

Financial Results for the First Quarter 2013

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Titan Group turnover for the first quarter of 2013 stood at €243m, posting an 8% increase compared to the first quarter of 2012. Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) declined by 29% reaching €24m. The Group posted a net loss, after tax and minority interests, of €27m, compared to a net loss of €19m in the first quarter of the previous year.

Foreign exchange differences had a 4% negative effect on Group turnover and a 7.7% negative effect on EBITDA.

Market trends differed markedly across the Group's countries of operation: a clear, by now, recovery in the USA, a continuation of the decline in Greece, resilience despite adversity in Egypt, anemic yet stable demand in the countries of Southeastern Europe, further growth in Turkey.

It should be noted that first quarter (winter-months) results are not indicative of the whole year.

€ m.	Q1 2013	Q1 2012	% change
Turnover	243	225.4	7.8%
EBITDA	24.3	34.4	-29.40%
Earnings before taxes	(23.5)	(17.6)	
Net Profit*	(27.1)	(19.4)	

*after tax and minority interests.

OPERATING RESULTS

In Greece, the unparalleled slump in building activity, both private and public, continued. Demand for cement and other building materials continued to decline from the extremely low levels reached in 2012, albeit at a slower rate. In order to sustain capacity utilization at its cement plants in Greece, Titan has reoriented sales volumes to exports. Supported by higher export volumes, turnover for region Greece and Western Europe stood at €51m, posting an 11% increase. EBITDA was a €3m loss versus a profit of €13m in the first quarter of 2012.

In the USA, a multitude of market indicators confirm that building activity has firmly entered the recovery phase, owing particularly to the strong momentum of the housing market. Demand for building materials is growing substantially. For the first time in four years, first quarter operating results were in the black, albeit marginally. Group turnover in the USA reached €89m, posting a 12% increase, while EBITDA reached €0.5m versus a €1.5m operating loss in 2012.

In Southeastern Europe, demand for building materials was higher compared to the same period the previous year, largely due to less unfavorable weather conditions. Turnover increased by 18% reaching €32m. Operating profitability stood at €3m, versus €4m in 2012.

In Egypt, cement demand has proved resilient despite the political and economic challenges the country faces. In Turkey, the construction sector continued to grow, both in terms of private activity and public works. In total, turnover for the Eastern Mediterranean region, after accounting for the negative foreign exchange translations resulting from the decline in the Egyptian Pound, posted a 3% decline and stood at 71€m. At constant exchange rates, turnover would have increased by 8%. EBITDA stood at €23.6m, compared to €19m in the previous year. (It should be noted that the employee profit sharing payout in Egypt was booked in the first quarter of last year whereas this year it will be booked in the second quarter of the year).

Group net debt at the end of the first quarter stood at €630m, increased by €35m compared to the end of 2012, but €158m lower compared to the same period the previous year. The increase in first quarter net debt is largely due to the seasonality of sales and working capital requirements.

On 9th May, 2013, rating agency S&P confirmed its stable outlook for the Group and maintained Titan's credit rating at BB⁻.

PROSPECTS FOR 2013

As already expressed at the time of the publication of the Group's FY2012 results in March, 2013 is expected to be another challenging year for Titan Cement.

In Greece, both private construction and public works are heavily impacted by the economic depression. It is anticipated that demand for building materials will decline further from already extremely low levels, for the first half of the year.

Markets in Southeastern Europe will continue to be adversely impacted by the Eurozone crisis. Demand for building materials is not expected to recover substantially this year.

In Egypt, political and economic woes appear to be escalating in recent months and uncertainty is high. Although cement demand appears resilient, the increase in the cost of production and the weakening of the Egyptian Pound are expected to negatively affect results. Ensuring there is adequate fuel supply for the plants' operation has become an additional challenge.

In Turkey, market conditions remain positive.

Finally, both short- and medium-term prospects appear clearly positive in the USA. The housing market seems to have entered a strong recovery phase, thereby positively affecting the building materials industry. In a recent publication the Portland Cement Association (PCA) expect cement demand to grow by 6.2% in 2013 and by 9.2% in 2014.

Consistent with the challenges of the times, Titan Group will continue to prioritize the generation of free-cash flow and the optimization of its cost structure, while remaining firmly focused on the achievement of its longer- term strategic goals.

PARENT COMPANY TITAN S.A.

Turnover for Titan Cement S.A. stood at €51m, a 19% increase over the first quarter of 2012, owing to the substantial increase in exports. EBITDA was a negative €2m versus a positive €12m in the first quarter of 2012. Titan Cement S.A. posted a net loss of €17m in the first quarter of 2013 versus a net profit of €0.2m in the first quarter of 2012.

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

In 2012, the Group sold 16.1 m. tonnes of cement and cementitious materials, 3.4 m. m³ of ready mixed concrete, 10.9 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 communicated to the ASE and the HCMC, and was also posted on the website of the Athens Stock Exchange.