



**Interim Condensed Financial
Statements
for the period
1 January – 30 September 2016
of the Group and Titan Cement
Company S.A.**

These financial statements have been translated from the original Greek version. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.

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 31 both for the Group and the Parent Company, have been approved by the Board of Directors on 2nd of November 2016.

Chairman of the Board of Directors

EFSTRATIOS -GEORGIOS ATH. ARAPOGLOU
ID No AB309500

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	
		2016	2015	2016	2015
Sales of goods	5	1.124.225	1.029.533	194.256	204.829
Cost of sales		-805.318	-768.845	-147.334	-153.372
Gross profit before depreciation and amortization		318.907	260.688	46.922	51.457
Other income		6.439	14.670	11.005	10.850
Administrative expenses		-91.219	-81.390	-29.764	-25.661
Selling and marketing expenses		-16.614	-15.732	-187	-88
Other expenses		-12.517	-13.056	-2.304	-5.098
Profit before interest, taxes, depreciation and amortization (EBITDA)		204.996	165.180	25.672	31.460
Depreciation and amortization related to cost of sales	8,9	-81.238	-80.018	-9.817	-9.184
Depreciation and amortization related to administrative and selling expenses	8,9	-5.200	-4.521	-850	-969
Impairment of tangible and intangible assets related to cost of sales	8,9	-3.029	-149	-	-
Profit before interest and taxes		115.529	80.492	15.005	21.307
(Expenses)/income from participations and investments		-	-2.805	20.625	-
Finance income		2.702	1.611	180	48
Finance costs		-53.126	-49.416	-17.601	-17.872
(Losses)/gains from foreign exchange differences	26	-30.026	8.551	-1.584	582
Share of profit of associates and joint ventures	10	4.820	3.780	-	-
Profit before taxes		39.899	42.213	16.625	4.065
Income tax	7	82.292	-4.558	-208	-3.677
Profit for the period		122.191	37.655	16.417	388
Attributable to:					
Equity holders of the parent		121.931	36.181		
Non-controlling interests		260	1.474		
		122.191	37.655		
Basic earnings per share (in €)	18	1,4906	0,4424		
Diluted earnings per share (in €)	18	1,4807	0,4396		

The accompanying notes on pages 11 to 31 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	
		2016	2015	2016	2015
Profit for the period		122.191	37.655	16.417	388
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	-73.683	14.987	-	-
Net losses on available-for-sale financial assets		-570	-75	-460	-
Reclassification to income statement		321	1.468	321	-
Income tax effect	7	40	-	40	-
		-209	1.393	-99	-
Cash flow hedges		-	-221	-	-
Income tax effect	7	-	86	-	-
		-	-135	-	-
Net other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:		-73.892	16.245	-99	-
<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 (loss)/income for the period, net of tax		-73.892	16.242	-99	-
Total comprehensive income/(loss) for the period net of tax		48.299	53.897	16.318	388
Attributable to:					
Equity holders of the parent		58.351	53.378		
Non-controlling interests		-10.052	519		
		48.299	53.897		

The accompanying notes on pages 11 to 31 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	
		2016	2015	2016	2015
Sales of goods		400.417	356.749	63.296	59.688
Cost of sales		-274.504	-262.205	-47.331	-45.689
Gross profit before depreciation and amortization		125.913	94.544	15.965	13.999
Other income		1.412	5.156	3.236	8.445
Administrative expenses		-30.794	-27.426	-10.634	-8.846
Selling and marketing expenses		-5.759	-5.423	-76	-28
Other expenses		-5.255	-6.981	-1.478	-3.804
Profit before interest, taxes, depreciation and amortization (EBITDA)		85.517	59.870	7.013	9.766
Depreciation and amortization related to cost of sales		-27.254	-26.606	-3.400	-3.000
Depreciation and amortization related to administrative and selling expenses		-1.711	-1.407	-283	-320
Reversal of impairment of tangible and intangible assets related to cost of sales		-	13	-	-
Profit before interest and taxes		56.552	31.870	3.330	6.446
Expenses from participations and investments		-	-1.337	-	-
Finance income		1.000	219	23	2
Finance costs		-16.685	-16.778	-4.807	-5.488
Losses from foreign exchange differences		-10.576	-4.215	-648	-331
Share of profit of associates and joint ventures		2.233	1.535	-	-
Profit/(loss) before taxes		32.524	11.294	-2.102	629
Income tax		80.748	1.691	-541	-1.866
Profit/(losses) for the period		113.272	12.985	-2.643	-1.237
Attributable to:					
Equity holders of the parent		112.725	11.978		
Non-controlling interests		547	1.007		
		113.272	12.985		
Basic earnings per share (in €)	18	1,3782	0,1463		
Diluted earnings per share (in €)	18	1,3691	0,1456		

The accompanying notes on pages 11 to 31 are an integral part of these financial statements

Interim Condensed Statement of Comprehensive Income for the 3rd Quarter

(all amounts in Euro thousands)

	Group		Company	
	For the three months ended 30/9		For the three months ended 30/9	
	2016	2015	2016	2015
Profit/(loss) for the period	113.272	12.985	-2.643	-1.237
Other comprehensive loss:				
<i>Other comprehensive loss to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of foreign operations	-8.379	-21.703	-	-
Net losses on available-for-sale financial assets	-110	-72	-	-
	-110	-72	-	-
Cash flow hedges	-	-221	-	-
Income tax effect	-	86	-	-
	-	-135	-	-
Net other comprehensive loss to be reclassified to profit or loss in subsequent periods:	-8.489	-21.910	-	-
Total comprehensive income/(loss) for the period net of tax	104.783	-8.925	-2.643	-1.237
Attributable to:				
Equity holders of the parent	104.834	-7.855		
Non-controlling interests	-51	-1.070		
	104.783	-8.925		

The accompanying notes on pages 11 to 31 are an integral part of these financial statements

Interim Condensed Statement of Financial Position

(all amounts in Euro thousands)

	Note	Group		Company	
		30/9/2016	31/12/2015	30/9/2016	31/12/2015
Assets					
Property, plant & equipment	8	1.731.337	1.806.179	238.675	237.883
Investment properties	14	9.552	9.548	9.461	9.461
Intangible assets and goodwill	9	428.404	455.883	3.192	3.153
Investments in subsidiaries	11	-	-	862.582	844.762
Investments in associates & joint ventures	10,11	171.536	82.508	-	-
Derivative financial instruments	14	1.361	-	-	-
Available-for-sale financial assets	14	1.100	1.209	172	172
Other non-current assets	14,15	13.763	14.830	2.880	3.063
Deferred tax asset	7	31.018	806	-	-
Non-current assets		2.388.071	2.370.963	1.116.962	1.098.494
Inventories	23	269.556	286.793	63.054	70.682
Trade receivables		129.068	101.955	51.325	45.056
Other receivables and prepayments		87.278	65.193	21.722	23.331
Available-for-sale financial assets	14	-	2.110	-	2.109
Cash and cash equivalents		164.241	121.733	10.274	8.626
Current assets		650.143	577.784	146.375	149.804
Total Assets		3.038.214	2.948.747	1.263.337	1.248.298
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	2.761	1.807	2.761	1.807
Treasury shares	16	-87.771	-79.077	-87.771	-79.077
Other Reserves	17	982.682	1.017.304	554.606	519.750
Retained earnings		349.585	285.504	11.442	56.708
Equity attributable to equity holders of the parent		1.608.613	1.586.894	842.394	860.544
Non-controlling interests		110.851	118.391	-	-
Total equity (a)		1.719.464	1.705.285	842.394	860.544
Long-term borrowings	14,25	724.732	716.766	307.757	300.712
Derivative financial instruments	14	-	924	-	-
Deferred tax liability	7	92.982	163.786	7.686	7.518
Retirement benefit obligations		29.412	31.018	13.270	13.087
Provisions	13	23.895	21.481	3.769	2.221
Other non-current liabilities	14	7.123	6.572	3.829	4.005
Non-current liabilities		878.144	940.547	336.311	327.543
Short-term borrowings	14,25	152.236	26.313	42.315	9.324
Trade and other payables	24	272.263	265.308	38.234	45.204
Derivative financial instruments	14	392	-	-	-
Current income tax payable		4.504	4.959	-	-
Provisions	13	11.211	6.335	4.083	5.683
Current liabilities		440.606	302.915	84.632	60.211
Total liabilities (b)		1.318.750	1.243.462	420.943	387.754
Total Equity and Liabilities (a+b)		3.038.214	2.948.747	1.263.337	1.248.298

The accompanying notes on pages 11 to 31 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 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	-	-	-	-	-	-	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 ordinary and preferred shares (note 19)	-	-	-	-	-	-	-	-12.695	-12.695	-	-12.695
Special reserve distributed to shareholders (note 17, 19)	-	-	-	-	-	-	-12.695	-	-12.695	-	-12.695
Dividends distributed to non-controlling interests	-	-	-	-	-	-	-	-	-	-1.241	-1.241
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 (note 22)	-	-	-	-	-	-	4.422	-3.643	779	551	1.330
Non-controlling interest's put option recognition (note 22)	-	-	-	-	-	-	1.525	-	1.525	-465	1.060
Share based payment transactions	-	-	-	761	-	-	-	-	761	-	761
Transfer among 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
Balance at 1 January 2016	308.254	22.826	30.276	1.807	-78.960	-117	1.017.304	285.504	1.586.894	118.391	1.705.285
Profit for the period	-	-	-	-	-	-	-	121.931	121.931	260	122.191
Other comprehensive loss	-	-	-	-	-	-	-63.580	-	-63.580	-10.312	-73.892
Total comprehensive (loss)/income for the period	-	-	-	-	-	-	-63.580	121.931	58.351	-10.052	48.299
Dividends distributed to ordinary and preferred shares (note 19)	-	-	-	-	-	-	-	-25.390	-25.390	-	-25.390
Dividends distributed to non-controlling interests	-	-	-	-	-	-	-	-	-	-3.856	-3.856
Treasury shares purchased (note 16)	-	-	-	-	-10.033	-467	-	-	-10.500	-	-10.500
Sale - disposal of treasury shares for option plan (note 16)	-	-	-	-	1.806	-	-	-1.540	266	-	266
Non-controlling interest's participation in share capital increase	-	-	-	-	-	-	-	-	-	6.189	6.189
Non-controlling interest's put option recognition (note 22)	-	-	-	-	-	-	-2.164	-	-2.164	179	-1.985
Share based payment transactions	-	-	-	1.156	-	-	-	-	1.156	-	1.156
Transfer among reserves	-	-	-	-202	-	-	31.122	-30.920	-	-	-
Balance at 30 September 2016	308.254	22.826	30.276	2.761	-87.187	-584	982.682	349.585	1.608.613	110.851	1.719.464

The accompanying notes on pages 11 to 31 are an integral part of these financial statements

Interim Condensed Statement of Changes in Equity (continued)

(all amounts in Euro thousands)

Company	Ordinary shares		Preferred ordinary shares		Ordinary treasury shares	Preferred treasury shares	Other reserves (note 17)	Retained earnings	Total equity
	Share premium	Share options							
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 (note 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 rates (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
Balance at 1 January 2016	308.254	22.826	30.276	1.807	-78.960	-117	519.750	56.708	860.544
Profit for the period	-	-	-	-	-	-	-	16.417	16.417
Other comprehensive loss	-	-	-	-	-	-	-99	-	-99
Total comprehensive (loss)/income for the period	-	-	-	-	-	-	-99	16.417	16.318
Dividends distributed to ordinary and preferred shares (note 19)	-	-	-	-	-	-	-	-25.390	-25.390
Treasury shares purchased (note 16)	-	-	-	-	-10.033	-467	-	-	-10.500
Sale - disposal of treasury shares for option plan (note 16)	-	-	-	-	1.806	-	-	-1.540	266
Share based payment transactions	-	-	-	1.156	-	-	-	-	1.156
Transfer among reserves	-	-	-	-202	-	-	34.955	-34.753	-
Balance at 30 September 2016	308.254	22.826	30.276	2.761	-87.187	-584	554.606	11.442	842.394

The accompanying notes on pages 11 to 31 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	
		2016	2015	2016	2015
Cash flows from operating activities					
Profit before taxes		39.899	42.213	16.625	4.065
<i>Adjustments for:</i>					
Depreciation/amortization & impairment of tangible and intangible assets	8,9	89.155	84.688	10.667	10.153
Provisions		2.483	6.638	-607	4.784
Exchange differences		30.026	-8.551	271	-582
Expenses/(income) from participations & investments		-	2.805	-20.625	-
Interest expense/(income)		49.856	47.042	17.364	17.445
Other adjustments		-741	-1.301	796	545
Adjusted profit before changes in working capital		210.678	173.534	24.491	36.410
Decrease/(increase) in inventories		4.012	-7.553	7.789	551
Increase trade and other receivables		-48.884	-30.843	-3.838	-14.347
Increase/(decrease) in operating long-term payables/receivables		2.770	-2.248	-	-93
Increase/(decrease) in trade and other payables (excluding banks)		8.261	1.229	-4.682	-11.152
Cash generated from operations		176.837	134.119	23.760	11.369
Income tax paid		-4.642	-15.424	-336	-431
<i>Net cash flows from operating activities</i>		172.195	118.695	23.424	10.938
Cash flows from investing activities					
Acquisition of subsidiary, associate and joint venture		-93.783	-	-	-
Share capital increase in subsidiaries, joint ventures and associates		-400	-	-18.000	-300
Purchase of tangible assets and investment properties	8	-95.409	-126.750	-11.487	-10.229
Purchase of intangible assets	9	-1.181	-940	-283	-453
Proceeds from sale of tangible and intangible assets	8,9	1.197	690	140	301
Proceeds from dividends		4.438	1.593	20.725	-
Proceeds from sale of available-for-sale financial assets		2.126	-	2.126	-
Interest received		574	689	23	48
<i>Net cash flows used in investing activities</i>		-182.438	-124.718	-6.756	-10.633
Cash flows from financing activities					
Interest paid		-52.707	-48.524	-20.591	-20.094
(Purchase)/sale of treasury shares		-9.791	588	-9.791	588
Dividends & reserves paid to shareholders		-25.255	-25.352	-25.255	-25.352
Dividends written-off and paid to the Greek State		-24	-	-24	-
Dividends paid to non-controlling interests		-5.267	-1.276	-	-
Acquisition of non-controlling interests		-	-10.591	-	-
Proceeds from borrowings		549.687	318.661	210.504	84.112
Repayment of borrowings		-400.123	-203.436	-169.955	-40.363
<i>Net cash flows from/(used in) financing activities</i>		56.520	30.070	-15.112	-1.109
Net increase/(decrease) in cash and cash equivalents					
Cash and cash equivalents at start of period		121.733	142.946	8.626	16.971
Effects of exchange rate changes		-3.769	1.157	92	193
Cash and cash equivalents at end of period		164.241	168.150	10.274	16.360

The accompanying notes on pages 11 to 31 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	13
4. Seasonality of operations	14
5. Segment information	15
6. Number of employees	15
7. Income tax	16
8. Property, plant and equipment	16
9. Intangible assets	17
10. Interest in associates and joint ventures	17
11. Group composition	18
12. Fiscal years unaudited	21
13. Provisions	21
14. Fair value measurement	22
15. Other non-current assets	23
16. Share capital and premium	24
17. Other reserves	25
18. Earnings per share	26
19. Dividends	26
20. Related party transactions	26
21. Business combinations	28
22. Contingencies and commitments	29
23. Inventories	30
24. Trade and other payables	30
25. Borrowings	30
26. Foreign exchange differences	31
27. Reclassifications	31
28. Events after the reporting period	31
29. Principal exchange rates	31

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, the USA and Brazil.

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 2 November 2016.

2. Basis of preparation and summary of significant accounting policies

These financial statements for the nine-month period ended 30 September 2016 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 2015.

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 2015, except for:

- (a) A new paragraph in the foreign currency translation:

"Exchange differences arising from intragroup long term loans and receivables that are designated as part of a reporting entity's net investment in a foreign operation shall be recognised in profit or loss in the separate financial statements of the reporting entity, or, of the individual financial statements of the foreign operation, as appropriate. In the consolidated financial statements such exchange differences shall be recognized in other comprehensive income and included in "currency translation differences reserve on transactions designated as part of net investment in foreign operation" in other reserves. Where settlement of these intragroup long term loans and receivables is planned or is likely to occur in the foreseeable future, then these transactions cease to form part of the net investment in the foreign operation. The exchange differences arising up to that date are recognized in other comprehensive income and after that date, they are recognized in profit or loss. On disposal of the net investment in a foreign operation, the accumulated in other reserves exchange differences are reclassified from equity to profit or loss".

- (b) New or revised standards, amendments and/or interpretations that are mandatory for the periods beginning on or after 1 January 2016.

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

IAS 19R (Amendment) "Employee Benefits"

IFRS 11 (Amendment) "Joint Arrangements"

IAS 16 and IAS 38 (Amendments) "Clarification of Acceptable Methods of Depreciation and Amortisation"

IAS 27 (Amendment) "Separate financial statements"

IAS 1 (Amendments) "Disclosure initiative"

IFRS 10, IFRS 12 and IAS 28 (Amendments) "Investment entities: Applying the consolidation exception"

Annual Improvements to IFRSs 2012

Annual Improvements to IFRSs 2014

• 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 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after 1 January 2018)

IFRS 16 "Leases" (effective for annual periods beginning on or after 1 January 2019)

IAS 12 (Amendments) "Recognition of Deferred Tax Assets for Unrealized Losses" (effective for annual periods beginning on or after 1 January 2017)

IAS 7 (Amendments) "Disclosure initiative" (effective for annual periods beginning on or after 1 January 2017)

changes in liabilities arising from financing activities. The amendments have not yet been endorsed by the EU.

IFRS 2 (Amendments) "Classification and measurement of Share-based Payment transactions" (effective for annual periods beginning on or after 1 January 2018)

IFRS 4 (Amendments) "Applying IFRS 9 Financial instruments with IFRS 4 Insurance contracts" (effective for annual periods beginning on or after 1 January 2018)

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 2015, except for the following:

i. Net investments in foreign operations

On 30.9.2016, the Group subsidiary Titan Egyptian Investment Ltd (TEIL) decided to renew the loan of €76.9 mil. that had entered into with its subsidiary in Egypt, Alexandria Portland Cement Co. S.A.E. (APCC), during 2010. According to its accounting policy, the Group recognizes in its consolidated financial statements, as of that date, the aforementioned intergroup loan as part of the net investment in the foreign Egyptian operation.

ii. Sources of estimation uncertainty

In Egypt, in the last few months, there is increasing scarcity of foreign currency and several transactions cannot be executed through the foreign currency mechanisms of commercial banks. Transactions that are

routed through other local intermediaries are executed at a cost which is significantly higher than that implied by the official foreign exchange rates. Given this prevailing discrepancy, combined with the fact that there exist outstanding balances in foreign currency between the Egyptian subsidiaries and other Group affiliates, the Group management considered it prudent to provide for this increased cost (note 13).

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).

(all amounts in Euro thousands)

Period from 1/1-30/9	Greece and Western Europe		North America		Southeastern Europe		Eastern Mediterranean		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Gross revenue	243.099	241.290	584.376	496.687	156.803	160.950	187.651	178.918	1.171.929	1.077.845
Inter-segment revenue	-47.538	-42.732	-166	-166	-	-5.414	-	-	-47.704	-48.312
Revenue from external customers	195.561	198.558	584.210	496.521	156.803	155.536	187.651	178.918	1.124.225	1.029.533
Profit before interest, taxes, depreciation, amortization and impairment	28.025	31.447	98.031	71.115	46.103	46.574	32.837	16.044	204.996	165.180
Depreciation, amortization and impairment of tangible and intangible assets	-17.321	-13.918	-40.948	-38.947	-16.846	-16.381	-14.352	-15.442	-89.467	-84.688
Profit before interest and taxes	10.704	17.529	57.083	32.168	29.257	30.192	18.485	603	115.529	80.492

(all amounts in Euro thousands)

	Greece and Western Europe		North America		Southeastern Europe		Eastern Mediterranean		Total	
	30/9/2016	31/12/2015	30/9/2016	31/12/2015	30/9/2016	31/12/2015	30/9/2016	31/12/2015	30/9/2016	31/12/2015
Total assets	655.483	557.870	1.085.258	1.006.276	484.909	495.351	812.564	889.250	3.038.214	2.948.747
Total liabilities	284.900	185.582	507.677	526.260	143.302	148.233	382.871	383.387	1.318.750	1.243.462

Reconciliation of profit

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a Group basis.

(all amounts in Euro thousands)

	Group	
	For the nine months ended 30/9	
	2016	2015
Profit before interest and taxes	115.529	80.492
Expenses from participations and investments	-	-2.805
Finance income	2.702	1.611
Finance costs	-53.126	-49.416
(Losses)/gains from foreign exchange differences	-30.026	8.551
Share of profit of associates and joint ventures	4.820	3.780
Profit before taxes	39.899	42.213

6. Number of employees

Number of employees as at the end of the reporting period: Group 5,273 (30.9.2015: 5,323), Company 843 (30.9.2015: 825).

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	
	2016	2015	2016	2015
(all amounts in Euro thousands)				
Current income tax expense	-5.404	-9.525	-	-112
Deferred tax	87.696	4.967	-208	-3.565
Income tax recognised in interim income statement	82.292	-4.558	-208	-3.677
Income tax recognised in other comprehensive income	40	88	40	-
Total income taxes	82.332	-4.470	-168	-3.677

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	
	2016	2015	2016	2015
(all amounts in Euro thousands)				
Opening balance 1/1	162.980	181.568	7.518	3.365
Tax (income)/expense during the period recognised in the income statement	-87.696	-4.967	208	3.565
Tax income during the period recognised in the other comprehensive income	-40	-88	-40	-
Additions due to acquisitions (note 21)	1.605	-	-	-
Deferred tax adjustment recognised in the statement of changes in equity *	-	-21.568	-	392
Exchange differences	-14.885	2.786	-	-
Ending balance 30/9	61.964	157.731	7.686	7.322

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 2016, the net ending balance of deferred liabilities is €62.0 mil. and it consists mainly of: a) €244.2 mil. deferred tax liabilities mainly from property, plant & equipment and intangible assets and b) €151.7 mil. deferred tax assets from tax loss carried forward, €13.3 interest expense tax carried forward, €9.8 mil. from provisions and accrual expenses, €4.2 mil. from receivables and prepayments and €7.0 mil. from post-employment and termination benefits.

The Group subsidiary in USA, Titan America LLC (TALLC), recorded a deferred income tax benefit and related deferred tax asset of approximately €79.4 mil. in its 3rd quarter 2016 financial statements. The majority of this benefit was associated with the recognition of a deferred tax asset for previously unrecognized net operating losses carry-forward generated in periods prior to 2016. Following consistent year on year profitability improvements in H1.2016 and in Q3.2016 and a favourable outlook for Q4.2016 and for 2017-2019, management concluded that profitability trends and projections for TALLC provide sufficient and objectively verifiable evidence to conclude that future profitability overcomes the weight of negative evidence generated by successive loss years prior to 2016.

(*) 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%.

8. Property, plant and equipment

	Group		Company	
	For the nine months ended 30/9		For the nine months ended 30/9	
	2016	2015	2016	2015
(all amounts in Euro thousands)				
Opening balance 1/1	1.806.179	1.677.282	237.883	236.468
Additions due to acquisitions (note 21)	13.380	-	-	-
Additions/capitalizations	95.409	126.750	11.487	10.229
Disposals (net book value)	-4.007	-2.166	-26	-25
Depreciation charge	-81.380	-78.014	-10.669	-10.088
Impairments	-1.349	-149	-	-
Reclassification of assets to intangible assets (note 9)	-22	-821	-	-821
Exchange differences	-97.066	37.573	-	-
Other	193	1.127	-	-
Ending balance 30/9	1.731.337	1.761.582	238.675	235.763

There are no pledges on the Group and Company assets.

Assets with a net book value of €4,007 thousand were disposed of by the Group during the nine months ended 30 September 2016 (1.1-30.9.2015: €2,166 thousand) resulting in a net loss of €2,810 thousand (1.1-30.9.2015: €1,476 thousand).

Impairment of €1.3 mil. and €0.4 mil. (note 9) is recognized mainly on items of property, plant and equipment and intangible assets respectively of a Group subsidiary that operates in the segment of Greece and Western Europe. Due to the nature of these items of property, plant and equipment, their recoverable amount was estimated lower than their carrying amount and hence the impairment is recognised in the profit or loss of the period ended 30.9.2016.

9. Intangible assets

(all amounts in Euro thousands)

Group			
	Goodwill	Other intangible assets	Total
Opening balance 1/1/2016	376.406	79.477	455.883
Additions	-	1.181	1.181
Disposals	-	-80	-80
Additions due to acquisitions (note 21)	5.424	-	5.424
Reclassification of assets from property, plant & equipment assets (note 8)	-	22	22
Depreciation charge	-	-5.263	-5.263
Impairments	-1.000	-376	-1.376
Exchange differences	-20.740	-6.609	-27.349
Other	-	-38	-38
Ending balance 30/9/2016	360.090	68.314	428.404
	Goodwill	Other intangible assets	Total
Opening balance 1/1/2015	357.509	84.299	441.808
Additions	-	940	940
Depreciation charge	-	-6.764	-6.764
Exchange differences	13.962	171	14.133
Reclassification of assets from property, plant & equipment assets (note 8)	-	899	899
Ending balance 30/9/2015	371.471	79.545	451.016

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 2015.

Due to the adverse economic conditions that persist in Greece, the Group recorded in the income statement of the period ended 30.9.2016 an impairment loss of €1.0 mil. on its goodwill.

Company

	Intangible assets	
	2016	2015
Opening balance 1/1	3.153	1.973
Additions	283	453
Disposals (net book value)	-80	-
Depreciation charge	-164	-233
Reclassification of assets from property, plant & equipment assets (note 8)	-	821
Ending balance 30/9	3.192	3.014

10. Investments in associates and joint ventures

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

- Karieri AD with ownership percentage 48.711% (31.12.2015: 48.711%), Karierni Materiali AD with ownership percentage 48.764% (31.12.2015: 48.764%), Vris OOD with ownership percentage 48.764% (31.12.2015: 48.764%). The aforementioned companies are based in Bulgaria and operate in the aggregates business.
- Adocim Cimento Beton Sanayi ve Ticaret A.S. with ownership percentage 50% (31.12.2015: 50%). The Group has joint control over the joint venture and therefore applies the equity method of consolidation. The Adocim Cimento Beton Sanayi ve Ticaret A.S. is based in Turkey, operates in the production of cement.
- On 31 May 2016, Adocim Cimento Beton Sanayi ve Ticaret A.S formed the company Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. (Adocim Marmara) in which the Group was granted ownership percentage 50%. The Group incorporated the newly formed company with the equity method of consolidation in the Group financial statements up to 22 August 2016, date on which the Group acquired the remaining 50% of the Adocim Marmara shares (note 21).
- ASH Venture LLC with ownership percentage 33% (31.12.2015: 33%) which beneficiates, markets and sells fly ash. ASH Venture LLC is based in USA.
- Ecorecovery S.A. with ownership percentage 40% (31.12.2015: 40%) that processing, managing and trading solid waste for the production of alternative fuels. The company is based in Greece.
- On 20 September 2016, the Group acquired 46,525% ownership percentage of the Brazilian company Companhia Industrial De Cimento Apodi with a consideration of €99.1 mil.. (the amount will be finalized within one year). The aforementioned company is incorporated in the Group financial statements with the equity method of consolidation since 30.9.2016.

None of the aforementioned companies is listed on a public exchange market.

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

(all amounts in Euro thousands)

	30/9/2016	31/12/2015
Opening balance 1/1	82.508	86.533
Share of profit of associates and joint ventures	4.820	5.815
Dividends received	-4.410	-2.217
Investment in associate	-	400
Share capital increase in associate	400	-
Acquisition of joint venture	99.104	-
Change in consolidation method	-6.384	-
Exchange differences	-4.502	-8.007
Other	-	-16
Ending balance	171.536	82.508

11. Group composition

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	30/9/2016		31/12/2015	
			% of investment (*)		% of investment (*)	
			Direct	Indirect	Direct	Indirect
Full consolidation method						
Titan Cement Company S.A	Greece	Cement producer	Μητρική Εταιρία		Μητρική Εταιρία	
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	99,910	0,090	99,892	0,108
Intertitan Trading International S.A.	Greece	Trading company	99,999	0,001	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	99,960	0,040
Double W & Co OOD	Bulgaria	Port	-	99,989	-	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	Italy	Trading company	-	80,000	-	80,000
Cementi Crotona 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
GAEA -Green Alternative Energy Assets	Egypt	Alternative fuels	-	64,825	-	64,825
Titan Beton & Aggregate Egypt LLC	Egypt	Quarries & aggregates	-	83,118	-	83,118
Sharr Beteiligungs GmbH	Germany	Investment holding company	-	88,151	-	88,151
Brazcem Participacoes S.A. (1)	Brazil	Investment holding company	-	93,049	-	-
Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. (2)	Turkey	Processing and trading of cement	-	100,000	-	-

11. Group composition (continued)

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	30/9/2016		31/12/2015	
			% 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
Pennsoco 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
ST Equipment & Technology Trading Company LLC	U.S.A.	Trading company	-	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 AD	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
Esha Material DOOEL (1)	F.Y.R.O.M	Quarries & aggregates	-	88,151	-	-
GAEA Zelena Alternative Energija DOOEL	F.Y.R.O.M	Alternative fuels	-	100,000	-	100,000
MILLCO-PCM DOOEL	F.Y.R.O.M	Renting and leasing of machines, equipment and material goods	-	88,151	-	88,151
Rudmak DOOEL	F.Y.R.O.M	Trading company	-	88,151	-	88,151
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
Cement Plus LTD	Kosovo	Trading company	-	57,297	-	57,297
Esha Material LLC (1)	Kosovo	Quarries & aggregates	-	88,151	-	-
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	Albania	Trading company	-	80,000	-	80,000
Antea Cement SHA	Albania	Cement producer	-	80,000	-	80,000
GAEA Energija 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. Group composition (continued)

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	30/9/2016		31/12/2015	
			% 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
Companhia Industrial De Cimento Apodi (3)	Brazil	Cement producer	-	46,525	-	-
Apodi Concretos Ltda (3)	Brazil	Ready mix	-	46,525	-	-
ASH Venture LLC	U.S.A.	Processing of fly ash	-	33,000	-	33,000
Ecorecovery SA	Greece	Engineering design services for solid and liquid waste facilities	-	40,000	-	40,000
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) Acquired subsidiaries incorporated in the consolidated financial statements with full consolidation method (note 21).

(2) On May 31st 2016, the Group formed the company Adocim Marmara Cimento Beton Sanayi ve Tikaret A.S. with ownership percentage 50% and on August 22nd 2016, it acquired the remaining 50% (note 21).

(3) Acquired subsidiaries incorporated in the consolidated financial statements with equity consolidation method (note 10).

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

(all amounts in Euro thousands)

	30/9/2016	31/12/2015
Participation in subsidiaries on 1 January	844.762	845.807
Share capital increase/(decrease) in subsidiaries	17.650	-1.180
Other	170	135
Participation in subsidiaries	862.582	844.762

12. Fiscal years unaudited

⁽¹⁾ Titan Cement Company S.A	2010, 2015	Holtitan BV	2010-2015
⁽²⁾ Aeolian Maritime Company	-	Aeas Netherlands B.V.	2010-2015
⁽¹⁾ Albacem S.A.	2015	⁽²⁾ Titan Cement U.K. Ltd	2015
⁽¹⁾ Arktias S.A.	2010, 2015	⁽⁵⁾ Titan America LLC	2011-2015
⁽¹⁾ Interbeton Construction Materials S.A.	2007-2010, 2015	Separation Technologies Canada Ltd	2014-2015
⁽¹⁾ Intertitan Trading International S.A.	2008-2010, 2015	Stari Silo Copmany DOO	2008-2015
⁽¹⁾ Porfirion S.A.	2010, 2015	Cementara Kosjeric DOO	2006-2015
⁽¹⁾ Vahou Quarries S.A.	2010, 2015	TCK Montenegro DOO	2007-2015
⁽¹⁾ Quarries Gournon S.A.	2010, 2015	Double W & Co OOD	2007-2015
⁽¹⁾ Quarries of Tagaradon Community S.A.	2010, 2015	Granitoid AD	2007-2015
⁽¹⁾ Aitolika Quarries S.A.	2015	Gravel & Sand PIT AD	2008-2015
⁽¹⁾ Sigma Beton S.A.	2010, 2015	Zlatna Panega Beton EOOD	2008-2015
⁽¹⁾ Titan Atlantic Cement Industrial and Commercial S.A.	2010, 2015	Zlatna Panega Cement AD	2010-2015
⁽¹⁾ Titan Cement International Trading S.A.	2015	Cement Plus LTD	2014-2015
⁽¹⁾ KTIMET Quarries S.A.	2010, 2015	Rudmark DOOEL	2006-2015
Aemos Cement Ltd	2009-2015	Usje Cementarnica AD	2009-2015
Alvacim Ltd	2010-2015	Titan Cement Netherlands BV	2010-2015
⁽³⁾ Balkcem Ltd	2008, 2010-2015	Alba Cemento Italia, SHPK	2012-2015
Iapetos Ltd	2007-2015	Antea Cement SHA	2015
Rea Cement Ltd	2008-2015	Sharr Beteiligungs GmbH	2011-2015
Themis Holdings Ltd	2008-2015	Kosovo Construction Materials L.L.C.	2011-2015
⁽⁴⁾ Tithys Ltd	2006, 2008-2015	SharrCem Sh.P.K	2011-2015
Feronia Holding Ltd	2007-2015	⁽²⁾ Alexandria Development Co.Ltd	-
Vesa DOOL	2006-2015	Alexandria Portland Cement Co. S.A.E	2010-2015
Trojan Cem EOOD	2010-2015	GAEA Green Alternative Energy Assets Ltd	2007-2015
Dancem APS	2010-2015	Beni Suef Cement Co.S.A.E.	2009-2015
Titan Global Finance PLC	2007-2015	East Cement Trade Ltd	2006-2015
Terret Enterprises Ltd	2009-2015	Titan Beton & Aggregate Egypt LLC	2010-2015
Salentijn Properties1 B.V.	2010-2015	⁽²⁾ Titan Egyptian Inv. Ltd	-
Titan Cement Cyprus Limited	2007-2015	Green Alternative Energy Assets EAD	2012-2015
KOCEM Limited	2007-2015	GAEA Zelena Alternative Enerjia DOOEL	2013-2015
Fintitan S.R.L.	2011-2015	GAEA Enerjia Alternative e Gjelber Sh.p.k.	2014-2015
Cementi Crotone S.R.L.	2011-2015	GAEA -Green Alternative Energy Assets	2015
Cementi ANTEA SRL	2010-2015	Ecorecovery SA	2015
Colombus Properties B.V.	2010-2015	MILLCO-PCM DOOEL	2015

(1) For the fiscal years 2011-2013, Certified Auditors Accountants tax audited the above companies and issued tax certificates without qualifications, according to the terms of article 82, par. 5 of the Law 2238/1994. For the fiscal years 2014-2015 the tax audit was conducted again by the Certified Auditors Accountants and tax certificates without qualifications have also been issued according to the article 65A, par. 1 of L. 4174/2013.

(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 2016 amounted to €35.1 mil. (31.12.2015: €27.8 mil.).

The above amount includes among others, the provision for the rehabilitation of quarries amounting to €17.6 mil. (31.12.2015: €16.2 mil.), the provision for staff costs of €4.6 mil. (31.12.2015: €5.5 mil.), the provision for the increased cost of foreign currency liabilities in Egypt amounting to €6.4 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 2016 amounted to €7.9 mil. (31.12.2015: €7.9 mil.). The above amount includes among others, the provision for the rehabilitation of quarries amounting to €2.1 mil. (31.12.2015: €2.1 mil.) and the provision for staff costs of €4.6 mil. (31.12.2015: €5.5 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 financial instruments, that are carried in the statement of the financial position:

(all amounts in Euro thousands)

	Group				Company			
	Carrying amount		Fair value		Carrying amount		Fair value	
	30/9/2016	31/12/2015	30/9/2016	31/12/2015	30/9/2016	31/12/2015	30/9/2016	31/12/2015
Financial assets								
Available for-sale financial assets	1.100	3.319	1.100	3.319	172	2.281	172	2.281
Other non-current assets	9.764	10.252	9.764	10.252	2.745	2.768	2.745	2.768
Derivative financial instruments	1.361	-	1.361	-	-	-	-	-
Financial liabilities								
Long term borrowings	724.732	716.766	749.988	725.075	307.757	300.712	318.731	305.087
Short term borrowings	152.236	26.313	154.452	26.313	42.315	9.324	43.385	9.324
Derivative financial instruments	392	924	392	924	-	-	-	-
Other non-current liabilities	2.495	964	2.495	964	137	146	137	146
Put option (note 22)	10.299	8.315	10.299	8.315	-	-	-	-

Note: Derivative financial instruments consist of cross currency interest rate swaps (CCS), commodity swaps and bond options.

The management assessed that the cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities (excluding the put option) approximate their carrying amounts largely due to the short-term maturities of these instruments.

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 2016.

(all amounts in Euro thousands)

	Group		Company		Fair value hierarchy
	Fair value		Fair value		
	30/9/2016	31/12/2015	30/9/2016	31/12/2015	
Assets					
Investment property	9.552	9.548	9.461	9.461	Level 3
Available for-sale financial assets					
Quoted equity shares	-	2.109	-	2.109	Level 1
Other available-for-sale financial assets	1.100	1.210	172	172	Level 3
Derivative financial instruments	1.361	-	-	-	Level 2
Liabilities					
Long-term borrowings	749.988	725.075	318.731	305.087	Level 2
Short-term borrowings	154.452	26.313	43.385	9.324	Level 2
Derivative financial instruments	392	924	-	-	Level 2
Put option (note 22)	10.299	8.315	-	-	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 June 2016.

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.

The fair value of the financial assets and liabilities is 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 1

Level 1 available-for-sale financial assets are Banks' listed securities acquired by the Company through the Greek Banks Recapitalization, during 2015. Part of these shares has been disposed in the fiscal year of 2015 and the remaining part has been disposed in the 1st half of 2016.

14. Fair value measurement (continued)

Level 2

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.

Level 2 derivative financial instruments comprise cross currency interest rate swaps and oil swaps. Moreover, during 2016, the Group entered into two call option transactions with two financial institutions, giving them the right to buy €15.0 mil. nominal Titan Global Finance bonds on 20.12.2016 at a strike price of €15.3 mil..

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, c) oil prices extracted from observable yield curves, which are quoted in the active market and d) future values of call options.

Level 3

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 put option consists 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:

	30/9/2016	31/12/2015
Change in gross margin	22,7%	35,4%
Discount rate	10,6%	10,6%

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 of the forecast cash flows or the change in gross margin 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 fluctuation of the change in gross margin, as described in the following table:

Sensitivity analysis of Group's changes in gross margin

(all amounts in Euro thousand)

Increase by 5 percentage points in the change of the gross margin:
Decrease by 5 percentage points in the change of the gross margin:

Effect on the fair value
500
-454

15. Other non-current assets

	Group		Company	
	30/9/2016	31/12/2015	30/9/2016	31/12/2015
Utility deposits	3.023	3.218	2.621	2.640
Excess benefit plan assets	3.999	4.578	-	-
Notes receivable - trade	434	630	-	-
Other non-current assets	6.307	6.404	259	423
	13.763	14.830	2.880	3.063

16. Share capital and premium

(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 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
Balance at 1 January 2016	77.063.568	308.254	7.568.960	30.276	22.826	84.632.528	361.356
Balance at 30 September 2016	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 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
Balance at 1 January 2016	2.760.593	78.960	5.919	117	2.766.512	79.077
Purchase of treasury shares	509.273	10.033	39.551	467	548.824	10.500
Sale of treasury shares	-66.365	-1.806	-	-	-66.365	-1.806
Balance at 30 September 2016	3.203.501	87.187	45.470	584	3.248.971	87.771

In the first nine months of 2016, the average price of Titan Cement Company S.A. ordinary shares was €19.11 (1.1-30.9.2015: €21.02) and the trading price of the ordinary shares as at 30 September 2016 was €20.98 (30.9.2015: €20.20).

17. Other reserves

(all amounts in Euro thousands)

Group			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							
Balance at 1 January 2015	92.587	593.523	266.525	118.875	26.504	-657	41.115	-198.947	939.525
Other comprehensive income/ (loss)	-	-	-	-	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 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 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
Balance at 1 January 2016	93.112	569.227	301.075	117.563	50.386	1.001	41.115	-156.175	1.017.304
Other comprehensive loss	-	-	-	-	-	-209	-	-63.371	-63.580
Non-controlling interest's put option recognition	-	-	-	-	-	-2.164	-	-	-2.164
Transfer from reserves & retained earnings	3.410	3.639	31.957	-5.330	-2.554	-	-	-	31.122
Balance at 30 September 2016	96.522	572.866	333.032	112.233	47.832	-1.372	41.115	-219.546	982.682

Company			Contingency reserve	Tax exempt reserves under special laws	Revaluation reserve	Actuarial differences reserve	Hedging reserves	Total other reserves
	Legal reserve	Special reserve						
Balance at 1 January 2015	68.650	16.245	254.632	105.865	2.662	-165	48.347	496.236
Special reserve distributed to shareholders (note 19)	-	-12.695	-	-	-	-	-	-12.695
Deferred tax adjustment due to change in income tax rates	-	-	-	-	-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
Balance at 1 January 2016	69.952	3.550	289.182	105.379	2.508	832	48.347	519.750
Other comprehensive loss	-	-	-	-	-99	-	-	-99
Transfer from retained earnings	2.998	-	31.755	-	-	-	-	34.753
Transfer from share options	-	-	202	-	-	-	-	202
Balance at 30 September 2016	72.950	3.550	321.139	105.379	2.409	832	48.347	554.606

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 2016 amounted to a loss of €73.7 mil., of which €63.4 mil. are attributable to the shareholders of the Parent Company and €10.3 mil. to the non-controlling interests. The equivalent amount in the first nine months of 2015, was a gain of €15.0 mil.. The difference of €88.7 mil. between the two corresponding periods consists mainly of €53.5 mil. related to the Egyptian pound, €43.8 mil. to the US dollar and -€8.9 mil. to Turkish pound.

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. Dividends

For the period ended 30.9.2016

The Annual General Meeting of Shareholders of the Titan Cement Company S.A., which was held on 17th June 2016, approved the distribution of dividend from the profits of the financial year 2015 of a total amount of €25,390 corresponding to €0.30 per share (ordinary or preference). This amount was proportionally increased by the dividend corresponding to the treasury stock held by the Company and became €0.30989 per share. From this amount the Company withheld on behalf of the Shareholder a 10% tax and, therefore, the net amount paid was €0.27890 per share.

For the period ended 30.9.2015

The Annual General Meeting of Shareholders of the 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.

20. Related party transactions

Transactions with related parties during the nine month period ending 30 September 2016 as well as balances with related parties as at 30 September 2016 for the Group and the Company, according to IAS 24 are as follows:

(all amounts in Euro thousands)

Group	Sales of goods & services	Purchases of goods & services	Receivables	Liabilities
Other interrelated parties	-	1.122	-	215
Executives and members of the Board	-	6.037	23	-
	-	7.159	23	215

20. Related party transactions (continued)*(all amounts in Euro thousands)*

Company	Sales of goods & services	Purchases of goods & services	Receivables	Liabilities
Aeolian Maritime Company	-	-	-	253
Interbeton Construction Materials S.A.	15.367	3.755	4.570	1.119
Intertitan Trading International S.A.	4.499	-	315	-
Adocim Cimento Beton Sanayi ve Ticaret A.S.	1.544	-	2	-
Antea Cement SHA	1.224	-	520	-
Beni Suef Cement Co.S.A.E.	1.381	-	3.599	-
Alexandria Portland Cement Co. S.A.E.	852	-	1.996	-
Cementara Kosjeric AD	727	-	309	-
Cementi Crotone S.R.L.	252	-	42	-
Essex Cement Company LLC	25.777	67	1.347	-
Titan America LLC	3.559	6	1.060	2
Titan Florida LLC	2.980	-	-	-
Roanoke Cement LLC	1.991	-	21	-
Fintitan SRL	6.627	-	3.194	-
Sharrcem SH.P.K.	1.137	-	332	-
T.C.U.K. Ltd	15.514	25	2.843	4
Titan Global Finance PLC	-	16.902	-	353.959
Usje Cementarnica AD	5.541	-	1.024	-
Zlatna Panega Cement AD	746	-	222	-
Other subsidiaries	25	-	20	2
Other interrelated parties	-	1.122	-	215
Executives and members of the Board	-	6.037	23	-
	89.743	27.914	21.439	355.554

Transactions with related parties during the nine month period ending 30 September 2015 as well as balances with related parties as at 31 December 2015 for the Group and the Company, according to IAS 24 are as follows:

	Sales of goods & services	Purchases of goods & services	Receivables	Liabilities
Group				
Other interrelated parties	-	1.076	-	223
Executives and members of the Board	-	3.836	35	-
	-	4.912	35	223
Company				
Aeolian Maritime Company	-	-	-	257
Albacem S.A.	2	-	-	350
Interbeton Construction Materials S.A.	15.953	4.018	7.050	755
Intertitan Trading International S.A.	4.075	-	750	-
Transbeton - Domiki S.A.	2	-	-	-
Gournon Quarries S.A.	2	-	1	-
Titan Cement International Trading S.A.	2	-	-	-
Adocim Cimento Beton Sanayi ve Ticaret A.S.	38	-	-	-
Antea Cement SHA	1.035	3	284	-
Beni Suef Cement Co.S.A.E.	1.439	-	2.758	-
Alexandria Portland Cement Co. S.A.E	896	10	1.191	-
Cementara Kosjeric AD	703	4	312	-
Cementi Crotone S.R.L.	420	-	-	-
Essex Cement Company LLC	27.853	42	2.341	-
Titan America LLC	3.116	7	1.506	-
Fintitan S.r.l.	6.159	-	3.681	-
Sharrcem SH.P.K	877	-	403	-
T.C.U.K. Ltd	14.372	25	3	-
Titan Global Finance PLC	-	16.961	-	307.105
Usje Cementarnica AD	6.276	-	852	-
Zlatna Panega Cement AD	38	-	1.074	-
Other subsidiaries	15	-	126	2
Other interrelated parties	-	1.076	-	223
Executives and members of the Board	-	3.836	35	-
	83.273	25.982	22.367	308.692

21. Business combinations

Period ended 30 September 2016

On 22.8.2016, the Group acquired the remaining 50% of the joint venture Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. with a consideration transferred of €11.7 mil.. Since the acquisition date, the company is consolidated in the Group's financial statements with the full consolidation method, instead of equity method.

On 1.9.2016, the Group acquired the companies Esha Material DOOEL in FYROM and Esha Material LLC in Kosovo with a consideration of €89.0 thousand. Since the acquisition date, the companies are consolidated in the Group's financial statements with the full consolidation method.

Moreover, the Group acquired for the amount of €2.0 thousand the Brazilian company Benim Empreendimentos e Participacoes S.A. on 1.9.2016, which was renamed to Brazcem Participacoes S.A. on 2.9.2016. From the date of acquisition, the above company is consolidated in the Group's financial statements with the full consolidation method.

The assets and liabilities of the aforementioned companies, as they were preliminary recorded at the date of acquisition, are as follows:

<i>(all amounts in Euro thousands)</i>	(*) Carrying value on acquisition
Assets	
Non-current assets	13.402
Inventory	1.010
Receivables and prepayments	7.006
Cash and cash equivalents	35
Total assets	21.453
Liabilities	
Short-term borrowings	5.041
Deferred tax liabilities	1.605
Other liabilities and taxes payable	2.032
Total liabilities	8.678
Total identifiable net assets at fair value	12.775
Goodwill arising on acquisition (note 9)	5.424
Total consideration	18.199
Cash flow on acquisition:	
Fair value of previously held stake in joint venture	6.383
Purchase consideration settled in cash	11.816
Net cash acquired with the subsidiaries	-42
Total consideration	18.157

(*) Fair value and purchase price allocation of the acquired companies will be completed within twelve months from acquisition date.

22. Contingencies and Commitments

(all amounts in Euro thousands)

Contingent liabilities

	Group		Company	
	30/9/2016	31/12/2015	30/9/2016	31/12/2015
Guarantees to third parties on behalf of subsidiaries	-	-	872.372	728.819
Bank guarantee letters	40.510	45.077	4.560	4.429
Other	4.918	5.831	-	-
	45.428	50.908	876.932	733.248

On 30.9.2016, Adocim Cimento Beton Sanayi ve Ticaret A.S. had contingent liabilities in the form of bank guarantee letters amounting to €764 thousand (31.12.2015: €857 thousand).

Litigation matters in Egypt

There was no significant change in Egyptian litigation matters during the first nine months of 2016.

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 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 2016, the option's fair value of €10.3 mil. (31.12.2015: €8.3 mil.) is recognized as a current liability in the statement of financial position.

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	
	30/9/2016	31/12/2015	30/9/2016	31/12/2015
Bank guarantee letters for securing trade receivables	21.235	19.486	9.504	8.569
Other collaterals against trade receivables	5.017	9.031	863	2.845
	26.252	28.517	10.367	11.414
Collaterals against other receivables	1.497	1.650	1.497	1.650
	27.749	30.167	11.864	13.064

Commitments

Capital commitments

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

(all amounts in Euro thousands)

	Group		Company	
	30/9/2016	31/12/2015	30/9/2016	31/12/2015
Property, plant and equipment	1.812	1.616	-	-

22. Contingencies and Commitments (continued)

Purchase commitments

Energy supply contracts (Gas, electricity, etc.)

(all amounts in Euro thousands)

Not later than 1 years
Later than 1 years and not later
Beyond 5 years

	Group		Company	
	30/9/2016	31/12/2015	30/9/2016	31/12/2015
Not later than 1 years	68.620	81.481	-	-
Later than 1 years and not later	339.246	402.808	-	-
Beyond 5 years	266.257	368.486	-	-
	674.123	852.775	-	-

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.

(all amounts in Euro thousands)

Not later than 1 years
Later than 1 years and not later than 5 years
Beyond 5 years

	Group		Company	
	30/9/2016	31/12/2015	30/9/2016	31/12/2015
Not later than 1 years	9.103	11.113	673	594
Later than 1 years and not later than 5 years	21.893	27.959	1.437	1.111
Beyond 5 years	8.074	7.642	-	-
	39.070	46.714	2.110	1.705

23. Inventories

The decrease in Group inventories by €17.2 mil. includes the negative impact of foreign exchange differences amounting to €14.8 mil.. The organic change of the €3.2 mil. is mainly due to the decreased deliveries of solid fuels.

24. Trade and other payables

The increase in Group trade and other payables by €7.0 mil. includes the impact from foreign exchange differences amounting to €19.3 mil.. The organic change of the €25.7 mil. is mainly due to the increased customer prepayments in Egypt amounted to €13.2 mil. and to the increased tax liabilities amounted to €7.0 mil..

25. Borrowings

On 17 June 2016 was completed the offering of a total nominal amount of €300 mil. Guaranteed Notes due 2021, with a coupon of 3.50 per cent per annum, which were issued by Titan Global Finance PLC (the "Issuer"), a subsidiary of TITAN Cement Company S.A. (the "Company") and guaranteed by the Company. The notes are traded on the Global Exchange Market (GEM), the exchange –regulated market of the Irish Stock Exchange.

Part of the proceeds of the notes was used by the Issuer to purchase €109 mil. of its outstanding 8.75 per cent Guaranteed Notes due January 2017 (the "2017 Notes") prior to maturity pursuant to the tender offer memorandum dated 6 June 2016, and the remaining amount will be used for the purchase of the rest €88 mil. of the "2017 Notes" at the maturity in January 2017 and for general corporate purposes.

On 23 September 2016, Titan Global Finance PLC purchased its own notes due 2021 of a total nominal amount of €15.0 mil..

26. Foreign exchange differences

The variance of €38.6 mil. in the account "(losses)/gains from foreign exchange differences" in the income statement for the period ended 30 September 2016 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 US 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.

27. Reclassifications

The amounts of €1,299 thousand and €231 thousand were transferred from "property, plant and equipment" to "intangible assets and goodwill" and "other non-current liabilities" respectively and the amount of €497 thousand was transferred from "other receivables and prepayments" to "trade and other payables" in the statement of financial positions as at 31.12.2015 of the Group and the Company in order to be comparable with the statement of financial positions as at 30.9.2016.

28. Events after the reporting period

There are no subsequent events to September 30, 2016 which would materially influence the Group's and the Company's financial position.

29. Principal exchange rates

Balance sheet	30/09/2016	31/12/2015	30/9/2016 vs 31/12/2015
€1 = USD	1,12	1,09	2,5%
€1 = EGP	9,98	8,50	17,4%
€1 = TRY	3,36	3,18	5,7%
1USD=EGP	8,94	7,81	14,5%
€1 = BRL	3,62	4,45	-18,6%
€1 = RSD	123,29	121,63	1,4%
1USD = JPY	101,33	120,39	-15,8%

Profit and loss	Ave 9M 2016	Ave 9M 2015	Ave 9M 2016 vs 9M 2015
€1 = USD	1,12	1,12	-0,1%
€1 = EGP	9,62	8,54	12,6%
€1 = TRY	3,28	2,97	10,4%
1USD=EGP	8,61	7,66	12,4%
€1 = BRL	3,65	4,38	-16,7%
€1 = RSD	123,05	120,71	1,9%
1USD = JPY	108,41	120,97	-10,4%