Financial performance

In a business environment with strong regional disparities, TITAN Group delivered a solid, stable performance in 2017.

Solid fundamental metrics

TITAN Group continued to register strong and stable fundamental metrics in 2017. Turnover remained practically stable at €1,506 million and EBITDA reached €273 million, a marginal drop of 1.8% versus 2016. EBIT at €157 million was up by 3.6%. The significant devaluation of the EGP in late 2016 and the strengthening of the euro against the USD had a marked negative effect on 2017 results. At stable exchange rates, consolidated turnover would have been higher by €148 million and EBITDA by €18 million. Furthermore, one-off adverse events caused a reduction in EBITDA of about €17 million, compared to €7 million of such costs in 2016. Net profit after tax was €43 million, compared to €127 million in 2016, which had included a one-off €90 million gain from the recognition of deferred tax credits arising from past losses in the USA.

Group results were led by US growth and profitability, despite the weaker USD and unfavorable weather in the second half of the year. Market fundamentals in the USA are strong and TITAN is well placed to benefit from the improving demand, capitalizing on the extensive investments of about €240 million undertaken over the previous three years.

In Greece, as expected, domestic demand weakened further, and exports absorbed more than two thirds of the production. Performance was negatively affected by lower export prices in euro terms, higher energy costs and a staff reduction restructuring charge taken in the last quarter of 2017.

In Southeastern Europe, building activity recovered and demand for building materials posted an increase. Operating margins were supported by increased volumes but were hit by higher fuel costs.

In Egypt, cement prices remained weak, with the increases achieved during the year being insufficient to offset the over 50% devaluation of the EGP in 2016 and inflation of over 30%. The overall market volume shrank, while our profitability contracted, further impacted by the staff restructuring charge taken in the third quarter.

For more information, see "Regional Performance" on page 28.

Net debt/EBITDA ratio

2.64

(2016: 2.37)

Shareholder equity ratio

Total shareholder equity over total assets

52.8%

(2016: 55.6%)

Volume growth across all product lines

In 2017, the Group registered volume growth across all countries and products, with the exception of cement sales in Greece. On a consolidated level, cement and cementitious materials sales were up by 10%, reaching 19.2 million metric tons, driven by larger volume sales mainly in the USA and Southeastern Europe. As of September 2016, volume sales include sales from our joint venture in Cimento Apodi in Brazil, of about 1.2 million metric tons in 2017.

Group aggregates volumes grew in the US market but contracted in the Greek market, resulting in a small overall increase of 1% compared to 2016.

Ready-mix volumes posted gains of 14% year-on-year, with the growth coming mainly from the US market.

	2016	**2017**	+/-
Cement (metric tons)	17.5m	**19.2m**	+10%
Ready-mix concrete (m^3)	4.90m	**5.58m**	+14%
Aggregates (metric tons)	15.9m	**16.0m**	+1%

Stable cash flow generation

Operating free cash flow was €118 million, benefiting from reduced capital expenditures but counterbalanced by higher working capital needs. Group CAPEX amounted to €123 million, with the majority of investments targeting business growth in the USA. Operating free cash flow was used to fund equity investments of €48 million, mainly in Cimento Apodi in Brazil and payments of interest expenses, taxes and dividends, which amounted to €169 million, out of which €92 million was distributed to shareholders in June.

Strong liquidity – Group net debt

At the end of December 2017, net debt stood at €723 million and was €62 million higher year-on-year, affected by distributions to shareholders and equity investments for the recent expansion in Brazil. Thanks to stable profitability and closely managed debt, the net debt/EBITDA ratio stood at a healthy 2.64 times and shareholder equity ratio stood at 52.8% at the end of 2017.

At year-end, 82% of Group debt was in bonds and 18% in bank loans. Total facilities, including capital markets, amount to €1.385 billion, while gross debt as of 31 December 2017 stood at €877 million, leaving over €500 million of unutilized bank facilities.

The Group has ample liquidity and over the last few years has succeeded in diversifying its sources of funding, while consistently reducing its cost of debt.

The Group had €154 million in cash at year-end. Out of the total, about 60% is kept in the operating companies and €64 million is kept by holding companies and deposited with international European banks.

Financial performance

Credit rating upgraded

In May 2017, Standard & Poor's acknowledged the improvement in Group results and prospects by upgrading TITAN's credit rating to "BB+" on a stable outlook, from "BB" positive outlook.

Debt issuance

In November 2017, TITAN Global Finance issued notes of €250 million at par, due in 2024, with an annual coupon of 2.375%, guaranteed by TITAN Cement S.A. The notes are traded on the Global Exchange Market, the exchange regulated market of the Irish Stock Exchange. Pursuant to a tender offer in November 2017, the proceeds were used to purchase, prior to maturity, €127 million of outstanding July 2019 notes, which had a coupon of 4.25%. The remaining proceeds were used for general corporate purposes, including the repayment of bank and other debt.

The Group's next important maturity is in mid-2019 for the €160 million remaining notes of the 2014 issue and, after that, in mid-2021 for another €300 million notes.

Improved return on capital employed

Return on capital employed improved year-on-year. ROACE in 2017 stood at 7.5% compared to 6.9% in 2016.

The Board of Directors intends to propose to the Annual General Meeting of shareholders a dividend distribution of €0.05 and a return of capital of €0.50 per issued share.

Parent company financial results

In 2017, turnover at TITAN Cement S.A. declined by 10.9% to €234 million, while EBITDA dropped to €15 million versus €30 million in 2016. Net profit after tax for 2017 reached €13 million versus €17 million in 2016 and includes a €34 million dividend received from international subsidiaries; while the corresponding amount in 2016 was €29 million.

Post balance sheet events

In January 2018, TITAN Global Finance issued €100 million additional notes following a reopening of the €250 million notes issuance of November 2017, resulting in a total issue of €350 million notes due in November 2024.

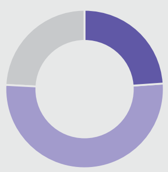
Credit rating by Standard & Poor's

BB+ stable outlook

(2016: BB positive outlook)

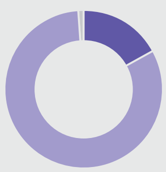
FACILITIES/UTILIZATION BY LENDER

TOTAL FACILITIES €1,385m



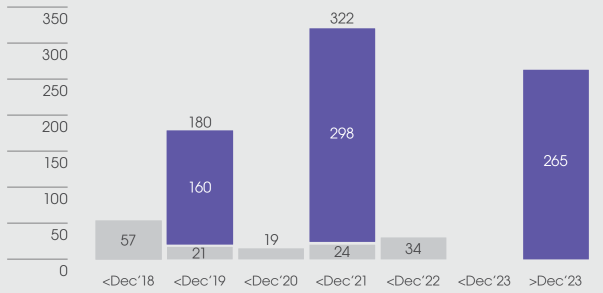
International banks	24%
Bonds	52%
Greek banks	24%

TOTAL UTILIZATION €877m



International banks	17%
Bonds	82%
Greek banks	1%

MATURITY PROFILE (€m)



GROUP NET DEBT EVOLUTION (€m)

Equity market information

We build trust within the financial markets and long-term relationships with investors by demonstrating solid financial performance, a consistent strategy and the ability to deliver sustainable shareholder value.

Our shares

TITAN's common shares have been traded on the Athens Exchange since 1912 and its preference shares since 1990.

TITAN's stock price closed at €22.90 per common share at the end of 2017, an increase of 2.7% in the year, while the ATHEX General Index increased by 24.7%, and the MSCI Emerging Markets Index and the S&P 350 increased by 34% and 7% respectively. TITAN common shares have posted compound growth of 13% per annum over the last five years. The closing price of TITAN's preference shares at the end of 2017 was €15.70 per share, which represents a 15% increase for 2017.

The share capital of TITAN Cement S.A. consists of 77,063,568 common shares and 7,568,960 preference shares without voting rights.

The total number of treasury shares held by the Company on 31 December 2017 was 4,164,719, of which 4,054,246 were common shares and 110,473 were preference shares. Voting rights held by the Company represented 5.26% of total voting rights.

TITAN's shares are components of the FTSE/ATHEX Large Cap Index, the MSCI Emerging Markets Index, the FTSE Emerging Markets Index and the FTSE4Good Emerging Index.

SRI Investors

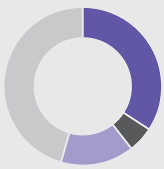
TITAN has been recognized as an "Advanced" level reporter in line with the United Nations Global Compact principles. TITAN is included in the FTSE4Good Emerging Index for its enduring commitment to sustainable development.

More information

There is comprehensive information on the TITAN website for both equity and debt investors. It includes the Group's latest announcements, investor relations calendar, quarterly financial results and share price analysis tools. For details visit: ir.titan.gr or contact us at ir@titan.gr

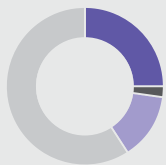
Symbols	TITAN Common	TITAN Preference
Oasis	TITK	TITP
Reuters ticker	TTNr.AT	TTNm.AT
Bloomberg ticker	TITK GA	TITP GA

TITAN COMMON SHARES as at 31 December 2017



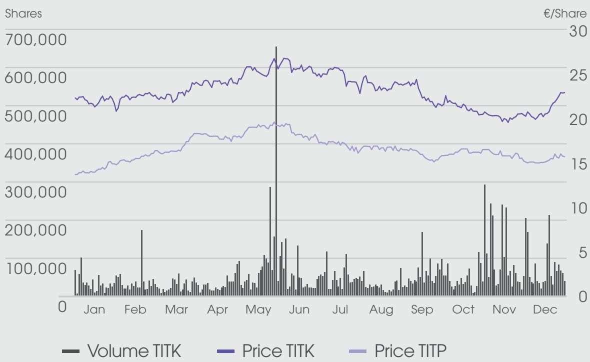
Private investors	**34.3%**
Treasury stock	**5.3%**
Greek legal entities	**14.9%**
Foreign legal entities	**45.6%**

TITAN PREFERENCE SHARES as at 31 December 2017



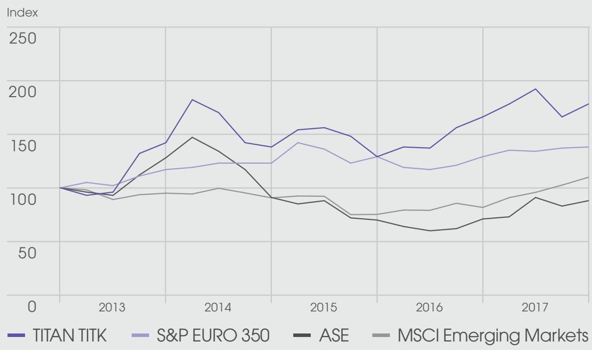
Private investors	**25.3%**
Treasury stock	**2.0%**
Greek legal entities	**13.8%**
Foreign legal entities	**59.0%**

2017 Daily volume of transactions and price evolution of TITAN's common and preference shares



Source: Bloomberg

Share price performance of TITAN common shares relative to the ASE General Index, the MSCI Emerging Markets Index and the S&P Euro 350 Index
(31 December 2012 = 100)



Source: Bloomberg