	30/9/2015	31/12/2014	
Assets					
Investment property	9,099	9,267	9,746	9,908	Level 3
Available for-sale financial assets	1,354	1,469	172	172	Level 3
Liabilities					
Long term borrowings	779,429	651,656	385,263	346,372	Level 2
Short term borrowings	42,981	49,525	13	95	Level 2
Trade and other payables (note 21)	10,862	-	-	-	Level 3
Derivative financial instruments-hedged accounts	1,368	2,565	-	-	Level 2
Other non current liabilities (note 21)	-	23,843	-	-	Level 3

There were no transfers between level 1 and 2 fair value measurements during the period and no transfers into or out of level 3 fair value measurements during the nine-month period ended 30 September 2015.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than a forced liquidation or sale. The following methods and assumptions were used to estimate the fair values:

Level 2

Level 2 derivative financial instruments comprise forward foreign exchange contracts, cross currency interest rate swaps and oil swaps. The Group and the Company use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. The aforementioned contracts have been fair valued using: a) forward exchange rates that are quoted in the active market, b) forward interest rates extracted from observable yield curves and c) oil prices extracted from observable yield curves, which are quoted in the active market.

Level 2 long and short term borrowings are evaluated by the Group and the Company based on parameters such as interest rates, specific country risk factors, or price quotations at the reporting date. Especially for long-term borrowings, quoted market prices or dealer quotes for the specific or similar instruments are used.

14. Fair value measurement (continued)

Level 3

The fair value of level 3 investment property is estimated by the Group and the Company by external, independent, certified valuers. The fair value of investment property that is located in urban areas is estimated in accordance with the current market values of similar properties. The fair value of land located in rural areas as well as quarries is estimated based on local valuations.

Level 3 available-for-sale financial assets refer mainly to investments in foreign property funds in which the Group owns an insignificant percentage. Their valuation is made based on their financial statements, which present the assets at fair value.

Level 3 trade and other payables (and the other non-current liabilities of 2014) consist of the put option that the Group has granted to non-controlling interest shareholder of its subsidiary in Albania, ANTEA Cement SHA. The put option is valued using a discounted cash flow model. The valuation requires management to make certain assumptions about unobservable inputs to the model. Certain significant unobservable inputs are disclosed in the table below:

	30/9/2015	31/12/2014
Gross margin growth rate	27.0%	29.4%
Discount rate	13.5%	13.5%

In addition to the above, forecast cash flows for the first five years are a significant unobservable input. The management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

An increase in the forecast cash flows or in the gross margin growth rate for cash flows in the subsequent periods would lead to an increase in the fair value of the put option. On the other hand, an increase in the discount rate used to discount the forecast cash flows would lead to a decrease in the fair value of the put option.

The significant unobservable inputs are not interrelated. The fair value of the put option is not significantly sensitive to a reasonable change in the forecast cash flows or the discount rate; however, it is sensitive to a reasonable change in the gross margin growth rate, as described in the following table:

Sensitivity analysis of Group's gross margin growth changes:

(all amounts in Euro thousand)

Increase by 2 percentage points in the gross margin growth rate:
Decrease by 2 percentage points in the gross margin growth rate:

Effect on the fair value
347
-341

15. Other non-current assets

	Group		Company	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
Utility deposits	3,213	3,468	2,644	2,916
Excess benefit plan assets	4,419	4,732	-	-
Notes receivable - trade	623	652	-	-
Other non-current assets	10,008	7,352	410	44
	18,263	16,204	3,054	2,960

16. Share capital and premium

2010 Programme

On June 3, 2010 the Company approved the introduction of a new, three-year Stock Option Programme (2010 Programme). In the years 2010, 2011 and 2012, executive members of the Company's Board of Directors and senior executives of the Company and its affiliates in Greece and abroad were granted options, vesting of which is subject to the financial results of the Company and the performance of its ordinary share, to acquire up to 1,000,000 ordinary shares of the Company at a sale price equal to the share's nominal value, that is €4.00 per share.

Under this Programme, the options granted each year have a maturity period of three years and can be exercised within two years after the completion of the three year period. Each option must be exercised within the year following the one in which the final number of options that can be exercised is determined. If the deadline is exceeded, those particular options will irrevocably lapse. All vesting is conditional upon the employees' continued employment throughout the vesting period. The number of options that vest each year will be determined as follows:

- 1) One-third of options granted vest based on the financial results of the Company.
- 2) One-third of options granted vest based on Titan Cement's stock performance relative to three Athens Stock Exchange indices during the three year period.
- 3) One-third of options granted vest based on Titan Cement's stock performance relative to that of ten predefined international cement producing companies during the three year period.

The options granted under the 2010 Programme have been accounted for in terms of the requirements of IFRS 2 "Share based payments".

The number of Share Options that were granted during 2010, 2011 and 2012 was 267,720, 301,200 and 376,290 respectively.

The fair value of the options granted in 2010, determined using the Monte Carlo Simulation valuation model, was €5.36 per option. The significant inputs used in the application of the valuation model were share price at grant date of €15.90, standard deviation of share price of 39.42%, dividend yield of 2.68% and the rate of the three-year fixed EUR swap interest rate of 2.25%.

The fair value of the options granted in 2011 was €6.86 per option, determined using the Monte Carlo Simulation valuation model. The significant inputs used in the application of the valuation model were share price at grant date of €17.88, standard deviation of share price of 43.98%, dividend yield of 2.74% and the rate of the three-year fixed EUR swap interest rate of 1.89%.

The fair value of the options granted in 2012 was €3.05 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodology were the share price at grant date of €14.72, the volatility of the share price estimated at 37.4%, the dividend yield of 0.7% and the yield of the 3 year EU Benchmark (Deutsche Bund) Government bond yield rate of 0.32%.

As of September 30th 2015, the number of the cancelled share options that were granted during 2010, 2011 and 2012 is 13,380, 17,910 and 16,710 respectively whereas the respective number of the share options that were not vested is 190,746, 118,977 and 61,112.

On 31st December 2012, 63,594 share options that were granted during 2010, vested, out of which 3,484 were cancelled, 9,828 had not been exercised and 50,282 were exercised during 2013 by 75 Group executives, including 4 executive Board members of the Company. The attribution of the respective shares took place with the sale of 50,282 common treasury shares of the Company (over-the-counter transaction) with total purchase cost of €1,766 thousand. These shares represent 0.06% of Company's total shares of the paid up share capital, at a sale price per share equal to the nominal value of each Company share i.e. €4.00 per share, and a total sale price of €201 thousand. The loss caused by this transaction amounted to €1,565 thousand, attributed to the equity holders of the Company.

On 31st December 2013, 164,313 share options that were granted during 2011, vested, out of which 1,809 were cancelled, 25,629 had not been exercised and 136,875 in addition to 4,628 options, that have been granted in 2010 and vested in 2013, were exercised during 2014, by 84 Group executives, including 5 executive Board members of the Company. The attribution of the respective shares took place with the sale of 141,503 common treasury shares of the Company (over-the-counter transaction) with total purchase cost of €4,047 thousand (31.12.2013: €1,766 thousand). These shares represent 0.17% of Company's total shares of the paid up share capital, at a sale price per share equal to the nominal value of each Company share i.e. €4.00 per share, and a total sale price of €566 thousand (31.12.2013: €201 thousand). The loss caused by this transaction amounted to €3,481 thousand (31.12.2013: €1,565 thousand loss), attributed to the equity holders of the Company.

16. Share capital and premium (continued)

2010 Programme (continued)

On 31st December 2014, 298,468 share options that were granted during 2012, vested, out of which 3,860 were cancelled, 150,894 have not been exercised as of September 30th 2015 and 143,714 in addition to 3,244 options, that have been granted in 2011 and vested in 2013, were exercised during nine months of 2015 by 67 Group executives, including one executive Board member of the Company. The attribution of the respective shares took place with the sale of 146,958 common treasury shares of the Company (over-the-counter transaction) with total purchase cost of €4,203 thousand (30.09.2014: €4,805 thousand). These shares represent 0.17% of Company's total shares of the paid up share capital, at a sale price per share equal to the nominal value of each Company share i.e. €4.00 per share, and a total sale price of €588 thousand (30.09.2014: €547 thousand). The loss caused by this transaction amounted to €3,615 thousand (30.09.2014: €4,258 thousand loss), attributed to the equity holders of the Company.

2014 Programme

On 20 June 2014, the General Meeting approved the introduction of a new, three-year Stock Option Programme. According to this Programme, the Company's Board of Directors can grant option up to 1,000,000 ordinary shares of the Company at a sale price equal to €10.00 per share. Beneficiaries of the Stock Option Plan are the executive members of the Board of Directors of the Company, the managers and the employees who have the same rank in affiliated companies inside and outside Greece and finally a limited number of the other employees who stand out on a continuous basis for their good performance and have a high potential for advancement.

The vesting period of the stock options which will be granted in 2014, 2015 and 2016 shall be three years. Therefore, the relevant option rights shall become mature in December of 2016, 2017 and 2018 respectively, provided that the beneficiaries are still employees of the Group. After the completion of the three-year vesting period, the final option rights number, which the beneficiaries will be entitled to exercise, shall be determined by the Board of Directors, within the first four months of 2017, 2018 and 2019 and shall depend:

- a) By 50% on the average three year Return on Average Capital Employed (ROACE) compared to the target of each year period, as this will be determined by the Board of Directors before granting the relevant option rights.
- b) By 50% on the overall performance of the Company's common share compared to the average overall performance of the shares of the ten predefined international cement producing companies.

The Beneficiaries shall be entitled to exercise their stock option rights, either in whole or in part, within the first five days of each month, paying the Company the relevant amounts until the expiration date of their stock options, i.e. until December of the third year after these stock options have been vested.

The options granted under the 2014 Programme have been accounted for in terms of the requirements of IFRS 2 "Share based payments".

The number of Share Options that were granted during 2014 and 2015 was 250,190 and 313,080 respectively.

The fair value of the options granted in 2014 was €7.39 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €25.32, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 47.2%, the dividend yield of 0.376% and the yield of the 3 year EU Benchmark (Deutsche Bund) Government bond yield rate of 0.083%.

The fair value of the options granted in 2015 was €4.14 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €19.55, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 40.61%, the dividend yield of 0.59% and the yield of the 1 year EURIOBOR rate of 0.166%.

As of 30th of September 2015 2,250 share options that were granted in 2014 and 2015 have been cancelled.

16. Share capital and premium (continued)

(all amounts are shown in Euro thousands unless otherwise stated)

	Ordinary shares		Preference shares		Share premium €'000	Total	
	Number of shares	€'000	Number of shares	€'000		Number of shares	€'000
Shares issued and fully paid							
Balance at 1 January 2014	77,063,568	308,254	7,568,960	30,276	22,826	84,632,528	361,356
Balance at 30 September 2014	77,063,568	308,254	7,568,960	30,276	22,826	84,632,528	361,356
Balance at 1 January 2015	77,063,568	308,254	7,568,960	30,276	22,826	84,632,528	361,356
Balance at 30 September 2015	77,063,568	308,254	7,568,960	30,276	22,826	84,632,528	361,356

	Ordinary shares		Preference shares		Total	
	Number of shares	€'000	Number of shares	€'000	Number of shares	€'000
Treasury shares						
Balance at 1 January 2014	3,061,415	87,563	5,919	117	3,067,334	87,680
Sale of treasury shares	-136,677	-4,805	-	-	-136,677	-4,805
Balance at 30 September 2014	2,924,738	82,758	5,919	117	2,930,657	82,875
Balance at 1 January 2015	2,919,912	83,516	5,919	117	2,925,831	83,633
Sale of treasury shares	-146,958	-4,203	-	-	-146,958	-4,203
Balance at 30 September 2015	2,772,954	79,313	5,919	117	2,778,873	79,430

In the first nine months of 2015, the average price of Titan Cement Company S.A. ordinary shares was €21.02 (1.1.-30.9.2014: €22.30) and the trading price of the ordinary shares as at 30 September 2015 was €20.20 (30.9.2014: €19.80).

17. Other reserves

(all amounts in Euro thousands)

Group	Legal reserve		Contingency reserve	Tax exempt reserves under special laws	Revaluation reserve	Actuarial differences reserve	Hedging reserves	Foreign currency translation reserve		Total other reserves
	Legal reserve	Special reserve						Foreign currency translation reserve	Foreign currency translation reserve	
Balance at 1 January 2014	90,826	-6,477	271,892	133,192	43,577	3,304	37,898	-280,913	293,299	
Other comprehensive income/ (loss)	-	-	-	-	-163	-	2,791	53,105	55,733	
Contingency reserve distributed to shareholders	-	-	-8,463	-	-	-	-	-	-8,463	
Deferred tax adjustment due to change in income tax rates	-	-	-	-	-12,068	-	-	-	-12,068	
Non-controlling interest's put option recognition	-	-	-	-	-220	-	-	-	-220	
Special reserves from dividends of subsidiaries	-	20,000	-	-	-	-	-	-	20,000	
Transfer from/to reserves	1,788	-	-	-	-5,024	-	7,234	-7,234	-3,236	
Balance at 30 September 2014	92,614	13,523	263,429	133,192	26,102	3,304	47,923	-235,042	345,045	
Balance at 1 January 2015	92,587	593,523	266,525	118,875	26,504	-657	41,115	-198,947	939,525	
Other comprehensive (loss)/income	-	-	-	-	1,393	-3	-135	15,942	17,197	
Special reserve distributed to shareholders (note 19)	-	-12,695	-	-	-	-	-	-	-12,695	
Acquisition of non-controlling interests (notes 11, 21)	20	52	-	-	5,657	-	-	-1,307	4,422	
Non-controlling interest's put option recognition	-	-	-	-	1,525	-	-	-	1,525	
Deferred tax adjustment due to change in income tax rates	-	-	-	-	20,401	-	-	-	20,401	
Transfer from/to reserves & retained earnings	149	-5,418	35,069	-684	-5,320	-	-	-	23,796	
Balance at 30 September 2015	92,756	575,462	301,594	118,191	50,160	-660	40,980	-184,312	994,171	

Company	Legal reserve		Contingency reserve	Tax exempt reserves under special laws	Revaluation reserve	Actuarial differences reserve	Hedging reserves	Total other reserves	
	Legal reserve	Special reserve						Foreign currency translation reserve	Foreign currency translation reserve
Balance at 1 January 2014	68,650	16,245	259,998	116,581	2,662	1,621	45,501	511,258	
Other comprehensive income	-	-	-	-	-	-	2,422	2,422	
Contingency reserve distributed to shareholders	-	-	-8,463	-	-	-	-	-8,463	
Special reserves from dividends of subsidiaries	-	20,000	-	-	-	-	-	20,000	
Balance at 30 September 2014	68,650	36,245	251,535	116,581	2,662	1,621	47,923	525,217	
Balance at 1 January 2015	68,650	16,245	254,632	105,865	2,662	-165	48,347	496,236	
Other comprehensive income	-	-	-	-	-	-	-	-	
Special reserve distributed to shareholders (note 19)	-	-12,695	-	-	-	-	-	-12,695	
Deferred tax adjustment due to change in income tax rate	-	-	-	-	-253	-139	-	-392	
Transfer from retained earnings	1,302	-	33,726	-	-	-	-	35,028	
Transfer from share options	-	-	659	-	-	-	-	659	
Transfer between reserves	-	-	684	-684	-	-	-	-	
Balance at 30 September 2015	69,952	3,550	289,701	105,181	2,409	-304	48,347	518,836	

17. Other reserves (continued)

In the statement of other comprehensive income, the exchange differences resulting from the translation of foreign operations in the first nine months of 2015 amounted to a gain of €15.0 mil., of which €15.9 mil. are attributable to the shareholders of the Parent Company and €-0.9 mil. to the non-controlling interests. The equivalent amount in the first nine months of 2014, was a gain of €56.8 mil.. The difference of €41.8 mil. between the two corresponding periods consists mainly of €27.4 mil. related to the Egyptian pound, and €15.4 mil. to the Turkish pound.

Based on the decision of the Company's General Meeting of June 19, 2015 the "special & contingency reserves" have increased by €33.7 mil. due to the transfer of the amount from "retained earnings".

18. Earnings per share

Basic earnings per share have been calculated on the total weighted average number of common and preferred shares, excluding the average number of treasury shares. The diluted earnings per share are calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of share options. No adjustment is made to net profit (numerator).

19. Dividend proposed and distributed

For the period ended 30.9.2015

The Annual General Meeting of Shareholders of TITAN Cement Company S.A., which was held on 19th June 2015, approved:

a) the distribution of dividend from the profits of the financial year 2014 of a total amount of €12,695, amounting to €0.15 per share (ordinary or preference). This amount was proportionally increased by the dividend corresponding to the treasury stock held by the Company and became €0.15509 per share. From this amount the Company withholds on behalf of the Shareholder a 10% tax and, therefore, the net amount payable is € 0.13958 per share.

b) the distribution of special reserves from previous financial years, and more specifically of reserves from the profits of subsidiary maritime companies of a total amount of €12,695, corresponding to €0.15 per share (ordinary or preference). This amount was proportionally increased by the relevant amount corresponding to treasury shares held by the Company and the net amount of €0.15509 per share. The distribution of the aforesaid reserves is not subject to taxation.

For the period ended 30.9.2014

The Annual General Meeting of Shareholders of the Titan Cement Company S.A., which was held on 20th June 2014, approved the distribution of extraordinary reserves of a total amount of €8,463 thousand, corresponding to €0.10 per common and preferred share. Such amount increased by the sum corresponding to treasury shares held by the Company amounts in total to €0.10359 per share. The above distribution is subject to a 10% withholding tax on behalf of every shareholder. Therefore Shareholders received a net amount of €0.09323 per share.

20. Related party transactions

Transactions with related parties during the nine month period ending 30 September 2015 as well as balances with related parties as at 30 September 2015 for the Group and the Company, according to IAS 24 are as follows:

Group

(all amounts in Euro thousands)

	Sales of goods & services	Purchases of goods & services	Receivables	Liabilities
Other interrelated parties	-	1,076	-	484
Executives and members of the Board	-	3,836	43	-
	-	4,912	43	484

20. Related party transactions (continued)

(all amounts in Euro thousands)

Company	Sales of goods & services	Purchases of goods & services	Receivables	Liabilities
Aeolian Maritime Company	-	-	-	258
Albasem S.A.	2	-	-	350
Interbeton Construction Materials S.A.	15,953	4,018	4,490	821
Intertitan Trading International S.A.	4,075	-	1,480	-
Transbeton - Domiki S.A.	2	-	1,018	-
Gournon Quarries S.A.	2	-	124	-
Titan Cement International Trading S.A.	2	-	-	-
Adocim Cimento Beton Sanayi ve Ticaret A.S.	38	-	37	-
Antea Cement SHA	1,035	3	983	-
Beni Suef Cement Co.S.A.E.	1,439	-	2,325	-
Alexandria Portland Cement Co. S.A.E.	896	10	1,051	-
Cementara Kosjeric AD	703	4	670	-
Cementi Crotone S.R.L.	420	-	210	-
Essex Cement Company LLC	27,853	42	1,676	-
Titan America LLC	3,116	7	1,154	-
Fintitan SRL	6,159	-	3,681	-
Sharrcem SH.P.K.	877	-	345	-
T.C.U.K. Ltd	14,372	25	1,905	-
Titan Global Finance PLC	-	16,961	-	385,334
Usje Cementarnica AD	6,276	-	1,654	-
Zlatna Panega Cement AD	38	-	37	-
Other subsidiaries	15	-	8	-
Other interrelated parties	-	1,076	-	484
Executives and members of the Board	-	3,836	43	-
	83,273	25,982	22,891	387,247

Transactions with related parties during the nine month period ending 30 September 2014 as well as balances with related parties as at 31 December 2014 for the Group and the Company, according to IAS 24 are as follows:

Group	Sales of goods & services	Purchases of goods & services	Receivables	Liabilities
Other interrelated parties	-	983	-	154
Executives and members of the Board	-	3,668	18	-
	-	4,651	18	154

Company	Sales of goods & services	Purchases of goods & services	Receivables	Liabilities
Aeolian Maritime Company	2	-	-	262
Albacem S.A.	2	-	-	-
Interbeton Construction Materials S.A.	19,350	4,215	10,320	1,341
Intertitan Trading International S.A.	4,886	-	240	-
Transbeton - Domiki S.A.	629	-	1,216	-
Gournon Quarries S.A.	1	-	-	-
Titan Cement International Trading S.A.	2	-	-	-
Adocim Cimento Beton Sanayi ve Ticaret A.S.	2,430	-	-	-
Antea Cement SHA	816	23	254	-
Beni Suef Cement Co.S.A.E.	4,255	-	1,979	-
Alexandria Portland Cement Co. S.A.E	316	-	165	-
Cementara Kosjeric AD	76	-	31	-
Cementi Crotone S.R.L.	308	-	-	-
Essex Cement Company LLC	12,714	47	1,491	-
Titan America LLC	3	-	-	168
Fintitan S.r.l.	5,449	1	4,076	-
Sharrcem SH.P.K	13	-	10	-
T.C.U.K. Ltd	11,465	26	-	-
Titan Global Finance PLC	-	28,834	-	344,214
Usje Cementarnica AD	7,486	-	479	-
Zlatna Panega Cement AD	-	15	4	-
Other subsidiaries	15	-	5	3
Other interrelated parties	-	983	-	154
Executives and members of the Board	-	3,668	18	-
	70,218	37,812	20,288	346,142

21. Contingencies and Commitments

(all amounts in Euro thousands)

Contingent liabilities

	Group		Company	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
Guarantees to third parties on behalf of subsidiaries	-	-	816,022	834,638
Bank guarantee letters	42,574	47,304	4,188	8,195
Other	6,595	7,746	-	2,698
	49,169	55,050	820,210	845,531

Litigation matters in Egypt

A. Privatization cases

1. In 2011, two former employees of Beni Suef Cement Company S.A.E. (BSCC) filed an action before the Administrative Court of Cairo, seeking the annulment of the privatization of BSCC which took place in 1999 through the sale of BSCC's shares to Financiere Lafarge after a public auction. Approximately 99.98% of the share capital of BSCC is held today by Titan Group through Alexandria Portland Cement Company S.A. (APCC), a company listed in the Egyptian Stock Exchange. On 15 February 2014, the Administrative Court of Cairo issued a first instance judgment whereby the claim of the plaintiffs for the annulment of the privatization of BSCC was entirely dismissed. The Court also ordered the re-employment of BSCC's ex-employees who had voluntarily terminated their employment taking advantage of voluntary early retirement programs. Both BSCC and the plaintiffs have appealed the above first instance court judgment and on 19 January 2015 the Supreme Administrative Court issued its judgment whereby the case was suspended until the issuance of a ruling by the Supreme Constitutional Court on lawsuit no. 120 of 36 JY challenging the constitutionality of Law no. 32/2014 (Appeal Procedures on State Contracts Law). The view of BSCC's lawyers is that the plaintiffs' action is devoid of any legal or factual ground.

2. In June 2013, BSCC was notified of another action which had been filed before the Administrative Court of Cairo seeking as in the above case the annulment of the privatization of BSCC and the cancellation of the sale of the shares of BSCC to Financiere Lafarge. On 25 June 2015, the Administrative Court of Cairo issued a first instance judgment whereby the case was referred to the Investment Circuit no 7, where, until today, no hearing has been scheduled. The view of BSCC's lawyers is that the action is devoid of any legal or factual ground.

3. In 2012, an former employee of Alexandria Portland Cement Company SA (APCC) filed an action before the Administrative Court of Alexandria against the President of the Republic of Egypt, the Prime Minister, the Minister of Investments, the Minister of Industry, the Governor of Alexandria, the Manager of the Mines and Salinas Project in Alexandria and the Manager of the Mines and Quarries Department in Alexandria seeking the annulment of privatization of APCC which took place in 1999 through the sale of APCC's shares to Blue Circle Cement Group. APCC was not among the defendants of the action. On 31 January 2015, the Administrative Court of Alexandria issued a judgment of first instance whereby the case was suspended until 28.11.2015 provided that until this date the Supreme Constitutional Court will have ruled on lawsuit no.79 of 37 JY challenging the constitutionality of law no. 32/2014 (Appeal Procedures on State Contracts Law). The view of APCC's lawyers is that the action is devoid of any legal and factual ground.

4. In May 2013, a new similar action was filed before the Administrative Court of Alexandria by 3 former employees of APCC against the Prime Minister, the Minister of Investment, and the Chairman of the Holding Company for Chemical Industries, the President of the Central Auditing Organization, the legal representative of Alexandria Portland Cement Company and the legal representative of Blue Circle seeking as in the above case the annulment of the sale of the shares of APCC to Blue Circle Cement Group. The case has been repeatedly postponed and to date no judgment has been handed down. The view of APCC's lawyers is that the action is devoid of any legal and factual ground.

21. Contingencies and Commitments (continued)

B. Other cases

1. A resident of the vicinity of the plant of APCC has filed a claim before the Administrative Court of Alexandria against the Governor of Alexandria, the Head of El-Agamy District, the Minister of Trade and Industry, the Minister of Environment, the Head of Alexandria Environmental Affairs Agency, the Head of Industrial Development Authority and APCC. The plaintiff requested the Court to cancel the administrative decision which had granted the operation license of the fifth line of APCC, claiming that the license had been issued in violation of environmental legislation. On 25 May 2014, the Administrative Court of Alexandria court decided to refer this case to the Cairo Administrative Court due to lack of jurisdiction. The case has been repeatedly postponed and on 24.10.2015 it was referred to another Court division for deliberation. To date no judgment has been handed down. The view of APCC's Legal Department is that the plant's operating license has been issued lawfully and in full compliance with the relevant Egyptian laws and regulations.

2. In 2007, BSCC obtained the license for the construction of a second production line in the company's plant in Beni Suef through a bidding process run by the Egyptian Trading and Industrial Authority. BSCC won the bid by offering the amount of EGP 134.5 million. The Egyptian Industrial Development Authority subsequently raised the value of the license to EGP 251 million. In October 2008 BSCC challenged the said decision of the Industrial Development Authority (IDA) before the Administrative Court and requested to obtain the construction license for the amount of EGP 500 only and alternatively for the amount of EGP 134.5 million which had been offered by BSCC in the bid. In August 2014 the case was referred to the State Commissioners and the Court is expected to schedule a hearing to notify the parties regarding State Commissioners' report. To date no judgment has been handed down. The view of BSCC's lawyers is that the outcome of the case will be positive.

3. The Nile Agricultural Organization, a non-governmental organization, has raised a court case against BSCC, claiming that BSCC has illegally occupied the plaintiff's land and seeking compensation in the amount of EGP 300 million. BSCC's position is that the disputed land has been tens of years ago legally allocated to it by the New Urban Communities Agency and that since 1988 the company holds licenses for the exploitation of quarries located in the disputed area. The view of BSCC's lawyers is that the case has a high probability of being won.

Put option in Antea

The Group had granted to non controlling interest shareholders, European Bank for Reconstruction and Development (EBRD) and International Finance Corporation (IFC) the option to sell their shares in ANTEA Cement SHA (Antea) at predetermined conditions. On 31 December 2014 the put option's fair value recorded as a liability of €23.8 mil..

On 5 February 2015, the Group acquired from EBRD the 20% of its share in Antea. Instead, IFC continues to have the aforementioned exercisable option to sell an equivalent percentage. On 30 September 2015, the option's fair value of €10.9 mil. is recognized as a current liability in the statement of financial position (note 14).

Contingent tax liability

The financial years, referred to in note 12, have not been audited by the tax authorities and therefore the tax obligations of the Company and its subsidiaries for those years have not yet been finalized.

Other than the items referred to in the preceding paragraph, it is not anticipated that any material contingent liabilities will arise.

(all amounts in Euro thousands)

Contingent assets

	Group		Company	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
Bank guarantee letters for securing trade receivables	25,690	20,234	13,047	15,299
Other collaterals against trade receivables	5,897	2,509	1,339	1,339
	31,587	22,743	14,386	16,638
Collaterals against other receivables	3,753	3,945	3,753	3,945
	35,340	26,688	18,139	20,583

21. Contingencies and Commitments (continued)

Capital commitments

Capital commitments contracted for at the balance sheet date but not recognized in the financial statements are as follows:

	Group		Company	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
(all amounts in Euro thousands)				
Property, plant and equipment	3,675	153	-	-

Purchase commitments

Energy supply contracts (Gas, electricity, etc.)

(all amounts in Euro thousands)

	Group	
	30/9/2015	31/12/2014
Not later than 1 years	78,063	79,188
Later than 1 years and not later	390,650	395,940
Beyond 5 years	376,573	441,392
	845,286	916,520

The Group's subsidiaries in Egypt have agreements requiring the purchase of certain minimum quantities of gas for the subsequent years. Also, the Group's US subsidiaries have entered a contract to purchase raw materials and manufacturing supplies as part of their ongoing operations in Florida. This includes a contract to buy construction aggregates through a multi-year agreement at prevailing market prices.

Operating lease commitments - where a Group company is the lessee

The Group leases motor vehicles, properties and other equipment under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

	Group		Company	
	30/9/2015	31/12/2014	30/9/2015	31/12/2014
(all amounts in Euro thousands)				
Not later than 1 years	10,320	10,858	584	678
Later than 1 years and not later than 5 years	27,384	26,437	1,045	1,102
Beyond 5 years	8,046	8,897	-	-
	45,750	46,192	1,629	1,780

22. Inventories

The increase in Group inventories by €9.8 mil. includes the positive impact of foreign exchange differences amounting to €5.7 mil.. Consequently, the organic change of the €4.1 mil. is mainly due to the increased deliveries of spare parts and solid fuels.

23. Trade receivables

The Group's trade receivables increased by €16.3 mil. reflecting mainly the increase activity in North America operating segment.

24. Other receivables and prepayments

The increase in the Group other receivables and prepayments by €14.7 mil. is mainly due to increased prepayments to purchase raw materials and solid fuels (€12.5 mil.).

25. Foreign exchange differences

The variance of €11.2 mil. in the account "gains/(losses) from foreign exchange differences" in the income statement for the period ended 30 September 2015 compared to the first nine months of the previous year is mainly due to the valuation of loans and other liabilities (including intercompany loans) in Euro, recorded by the Group's subsidiaries that operate in Egypt and have other functional currency. The volatility arising from foreign exchange rate fluctuations will continue to affect the Group's performance until the full repayment of the respective loans.

26. Reclassifications

An amount of €4,272 thousand relating to stripping cost in USA was transferred from "intangible assets and goodwill" to "property, plant and equipment", in the Group's statement of financial position as at 31.12.2014 in order to be comparable with the statement of financial position as at 30.9.2015.

In order the consolidated income statement of the nine months ended 30.9.2014 to be comparable with the corresponding period of 2015, the "turnover" and "cost of sales" decreased to the amount of €13,967 thousand. For the same reason, the "turnover" and "cost of sales" of the income statement of the 3rd quarter ended 30.9.2014 decreased to the amount of €3,780 thousand. The aforementioned changes had no impact on the "gross profit before depreciation and amortization" and the "profit before taxes".

27. Principal exchange rates

Balance sheet	30/09/2015	31/12/2014	30/9/2015 vs 31/12/2014
€1 = USD	1.12	1.21	-7.7%
€1 = EGP	8.78	8.65	1.4%
€1 = TRY	3.39	2.83	19.7%
1USD=EGP	7.83	7.13	9.9%
€1 = RSD	119.75	120.96	-1.0%
1USD = JPY	120.23	119.62	0.5%

Profit and loss	Ave 9M 2015	Ave 9M 2014	Ave 9M 2015 vs 9M 2014
€1 = USD	1.12	1.35	-17.2%
€1 = EGP	8.80	9.57	-8.1%
€1 = TRY	3.38	2.93	15.4%
1USD=EGP	7.84	7.07	11.0%
€1 = RSD	120.19	116.24	3.4%
1USD = JPY	120.18	102.98	16.7%