

TITAN CEMENT GROUP 2006 INTERIM RESULTS

Date : 26-07-2006

Titan Group turnover reached € 765 m., an increase of 25% compared to the first half of 2005. EBITDA grew by 33 % to € 215 m. Net profit for the Group, after minority interests and taxes, reached € 120 m., up by 53% versus the previous year. At constant exchange rates, turnover increased by 23 % and EBITDA by 31 %.

Tight market supply and higher prices across all the geographical areas where we operate led to improvements of Turnover and EBITDA, while profitability was further increased by lower financing costs compared to the same period last year.

In Greece, strong demand for building materials in the domestic market, coupled with favorable conditions in the cement exports markets, led to an increase in operating profitability by 16%.

Operating profitability of our USA operations, which represent about 50% of Group turnover, improved by 62% due to higher prices, increased production volumes and demand for building materials which was sustained at high levels. Although we have seen some regional softening in the housing market that has affected volumes, our continued investment in the expansion of our activities has benefited the bottom line. During the second quarter we completed our third acquisition since the beginning of the year of a ready mix concrete and building block company on Florida's rapidly developing west coast. In June, we also started operations in Titan's new modernized bulk cement terminal in Newark, New Jersey.

In S.E. Europe, Bulgaria posted strong profitability growth due to strong local demand and higher prices. The market in FYROM showed a modest increase, while in Serbia profitability declined due to decreased sales volumes. Overall, profitability in the region of S.E. Europe increased by 36%. In the Eastern Mediterranean, Egypt, profitability was enhanced by 48% due to strong domestic cement demand growth and significantly higher prices compared to last year.

€ millions	Q2 2006	Q2 2005	% change	1H 2006	1H 2005	% change
Turnover	430	362	19%	765	613	25%
Operating EBITDA ⁽¹⁾	134	104	29%	215	162	33%
Net Profit before taxes	111	76	46%	170	113	51%
Net Profit after taxes ⁽²⁾	77	51	52%	120	78	53%

⁽¹⁾ After exceptional income and expenses

⁽²⁾ After taxes & minorities

Capital expenditure for the first semester of 2006 reached € 140 m., with an emphasis on business development, as well as operating improvements.

For the remainder of 2006, we expect operating profitability to exceed last year's in most of the geographical areas where we operate, despite the expected slow-down of the U.S. housing market, the gradual end of the short-term boost of domestic volumes in Greece that have resulted from the recent tax changes, and the increase in fuel and other raw material costs.

Titan is an independent cement and building materials producer, based in Greece. Titan owns and operates 11 cement plants in six countries. In 2005 the Group sold over 15 m. tons of cement and cementitious materials, over 5 m. m³ of ready mixed concrete, 20 m. tons of aggregates and various other building materials such as concrete blocks, dry mortars etc.