



Titan Group

Financial Results – Full Year 2006

Analysts Conference Call
Athens – 21st February 2007



Agenda

- **Performance Highlights**
- **Market Overviews**
- **Group Financial Results**
- **Outlook**



Agenda

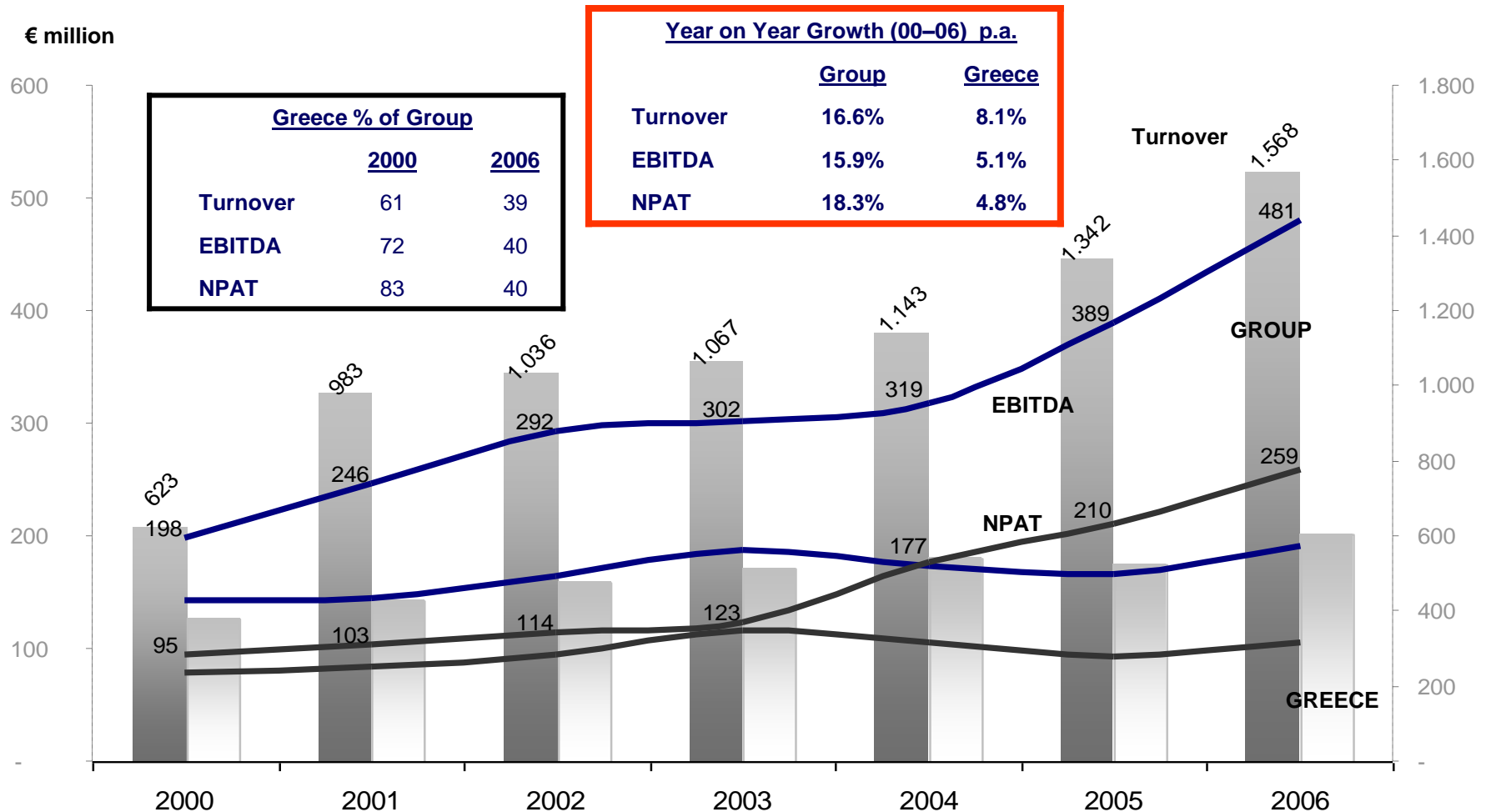
- **Performance Highlights**
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- Turnover increased by 17% to € 1,568m, EBITDA up 24% to € 481m
- Net Profit after Tax and Minorities +23% versus 2005 to over € 259m, after one-off tax provision of € 16m relating to untaxed investment incentive reserves created in 2003/4
- EPS € 3,07 (€ 3,27 before tax provisioning) versus € 2,50 in 2005.
Recommended dividend of € 0,75 per share from € 0,60 last year
- Volume growth across all key products (Cement and cementitious materials, +5%, Aggregates +10% and Ready Mix +8%)
- Greek domestic cement volume performance strongly ahead of 2005
- Full year USA cement volumes are +6% ahead of last year (Q4; -6%), continuation of slow-down in construction activity, in particular Florida
- Completion of expansion and modernization project in Bulgaria

Performance Highlights 2006 – Group and the Greek Region



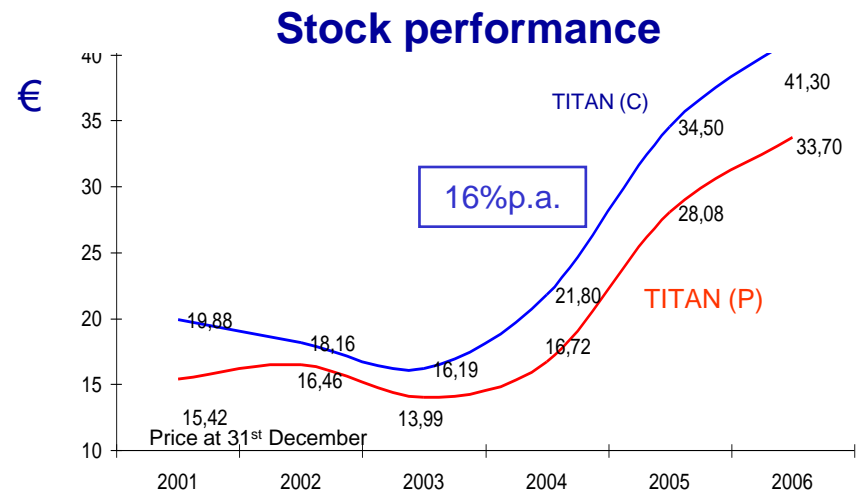
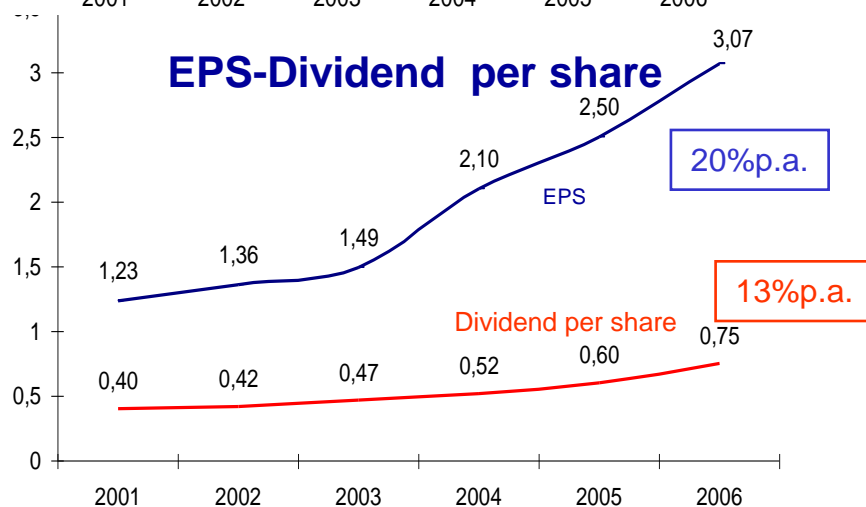
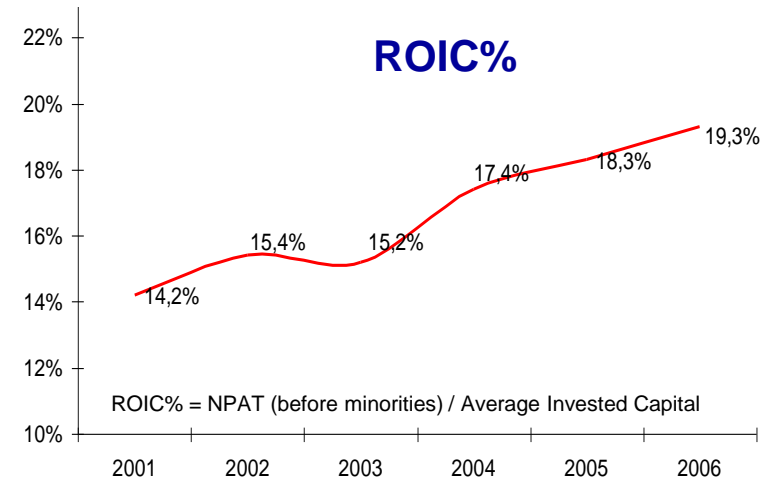
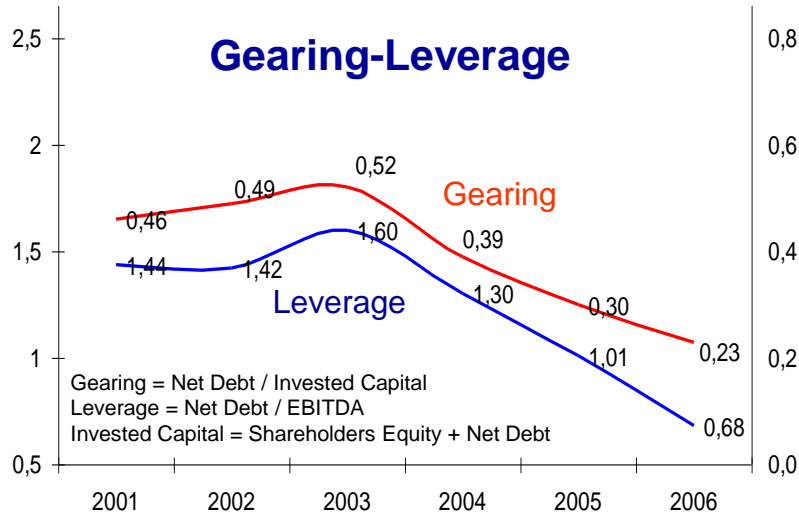
Strong double digit year on year growth, Group establishes international presence



Performance Highlights 2006



All key performance measures for the last 5 years show significant improvement





Agenda

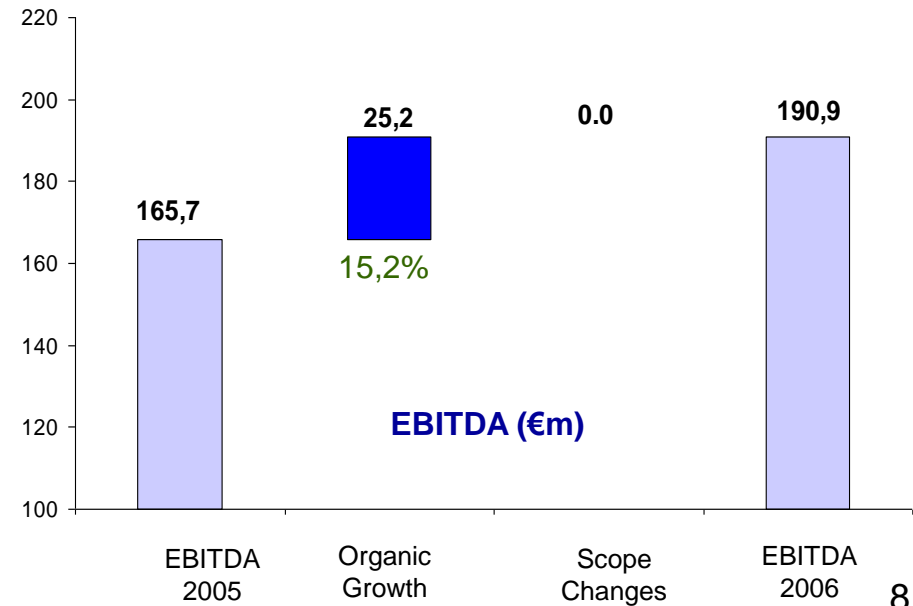
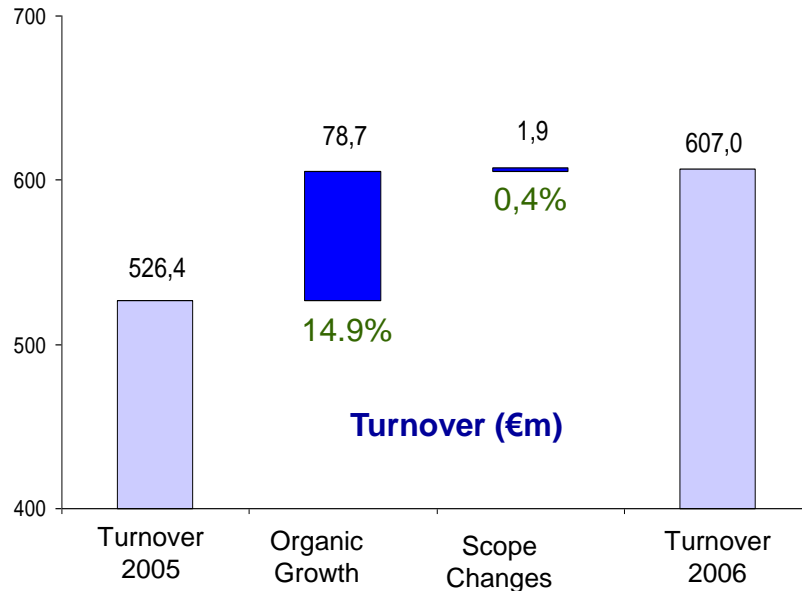
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Market Overview, Greece Region

Financial Results Full Year 2006



- Greece domestic cement volumes close a record year
- Export cement pricing was >20% ahead of last year
- Ready-Mix and Aggregates volumes strongly ahead of 2005
- No shortfall of CO₂ emission rights
- Minor bolt-on ready-mix acquisitions

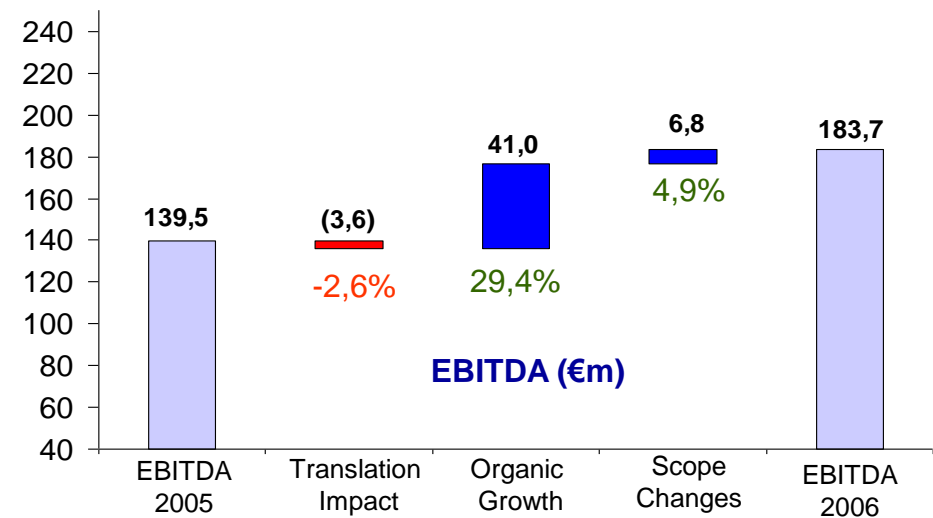
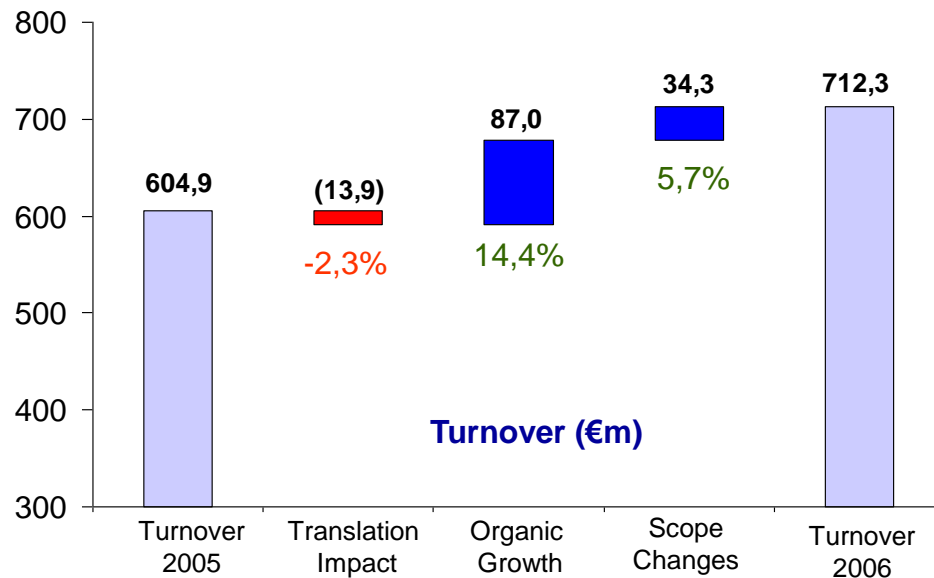


Market Overview, USA

Financial Results Full Year 2006



- Slow-down in demand, despite easier comparative quarter, (residential construction led) in second half of year, specifically Florida
- Cement, including Fly Ash and Ready mix volumes were ahead of last year, Aggregates were marginally down
- Pricing environment strongly ahead of 2005, some softness in last quarter in Ready-Mix
- Acquisition of 3 ready-mix and block companies on the west coast of Florida in Q2
- Awaiting ruling on Lake Belt



PCA Cement & Construction Market, USA 2006



**Sharp decline of housing permits in the last 3 months compared to previous year,
partially offset by public sector spending**

	FLORIDA		VIRGINIA		N. CAROLINA		USA ⁽²⁾	
	12 Month Average	3 Month Average	12 Month Average	3 Month Average	12 Month Average	3 Month Average	YTD Dec	3 Month Average
<u>Cement Market</u> ⁽¹⁾								
Portland Cement (volumes)	5,7%	-7,5%	1,8%	-7,4%	8,8%	-0,4%	-0,2%	-5,4%
PCA Consumption Trends Report ⁽³⁾	0,2%	-18,3%	-1,0%	1,3%	7,3%	10,4%	-0,2%	-3,9%
<u>Total Housing Permits</u>								
Total Housing Permits (Nr)	216.253	152.702	48.612	42.241	99.562	92.003		
Annual Percent Change	-20,9%	-44,5%	-17,4%	-26,4%	3,0%	-8,4%		
<u>Construction Put-in-Place, Annual Change</u>								
Residential	-13,6%	-33,3%	-9,5%	-12,1%	10,6%	11,9%		
Non residential	-6,7%	-19,9%	-5,3%	-6,0%	6,6%	25,6%		
Public	21,5%	77,6%	24,5%	116,0%	0,5%	-12,1%		

⁽¹⁾ PCA Market Pulse - publ. January 2007 (cement volumes to 31.10.06, economic data to 30.11.06)

⁽²⁾ Total USA - 3 month average calculated from PCA Monitor data up to October 2006

⁽³⁾ PCA Consumption Trend Report (Dec.06, YTD and Month)

PCA December Cement Consumption Report - Historical accuracy for markets approximately 95%

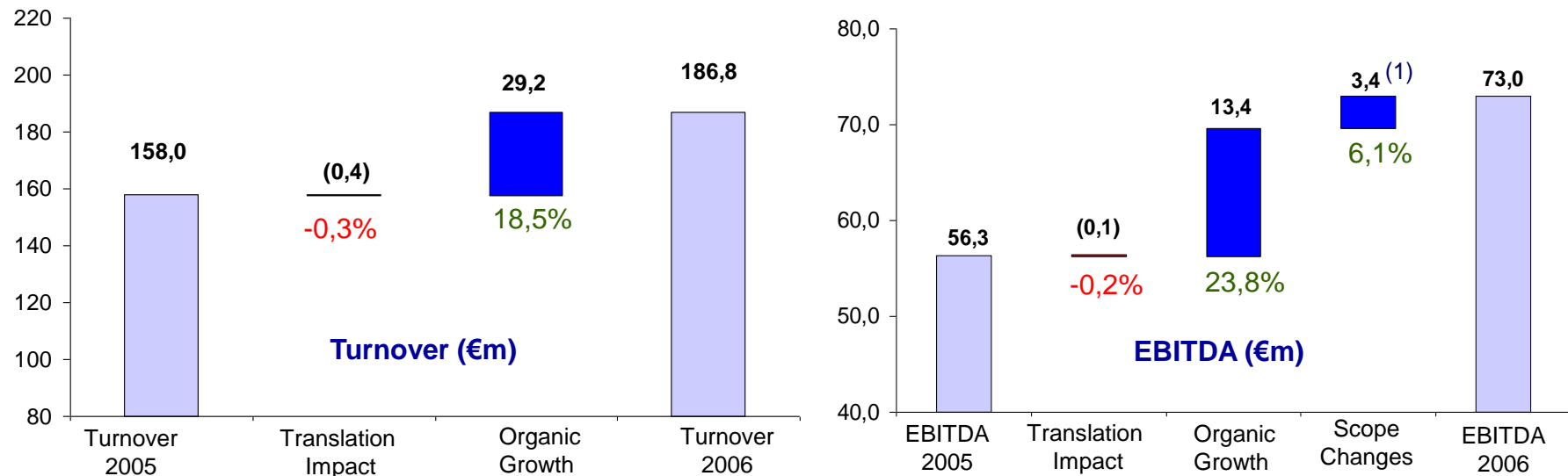
N.B.: PCA data are not necessarily representative of trends prevailing for Titan's operations

Market Overview, SE Europe

Financial Results Full Year 2006



- Strong performance in Bulgaria continues. Cement volumes post double digit growth versus last year
- Serbia and FYROM volumes ahead of last year
- Cost increases and capacity constraints in Bulgaria limit profitability
- At constant exchange rates, EBITDA was up 29% vs. 2005
- Plant upgrade and modernization in Bulgaria completed

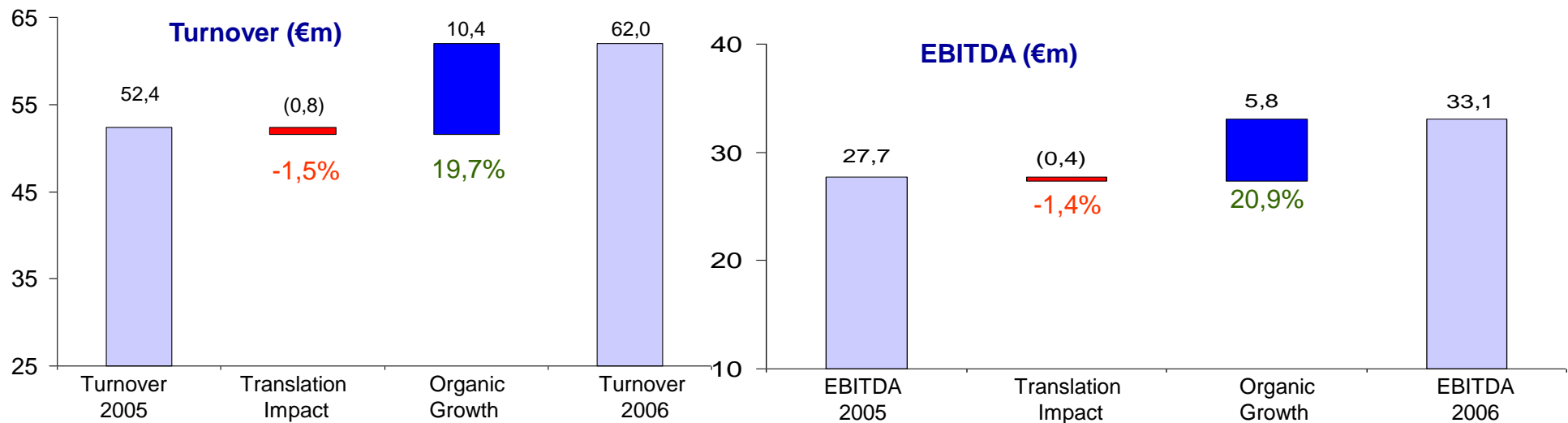


(1) Accounted for on an equity basis. Aggregate volumes do not include share of new Bulgarian quarries (49%) acquired on 1/8/06 of 0.9 tn m in the quarter and 1.7 tn m since acquisition

Market Overview, Eastern Med. Financial Results Full Year 2006



- Strong local demand, high single-digit cement volumes growth
- Cost increases not covered by pricing, in last quarter



• APCC and BSCC are consolidated on a proportionate basis and reflect Titan's share only



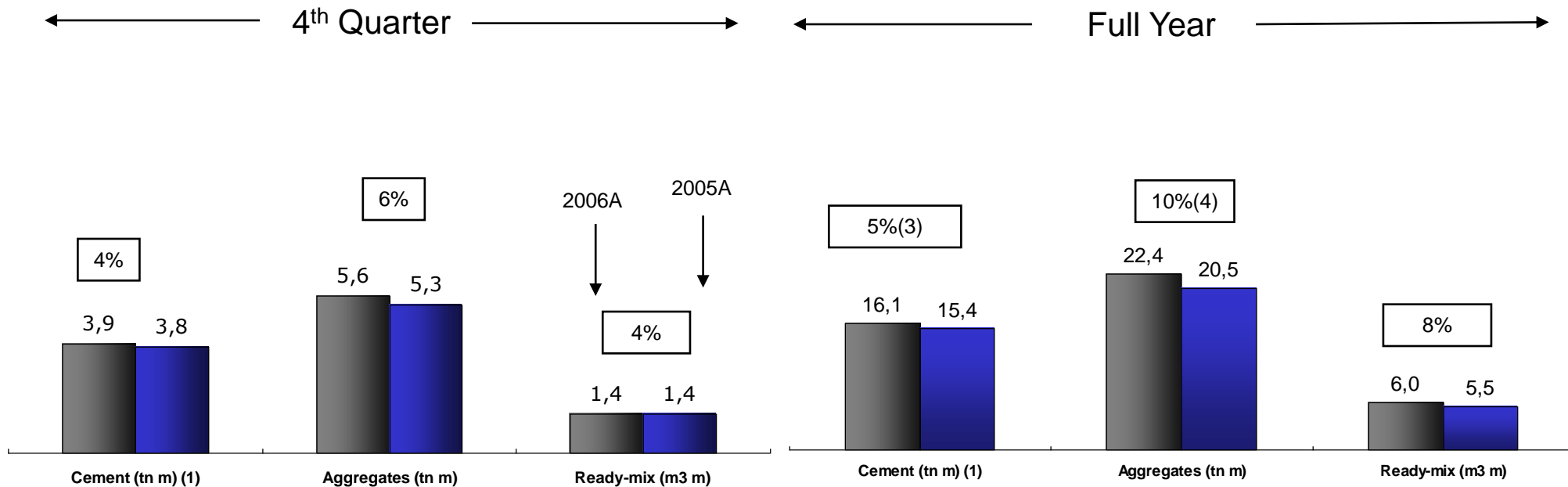
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Key Sales Volume Full Year 2006



Cement sales in the 4th quarter performed better than last year bringing the full year volumes to +5%. Aggregate sales performed better than last year (Greece offsetting softness in the USA) and Ready-mix continued to perform well driven by Greece.



(1) Cement sales include clinker and cementitious materials

(2) Block volumes are not to scale

(3) Includes Egyptian JV s at 100% accounted for on an equity basis

(4) Aggregate volumes do not include share of new Bulgarian quarries (49%) acquired on 1/8/06 of 0.9 tn m in the quarter and 1.7 tn m since acquisition

Financial Highlights 2006



A strong performance at the operating level in the 4th quarter and for the full year, as a result of the increased contribution from all regions. Net Profit after Taxes and Minorities grew by +23% versus 2005 (Q4 down 15% due to tax provision)

Q4 2006			Full Year 2006	
Actual 2006	Var 06 vs 05		Actual 2006	Var 06 vs 05
379,9	9,5%	Turnover	1.568,1	16,9%
114,4	10,7%	EBITDA	480,7	23,5%
30,1	0,3pts	<i>EBITDA Margin</i>	30,7	1,6pts
84,7	15,9%	Earnings Before Tax after minorities	377,7	30,2%
45,8	-15,3%	Net Profit after Taxes and Minorities ⁽³⁾	259,2	23,4%
		Earnings per Share	3,07	23,4%
		Share Price ⁽¹⁾	41,3	19,7%
		ASE Index ⁽²⁾	4.394,13	19,9%
		Dividend per share	0,75	25,0%

Notes:

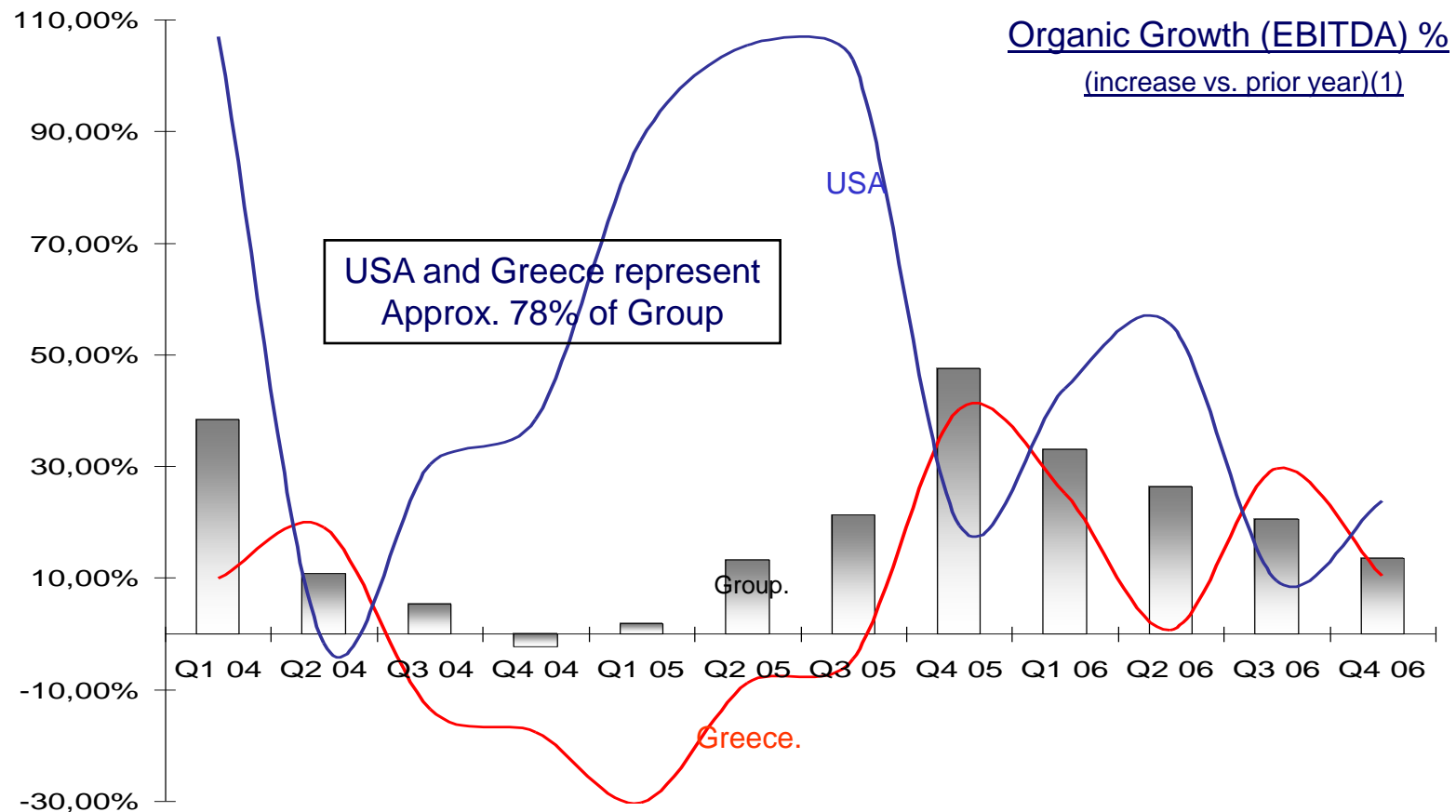
(1)+(2) Share Prices and Index Value on 31/12/06

(3) Fourth quarter includes provision of € 16m for untaxed investment incentive reserves

Year on Year Percentage Change in Quarterly Analysis



Peaks and troughs (Greece vs. USA)...a natural hedge?

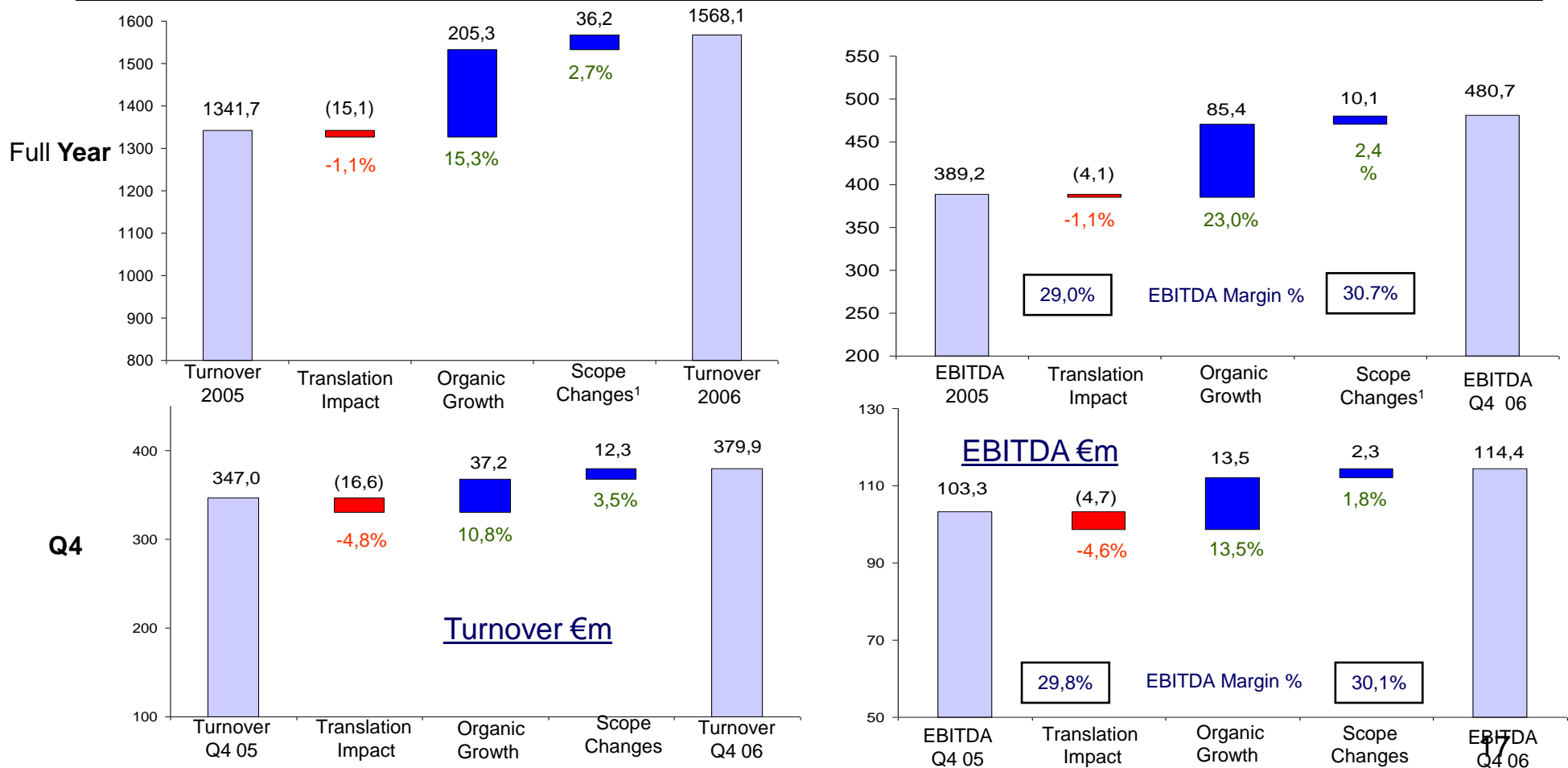


(1) Organic growth after adjustments in translation and scope changes

Group Turnover and EBITDA – Full Year & Q4 2006



Group turnover was strongly ahead of 2005 (+18%), driven by the USA and Greece. This, translated into an increase in EBITDA for the Group of +25%. Group Turnover and EBITDA for the 4th quarter were up 14% and 15% respectively

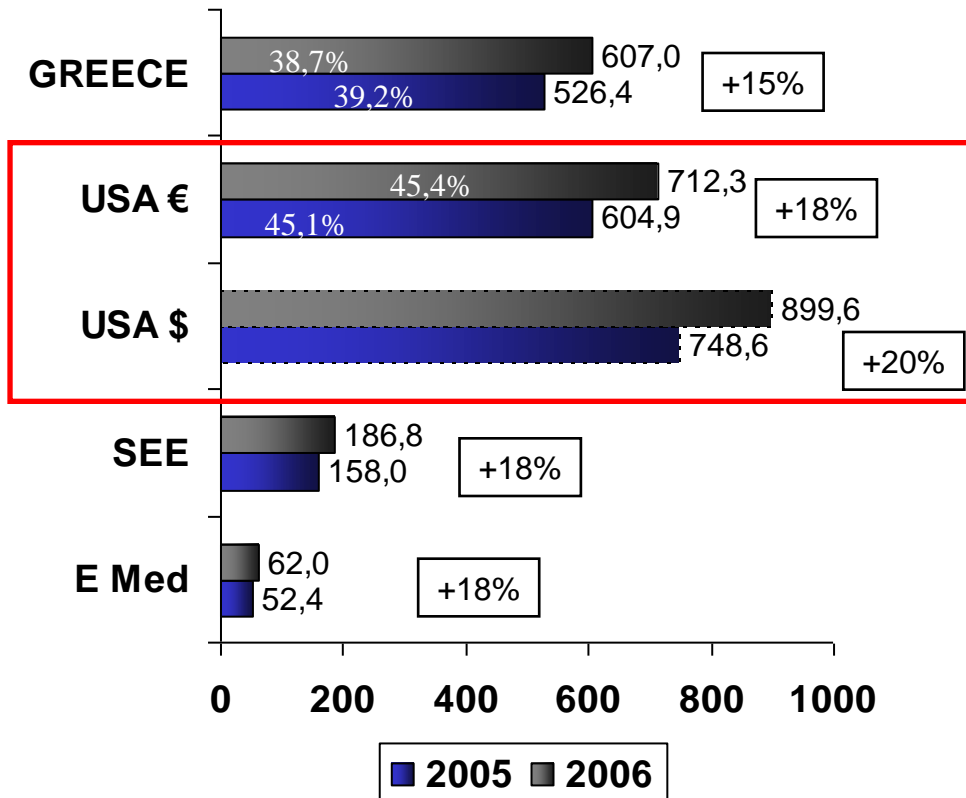


Consolidated Sales & EBITDA by Region – Full Year 2006

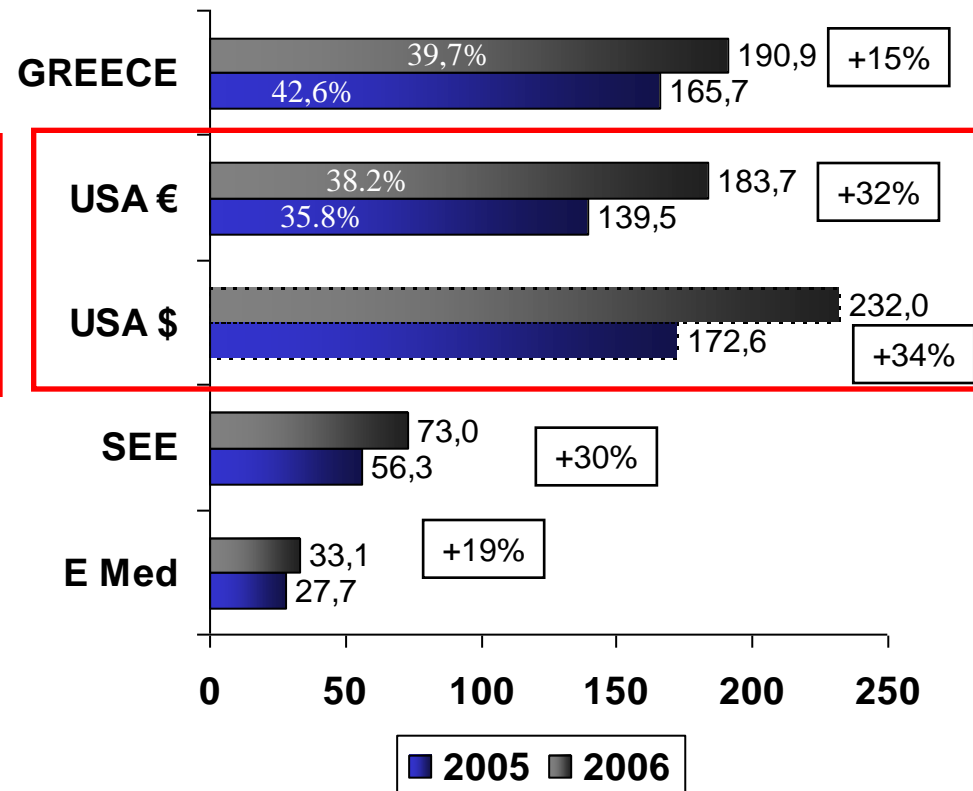


The Group's international regions now represent 61% (same as 2005) of Sales and 60% (57% in 2005) of EBITDA in 2006

TURNOVER (€m)



EBITDA (€m)

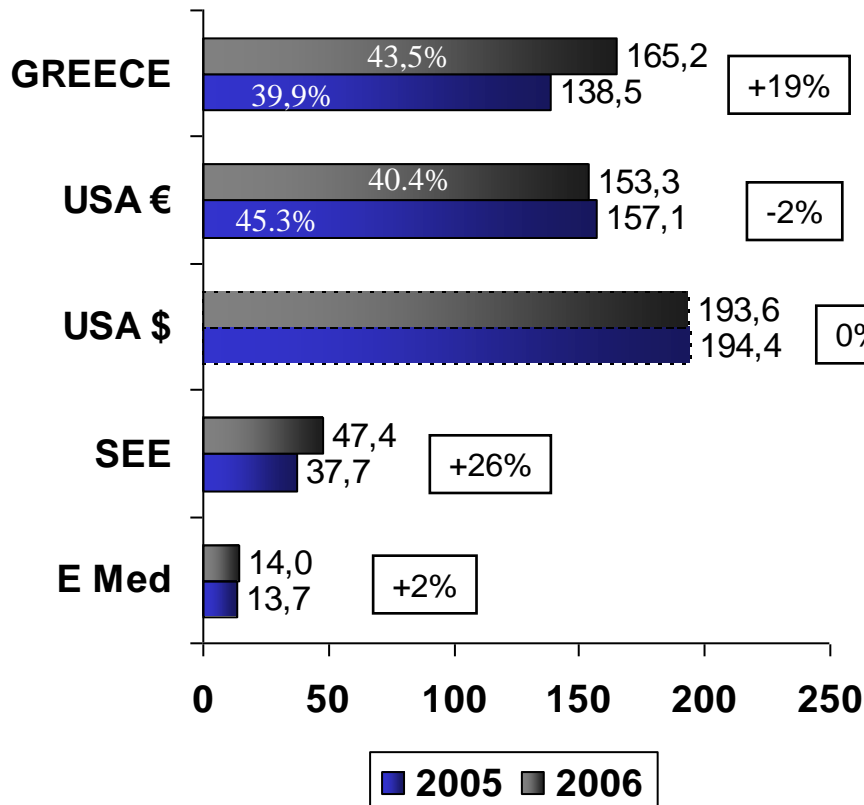


Consolidated Sales & EBITDA by Region – Q4 2006

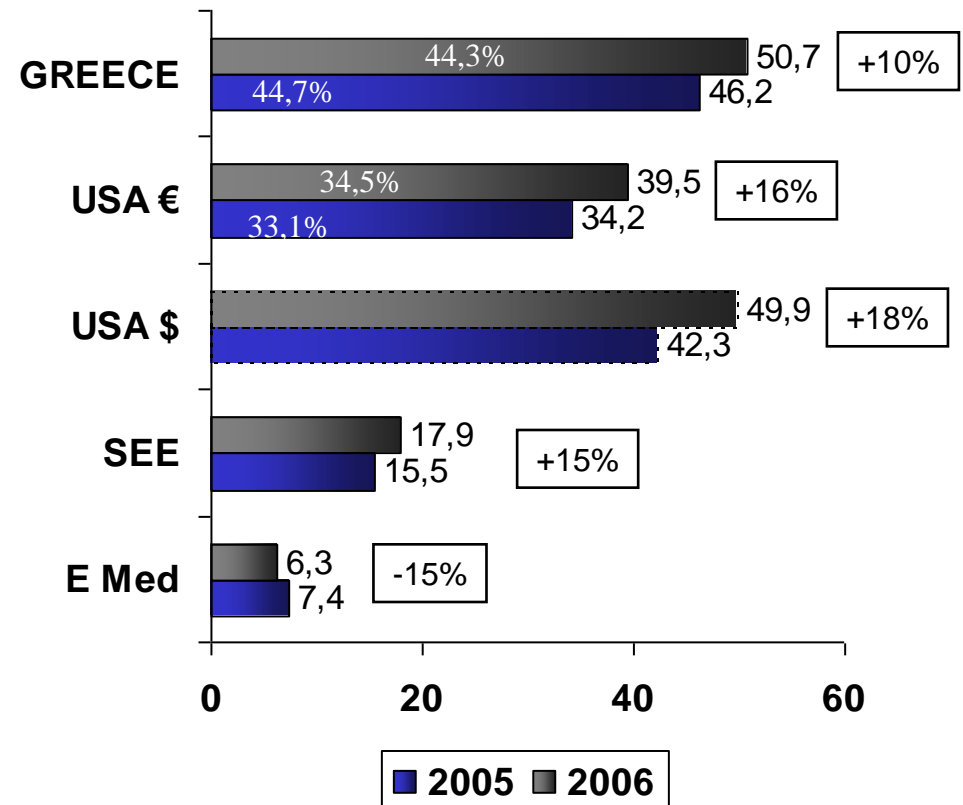


Turnover in Greece and South East Europe performed significantly better than last year in the quarter, the USA was flat in Dollar terms. EBITDA of all markets, with the exception of Egypt posted double-digit growth year on year

TURNOVER (€m)



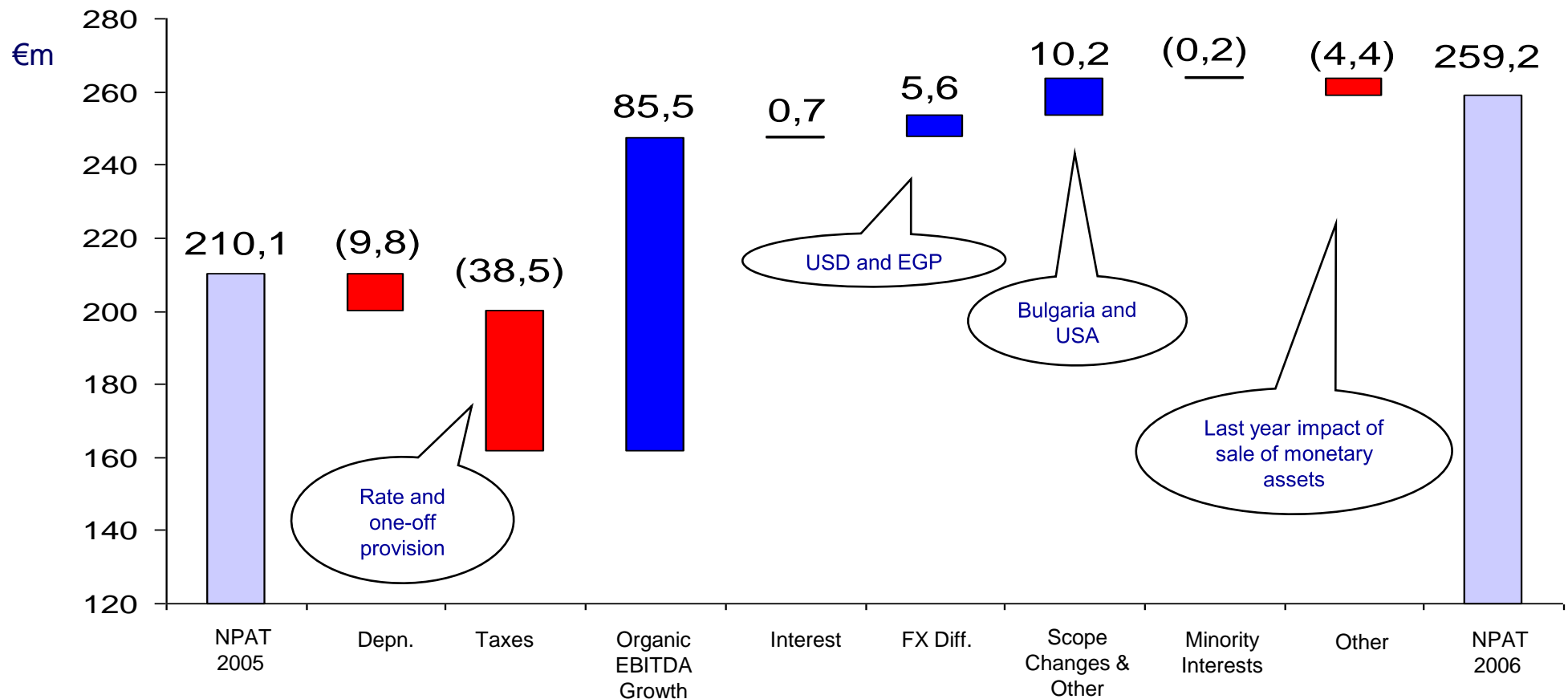
EBITDA (€m)



Group Net Profit after Tax Full Year 2006



Net Profit after Taxes for the Group has benefited from EBITDA growth year-on-year, to some extent offset by tax provisions taken in the year against investment incentive reserves



Foreign Currency Rates

Full Year 2006



USD devalued versus the Euro, but average rates registered little change during 2006

	Actual	Actual	Variance
<u>BALANCE SHEET</u>	<u>31/12/2006</u>	<u>31/12/2005</u>	<u>31/12/06 vs 31/12/05</u>
€1 = USD	1,32	1,18	-12%
€1 = EGP	7,52	6,77	-11%
1USD=EGP	5,71	5,74	1%
€1 = RSD	79,00	85,50	8%
1USD=JPY	119,16	117,74	-1%

<u>P&L</u>	<u>Ave 12M 06</u>	<u>Ave 12M 05</u>	<u>Ave 12M 06 vs 12M 05</u>
€1 = USD	1,26	1,24	-2%
€1 = EGP	7,25	7,16	-1%
1USD=EGP	5,74	5,78	1%
€1 = RSD	83,96	83,15	-1%
1USD=JPY	116,24	110,83	-5%

Bulgarian Leva fixed at €1 = BGN 1,956

No change in €/MKD exchange rates

A negative variance represents a devaluation of the base currency vs. the Euro

Net Financing Costs

Full Year 2006



Net financing costs impacted by net realized and unrealized FX gains of € 8.3m

(€ m)	2006	2005	Var
Net Financing Costs - Full Year	(23,7)	(33,1)	9,4
Explanation of variance:			
Interest Income/(Expense) (net)			
Greece	(5,5)	(6,4)	0,9
USA	(20,5)	(17,8)	(2,7)
SE Europe	1,7	1,0	0,7
East Med	(2,5)	(4,7)	2,2
	(26,8)	(27,9)	1,1
Realized FX Gains/(Losses) from USD	2,8	(1,6)	4,4
Realized FX Gains/(Losses) from Yen/USD forwards	(0,9)	(3,2)	2,3
	1,9	(4,8)	6,7
Unrealized FX Gains/(Losses) - USD	2,4	(6,0)	8,4
Unrealized FX Translation Gains/(Losses) - Yen/USD/EGP	(0,3)	6,5	(6,8)
	2,1	0,5	1,6
Net financing cost variance			9,4

Consolidated Balance Sheet

Full Year 2006



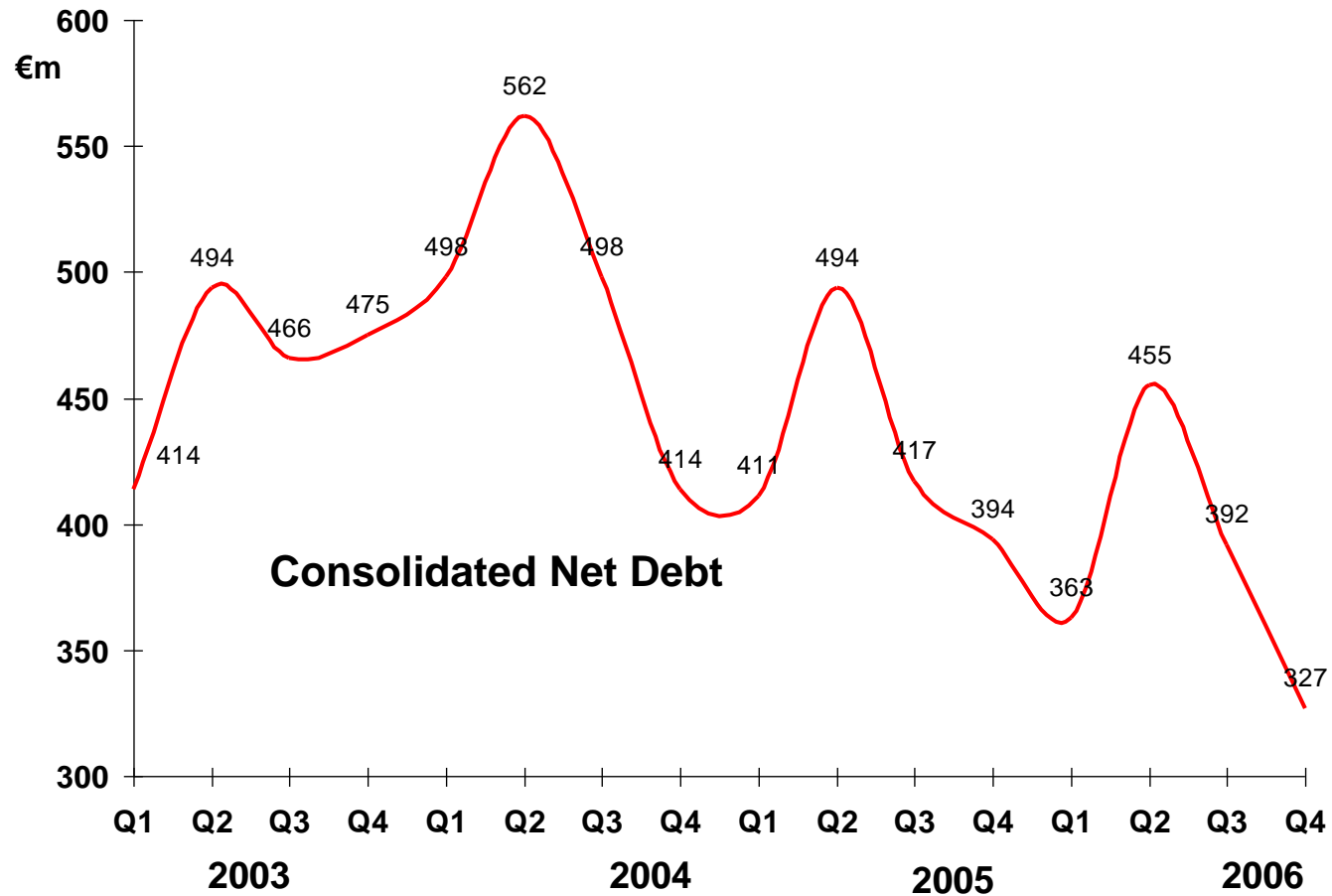
The revaluation of the USD, debt reduction and CAPEX were the most significant impacts on the Balance Sheet. Working capital increases in line with P&L growth

	(€ m)		
Balance Sheet	2006A	2005A	06A vs 05A
Fixed Assets and Investments	1340	1257	83
Net Current Assets			
Inventories	203	176	27
Receivables and Other Prepayments	293	272	21
Securities	2	2	0
Other short term liabilities	<u>(189)</u>	<u>(168)</u>	<u>(21)</u>
	309	282	27
Net Debt			
Cash	138	95	43
Long Term due to Banks	(326)	(425)	99
Short term bank liabilities	<u>(139)</u>	<u>(64)</u>	<u>(75)</u>
	(327)	(394)	67
Long Term Liabilities and Provisions			
Provisions	(61)	(53)	(8)
Deferred tax provision	(150)	(143)	(7)
Other long term liabilities	<u>(11)</u>	<u>(10)</u>	<u>(1)</u>
	(222)	(206)	(16)
Minorities	(20)	(16)	(4)
Shareholders Equity	1080	923	157

Net Debt as of 31.12.06



Net Debt has decreased by € 67m since the beginning of 2006

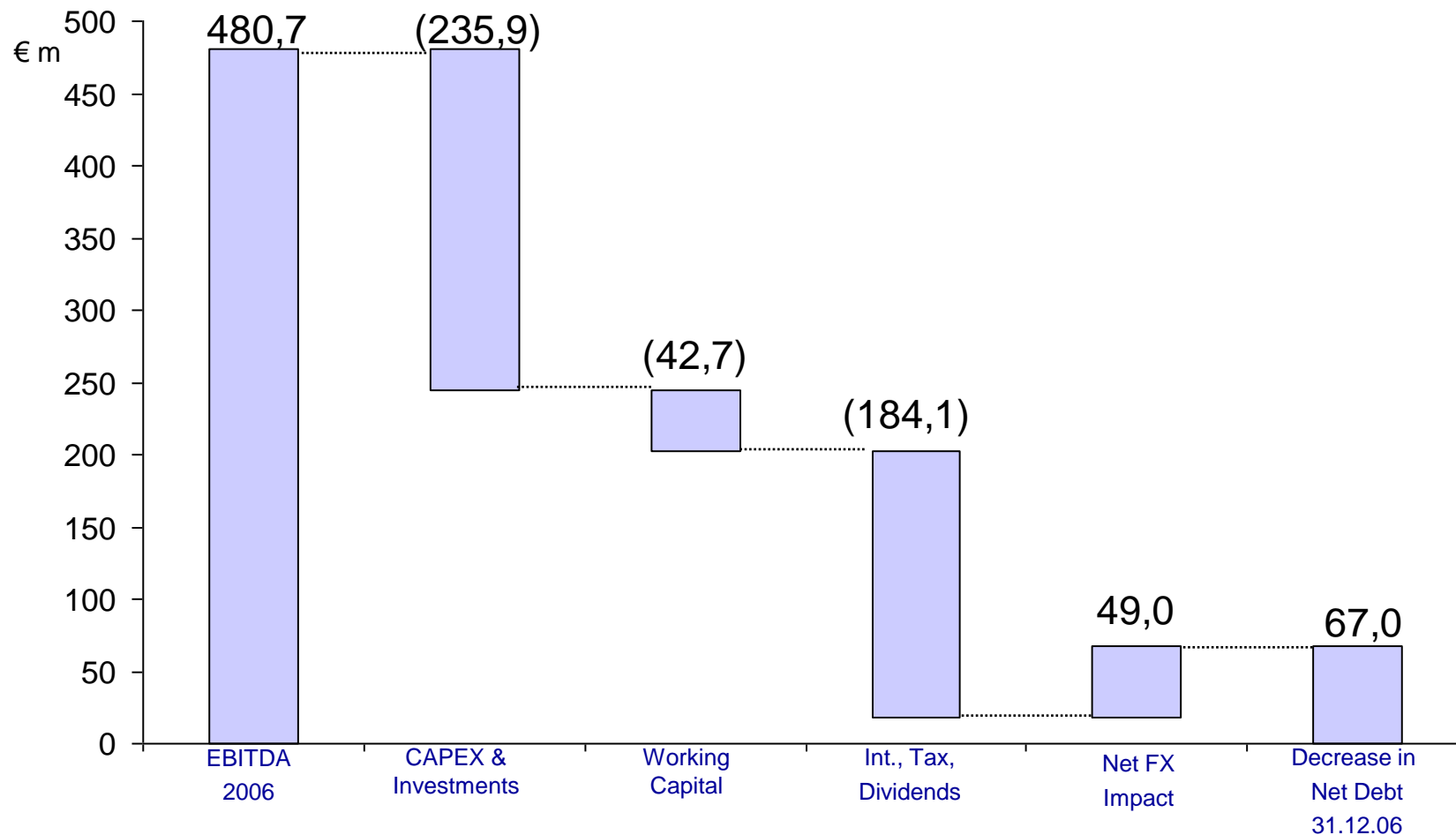


Sources and Uses of Cash

Full Year 2006



**Capex and the increase in working capital funded through cash generation in the year.
Net Debt reduced by € 67m in the year (excluding the impact of the devaluation, € 28m)**





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- **World-wide supply/demand balance remains broadly favorable**
- **Challenging near-term outlook in the USA**
 - Uncertainty relating to the depth and duration of housing decline, especially in Florida
 - Awaiting decision on Lake Belt mining permits
- **Demand in Greece anticipated to be sustained at established high in the short-term**
- **South East Europe to benefit from new capacity and growing demand**
- **Stepping up capital spending**



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