2010 Full Year Results

Date : 17-03-2011

Titan Group turnover for 2010 totaled €1,350 m posting a marginal 0.7% decline compared to 2009. EBITDA reached €314 m, 5.5% lower. Net profit after taxes and minority interest reached €102m, lower by 17.2% versus the year before.

Results were adversely impacted by increased provisions for bad debts by €19.4 m, as well as higher depreciation, financial expenses and minority interest. Operating profitability before provisions was at par with last year.

Group turnover, for the fourth quarter of 2010, increased by 2.4%. EBITDA declined by 28% and net profit decreased by 80%, mainly due to increased provisions.

The Group's long-term strategy of geographic diversification was instrumental in achieving these results, despite adverse market conditions. The commencement of operation of the new production line in Egypt and the expansion of operations in the Western Balkans through the investments in Albania and Kossovo led to increased sales and operating profitability in the developing countries of the Eastern Mediterranean and Southeastern Europe, offsetting the negative implications of the decline in cement consumption for a fifth consecutive year in the United States and for a fourth consecutive year in Greece.

€ m.	Q4 2010	Q4 2009	% change	2010	2009	% change
Turnover	322.0	314.3	2.40%	1,350.5	1,360.6	-0.70%
EBITDA	54.1	74.8	-27.70%	314.4	332.7	-5.50%
Earnings before taxes	10.6	29.9	-64.60%	129.3	158.1	-18.30%

€ m.	Q4 2010	Q4 2009	% change	2010	2009	% change
Net Profit *	3.9	19.7	-80.30%	102.2	123.4	-17.20%

*after tax and minority interests

OPERATING RESULTS

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More specifically, in each of the regions Titan Group operates:

In Greece, the deteriorating economic conditions led to a sharp decline in building activity, in both the private and public sectors. The low levels of housing demand can be attributed to the recession of the real economy and the attendant macroeconomic adjustments which have negatively affected household income and employment expectations as well as to the decline in the granting of mortgage loans. EBITDA in Greece and Western Europe declined by 34% in 2010 compared to 2009 and stood at €86 m, negatively impacted by the increase in bad debt provisions and increased energy costs.

In the USA, no recovery in construction activity was visible in 2010. In the South Eastern States, where a major part of Group's operations is located, demand remained at low levels, while the Florida market declined further. Under these unfavorable conditions operating profitability reached €3.5 m, reduced by 86%.

In Southeastern Europe, the economic crisis continued to depress demand for building materials although to a smaller degree compared to 2009. Nevertheless EBITDA in 2010 increased by 17% compared to 2009 and reached €87 m, as a result of the operation of the new greenfield plant in Albania in the second quarter of the year and the consolidation of the Sharr plant in Kosovo.

In contrast to the market trends in Europe and the United States, demand for building materials in the Eastern Mediterranean increased. In Turkey, it is estimated that the growth of the domestic economy led to a 15%

increase in cement consumption. In Egypt demand remained at high levels primarily due to extensive housing programs. Coupled with the Group's enhanced productive capacity in the region, due to the operation of the second production line at the Beni Suef plant, the increased demand led to improved financial results. Overall, EBITDA in the Eastern Mediterranean increased by 34%, compared to 2009 and stood at €138 m.

In 2010, Group selling, general and administrative expenses grew by 1% compared to 2009 and stood at €130 m. On a like-for-like basis and excluding foreign exchange fluctuations, Group selling, general and administrative expenses would have declined by 3.4%, beyond the reduction of 15% achieved in 2009, reflecting the Group's continuous effort at cost containment.

Financial expenses including foreign exchange effects and the one off cost for the early repayment of our USPP notes in the USA in July 2010, amounted to €62.6 m., increased by 5.7% compared to last year.

The Group's focus on the strict prioritization of capital expenditure and control over working capital resulted in free cash flow generation of €195 m from operating activities and helped to reduce debt by €194 m in the year. The Group's net debt position continues to improve having declined from €1,114 m in December 2008 to €971 m. in December 2009 and to €777 m in December 2010, improving financial flexibility.

INVESTMENT ACTIVITIES

In 2010, the Group continued to invest in expanding its activities, modernizing its facilities and improving its environmental footprint. Capital expenditure, excluding acquisitions, reached €87 m, significantly lower than in 2009 following the completion of the new cement production line at the Beni Suef plant in Egypt (November 2009) and the new greenfield plant in Albania (March 2010).

In the last quarter of the year, specifically in December 2010, Titan Group announced the signing of a definitive agreement with the Privatization Agency of Kosovo for the purchase, through "Sharr Beteiligungs GmbH", (owned by 51% by Titan Group) of the Sharr cement plant. The plant, with a rated capacity of 600,000 tons per annum, was already under Titan management, on the basis of a lease agreement.

In November 2010 the Group announced the completion of the €80 m equity investment by "International Finance Corporation (IFC)" in "Alexandria Portland Cement Company S.A. (APCC)" through the purchase of a stake in Titan's holding company "Alexandria Development Limited (ADL)". The transaction resulted in IFC acquiring through ADL a 15.2% minority stake in APCC and subsequently in Titan's Egyptian operations.

In April 2010, the Group disposed of the quarry in Cumberland in the state of Kentucky USA, for the amount of $41.5m.

SIGNIFICANT POST-BALANCE SHEET EVENTS

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Titan Global Finance PLC, a Group subsidiary, announced on 7.1.2011 the conclusion of a new €585 m multicurrency forward start syndicated revolving credit facility, guaranteed by Titan Cement Company S.A. The new facility will mature in January 2015 and will be used for refinancing TGF's existing syndicated multicurrency revolving credit facility maturing in April 2012 and for general corporate purposes of the Group thereafter.

Titan Cement Co S.A. announced on 4.2.2011 the signing of an agreement between its tableware subsidiary IONIA S.A. and YALCO-S.D. CONSTANTINOU & SON S.A. for the transfer of the IONIA trade name, as well as the sale of certain merchandise and other fixed assets.

2011 OUTLOOK

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2011 holds its share of challenges for Titan.

In Greece, private and public construction activity are expected to decline further, due to the fiscal crisis and the increasing consumer and business uncertainty.

In the USA, demand for construction materials is expected to remain very weak in 2011, despite the economic recovery. The Portland Cement Association's latest forecast in November 2010, foresees a mere 1.4% increase in cement consumption for 2011 from the low levels of 2010.

In Southeastern Europe, the gradual economic recovery is not expected to translate into a meaningful increase in cement consumption during the current year.

In Egypt, recent political developments give rise to increased short-term uncertainty. It should be noted, however, that the Group's, production and commercial activities were not disrupted during the crisis and continue at normal levels.

The outlook for Turkey appears positive, as the strong economic recovery is expected to contribute to the further development of domestic demand for private construction and public works.

The upward trend in solid and liquid fuel prices is expected to have a negative impact on Group results, despite the continuous efforts to reduce energy consumption and increase the use of alternative fuels.

Under the prevailing conditions of uncertainty in the economic environment, the Group will continue to focus its efforts on free cash flow generation, to further increase financial flexibility, cost and productivity improvement efforts and smaller bolt-on growth initiatives.

Despite the adverse economic environment, the Group remains committed to its four strategic priorities, which are geographical diversification in cement, continuous improvements in cost and competitiveness, vertical integration in related building materials and a focus on both human resources and corporate social responsibility.

PARENT COMPANY FINANCIAL RESULTS

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At parent company level, turnover reached €370.7 m lower by 17.6%, while EBITDA reached €86.3 m, a decline of 28.2%, mainly reflecting the decline in domestic sales.

Net profit after tax and minorities decreased by 55.2% to €20.8 m, compared to 2009. It must be noted that a social responsibility tax that has been levied on all Greek companies posting a profit above €100 thousand for fiscal year 2009. The total charge for the Company amounted to €7.9 m.

The Board of Directors of Titan Cement Co, S.A. will recommend to the Annual General Meeting of Shareholders, which has been scheduled for June 15, 2011, a cash dividend of €0.0776 per share versus €0.18 the previous year. In addition, the Board will propose to the General Assembly the distribution o of €8.7 m corresponding to €0.1024 per share, from special reserves which have already been taxed, thus exhausting the taxation obligations of the Company and the shareholders.

Titan is an independent cement and building materials producer with over 100 years of industry experience. Based in Greece, the Group operates in 9 countries, owning 14 cement plants and is organized in four geographic regions: Greece & Western Europe, USA, Southeastern Europe and Eastern Mediterranean. Throughout its history Titan has aimed to combine operational excellence with respect for people, society and the environment.

In 2010, the Group sold 17.4 m. tonnes of cement and cementitious materials, 4 m. m3 of ready mixed concrete, 13.3 m. tonnes of aggregates and various other building materials like concrete blocks, dry mortars etc.

Detailed financial and other information is available on the Titan Group website: www.titan-cement.com

The above announcement was notified to the Athens Exchange, the HCMC and was also posted on the Athens Exchange website.