

FINANCIAL RESULTS DOWNLOADS  
 (all amounts in Euro thousands)

	Group		Company	
	2017	2016	2017	2016
Current tax	8,495	7,737	-	-
Deferred tax (note 18)	12,784	-71,869	-6,233	5,559
Effect of change in USA federal tax rate (note 18)	-7,905	-	-	-
Non deductible taxes and differences from tax audit	3,278	327	2,638	328
Provision for other taxes	2,277	-	2,085	-
	<b>18,929</b>	<b>-63,805</b>	<b>-1,510</b>	<b>5,887</b>

The tax on Group profit differs from the amount that would arise had the Group used the nominal tax rate of the country in which the parent Company is based as follows:

(all amounts in Euro thousands)	Group		Company	
	2017	2016	2017	2016
Profit before tax	<b>63,226</b>	<b>63,525</b>	<b>11,881</b>	<b>22,706</b>
Tax calculated at the statutory tax rate of 29% (2016: 29%)	18,336	18,422	3,445	6,585
<i>Tax adjustments in respect of:</i>				
Income not subject to tax	-4,001	-7,159	-9,969	-8,490
Expenses not deductible for tax purposes	17,579	14,137	985	1,715
Tax on reserves under special laws (L.3220/2004)	4,723	-	4,723	-
Other taxes	832	327	-	328
Effect of change in USA federal tax rate (note 18)	-7,905	-	-	-
Effect of unrecognized deferred tax asset on tax carry forward losses	-	1,165	-	-
Utilization of tax losses against prior years tax exempted reserves	-	4,350	-	4,350
Tax incentives	-4,489	-4,615	-	-
Effect of different tax rates in the countries that the Group operates	3,388	1,638	-	-
Adjustments for current tax of prior years	-1,163	799	257	786
Utilization of prior years unrecognized losses	-7,902	-93,274	-	-
Other	-469	405	-951	613
<b>Effective tax charge</b>	<b>18,929</b>	<b>-63,805</b>	<b>-1,510</b>	<b>5,887</b>

(all amounts in Euro thousands)

Group

Company

2017

2016

2017

2016

Deferred tax assets are recognized for the carryforwards of unused tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilized. The determination of the amount of tax attribute carry-forward to recognize requires management judgment in assessing future profitability and recoverability (note 2.3).

On 31 December 2017, certain Group entities had tax carry forward losses of €295.3 million (2016: €441.2 million). These entities have recognized deferred tax assets amounting to €80.8 million (2016: €156.2 million), attributable to losses amounting to €284.5 million (2016: €393.7 million), as these deferred tax assets will be recoverable using the estimated future taxable income based on approved business plans (note 18).

For the remaining €10.8 million tax carry forward losses, no deferred tax asset has been recognized, since they did not meet the recognition criteria according to IAS 12. Tax carry forward losses amounting to €4.7 million and €3.3 million expire up to 2018 and 2022 respectively, while losses amounting to €2.8 million may be carried forward indefinitely.

In 2016, the Group subsidiary in USA, Titan America LLC (TALLC), recorded in its financial statements a deferred income tax benefit and related deferred tax asset of €89.6 million in 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 2016 and a favourable outlook 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.

On 22 December 2017, the USA enacted a tax reform, effective for years after 2017. As a result, TALLC has recorded a deferred tax benefit of €7.9 million from the revaluation of net deferred tax liabilities at the new deferred tax rate.

On 31 December 2017, the Company recognized deferred tax assets amounting to €4.5 million (2016: €6.6 million) on tax carry forward losses which met the recognition criteria. The tax losses of the Company can be utilized gradually up to (and including) 2018.

The provision for other taxes concerns returning governmental subsidy amounting to €2.1 mil. that was found to be incompatible with European Legal framework according to the Law 4099/2012.