



Titan Group

Financial Results – Full Year 2005

Analysts Conference Call
Athens – 23rd February 2006



Agenda

- **Performance Highlights**
- **Market Overviews**
- **Group Financial Results**
- **Outlook 2006**



Agenda

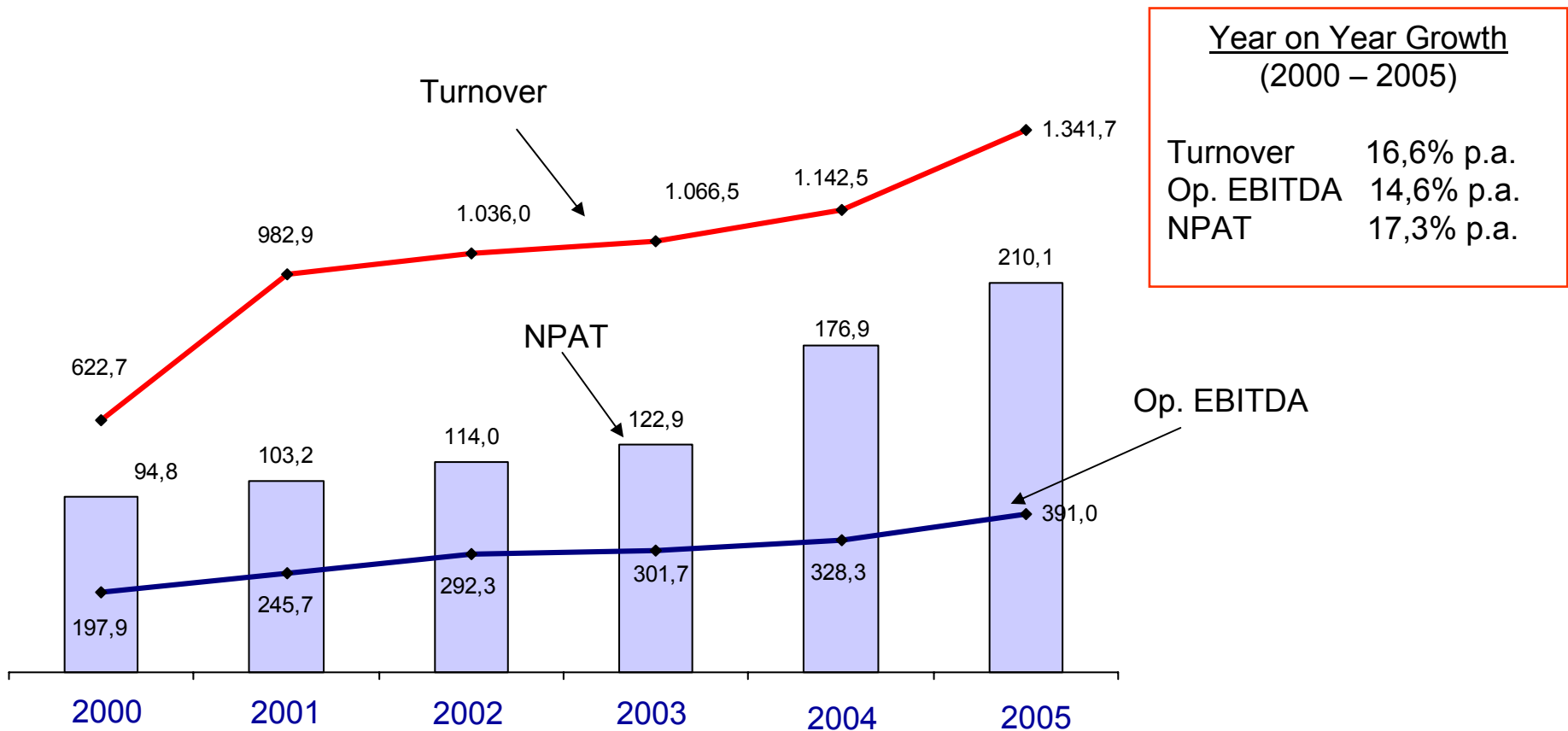
- **Performance Highlights**
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- **Outlook 2006**

- **Turnover increased by 17% to € 1,342m (+17.1% excluding translation impact)**
- **Op. EBITDA: +19% to €391m (+18.6% excluding translation impact)**
- **Net Profit after Tax: +18.7% versus 2004 to €210.1m (+23% at constant exchange rates)**
- **Proposed dividend: €0.60/share versus €0.52 last year (+15,4%)**
- **Volume growth across all products except Aggregates that were marginally down as a result of Greece**
- **CO₂ emissions not accounted for as certification process and accounting treatment still not finalized. Impact would not have been material**

Performance Highlights 2005



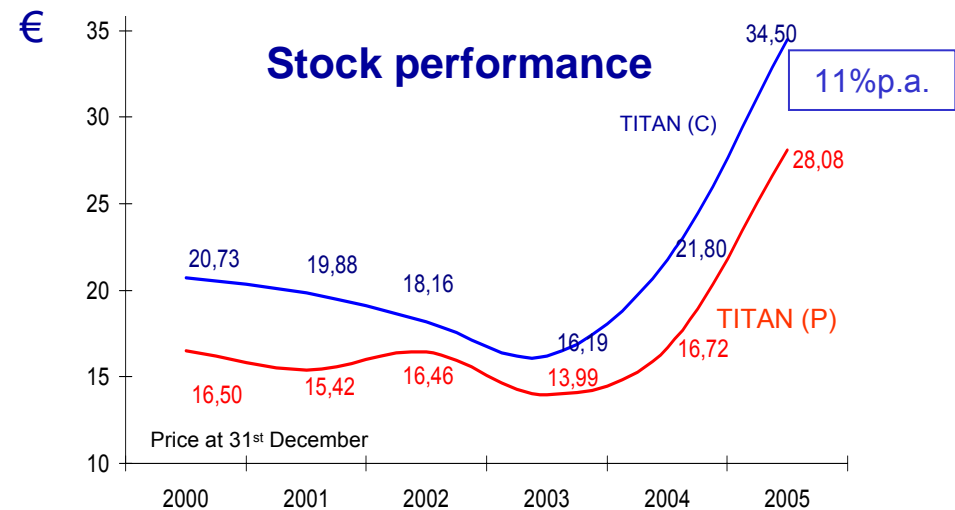
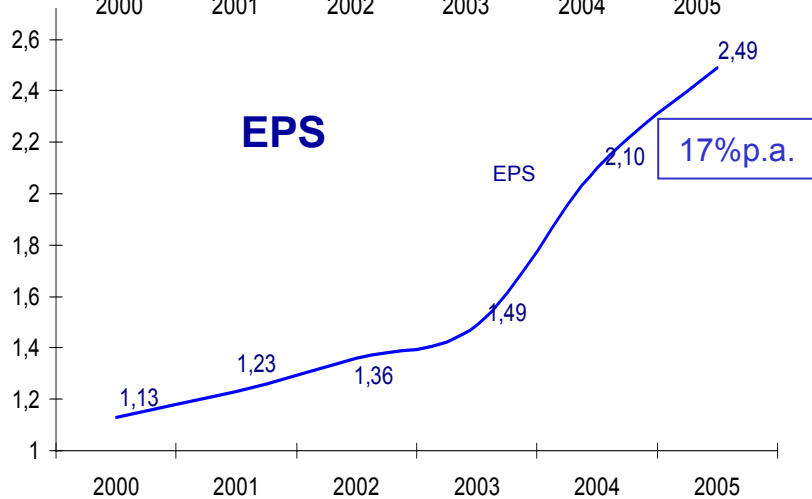
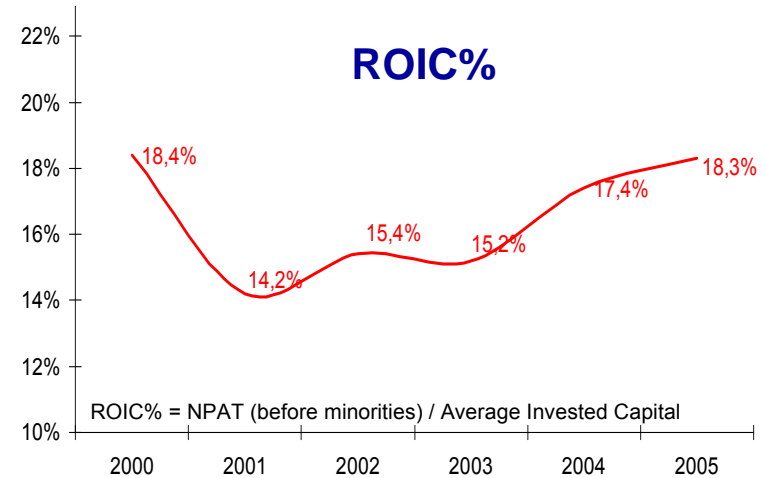
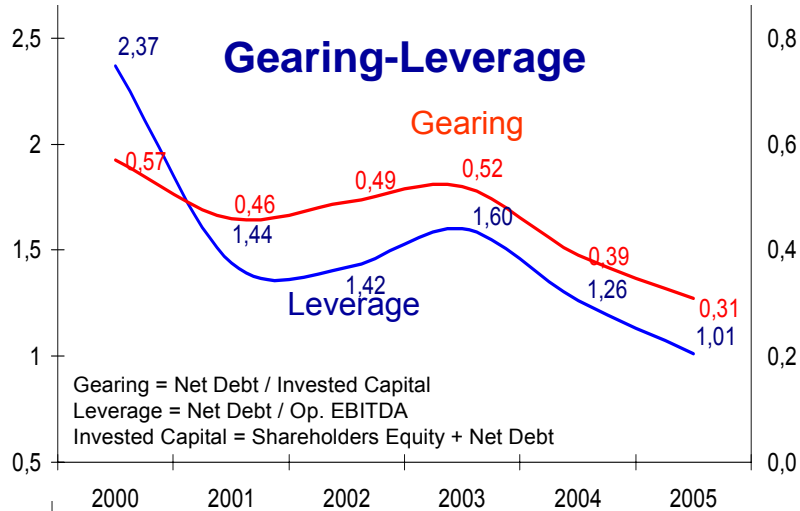
Strong double digit year on year growth



Performance Highlights 2005



All key performance measures show improvement year on year





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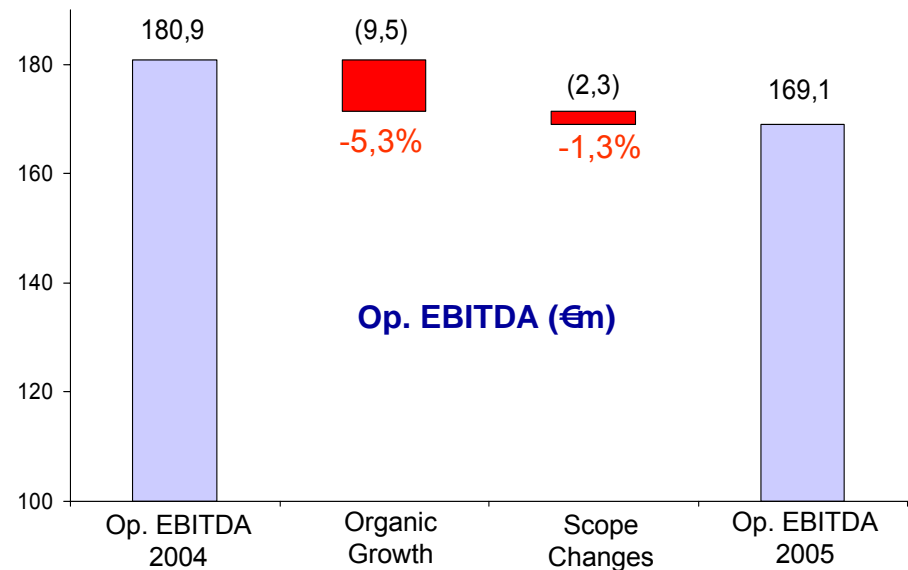
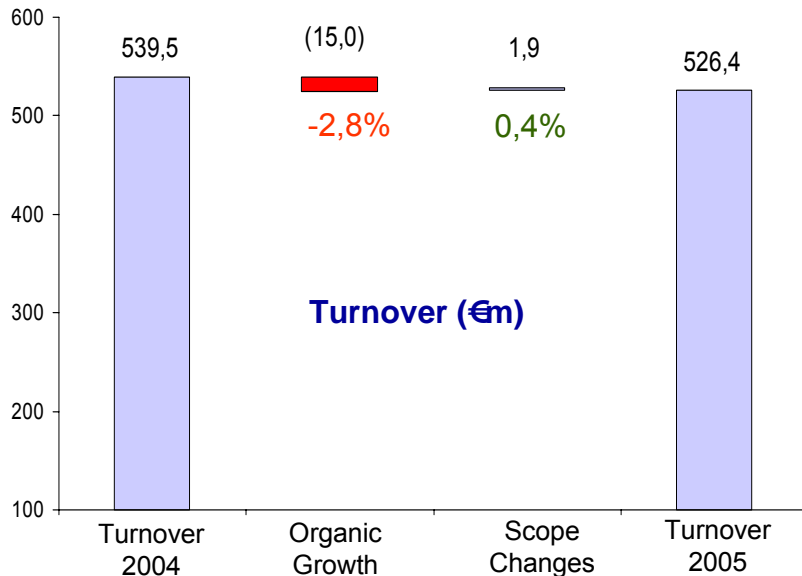
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Market Overview, Greece Region

Financial Results Full Year 2005



- Domestic cement volumes were -4% for 2005 (-19% Q1, -4% Q2, +1% Q3 and +4% in Q4)
- Reduced contribution from Aggregates (volume) and Ready Mix (margin)
- Price increases did not fully cover cost inflation

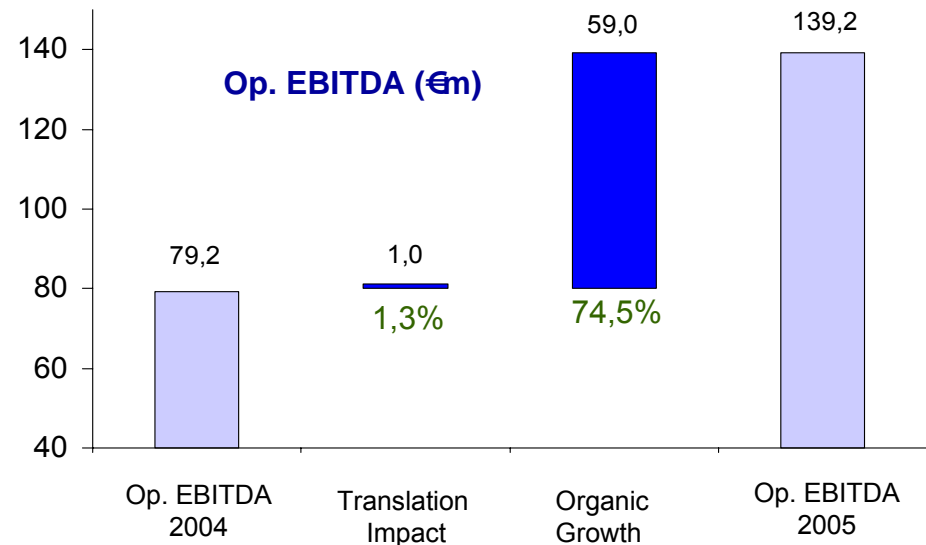
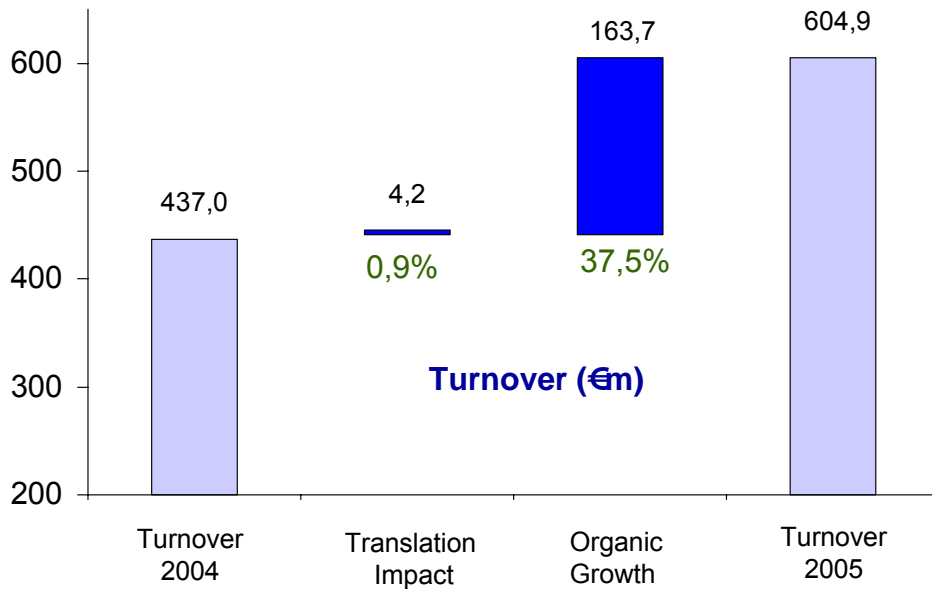


Market Overview, USA

Financial Results Full Year 2005



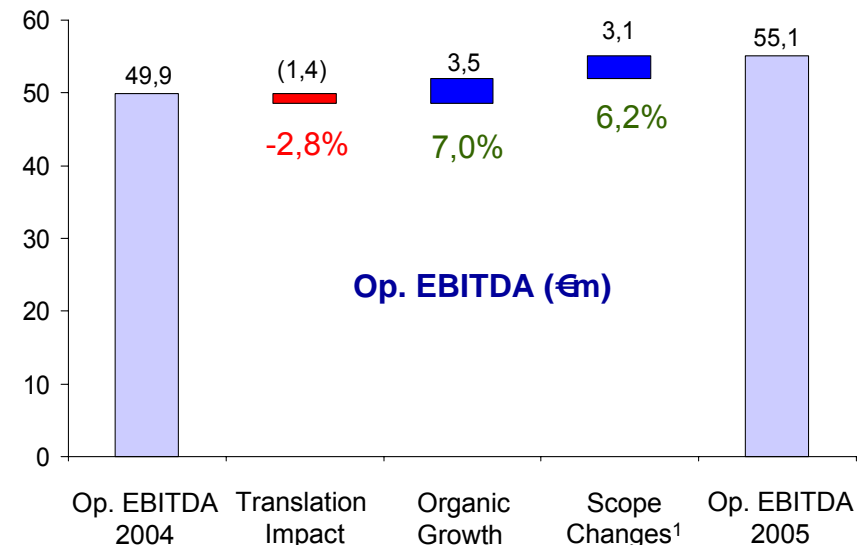
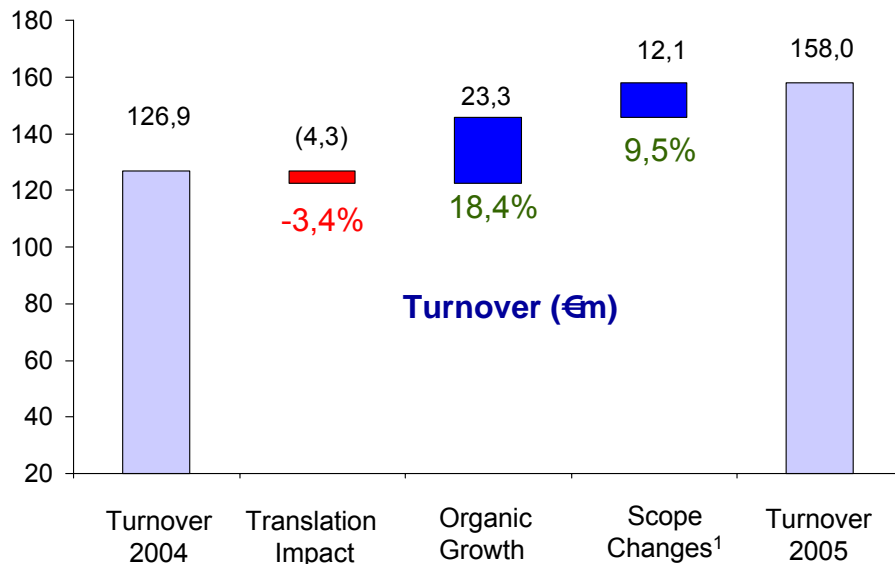
- **Exceptional market conditions across all products, especially in Florida. Q4 impacted by hurricane Wilma**
- **Pennsuco plant running at rated capacity. Emissions permit increase to allow expansion of capacity over next few years**
- **Across the board, price increases hold**



Market Overview, SE Europe Financial Results Full Year 2005



- Strong market growth in Bulgaria continues. Cost increases and capacity constraints in Bulgaria limit profitability
- FYROM volumes ahead of last year. Serbia volumes marginally down
- At constant exchange rates, Op. EBITDA was up over 13% vs.. 2004
- Capacity expansion project in Bulgaria on track for completion in early 2007

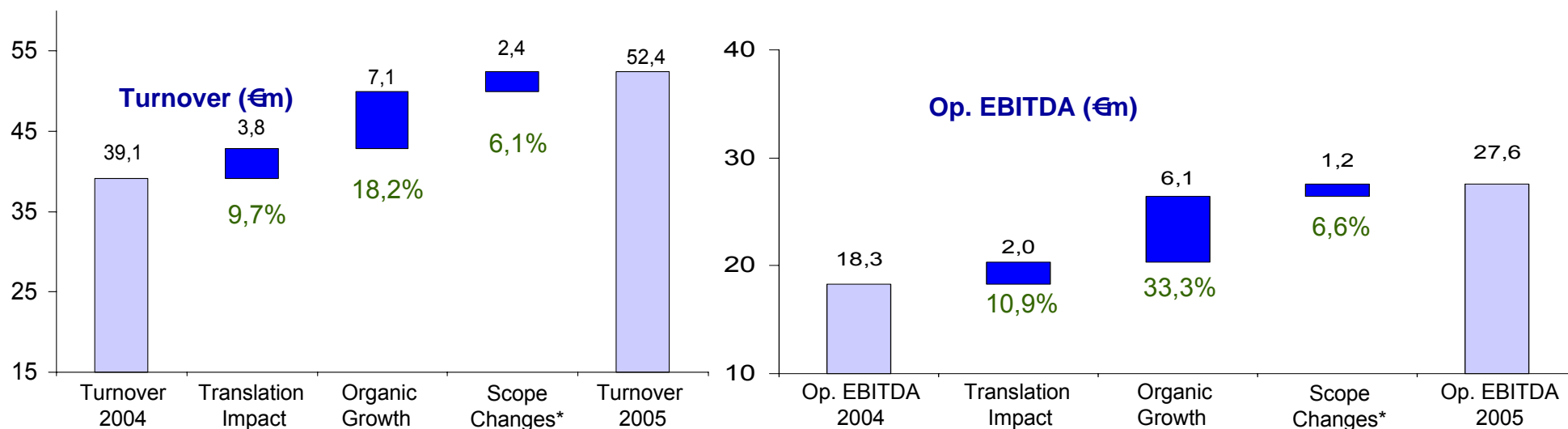


1. Addition of Zlatna and disposal of Plevenski from 01.05.04

Market Overview, Eastern Med. Financial Results Full Year 2005



- EGP regains ground against the USD (+5% year on year)
- Domestic volume grows strongly, +16% in the year
- Strong local demand supports prices



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



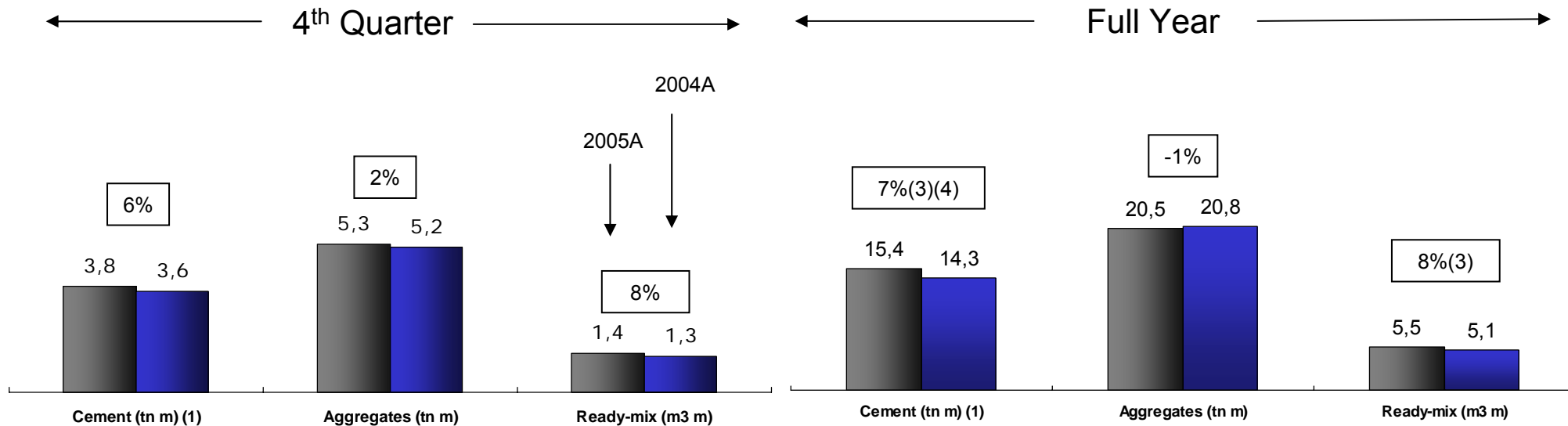
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Key Sales Volume Full Year 2005



Cement sales in the 4th quarter performed better than last year bringing the full year volumes to 7% ahead of 2004. Aggregate sales were marginally behind last year mainly as a result of the post-Olympics works decline in Greece



- (1) Cement sales include clinker and cementitious materials
- (2) Plevenski excluded from 01.05.04 and Zlatna included from 01.05.04
- (3) Includes Egyptian JV's at 100%

Financial Highlights 2005



A strong performance at the operating level in the 4th quarter and for the full year, mainly as a result of the increased contribution from the USA. Net Profit after Taxes grew by over 18% versus 2004, albeit hit by higher financing costs and the dollar FX impact.

Q4 2005			Full Year 2005	
Actual 2005	Var 05 vs 04		Actual 2005	Var 05 vs 04
347,0	21,1%	Turnover ⁽¹⁾ (€m)	1.341,7	17,4%
106,1	36,7%	Operating EBITDA ⁽²⁾	391,0	19,1%
30,6%	+3,5pts	Operating EBITDA Margin	29,1%	+0,4 pts
103,2	54,8%	EBITDA	389,1	22,2%
74,9	53,5%	Earnings Before Tax	293,1	20,8%
54,0	38,1%	Net Profit after Taxes and minorities ⁽³⁾	210,1	18,7%
		Dividend per share (€)	0,60	15,4%
		Share Price ⁽⁴⁾	34,50	58,3%
		ASE Index ⁽⁴⁾	3.663,90	31,5%

Notes:

(1) 17,1% excluding impact of translations

(2) 18,6% excluding impact of translations

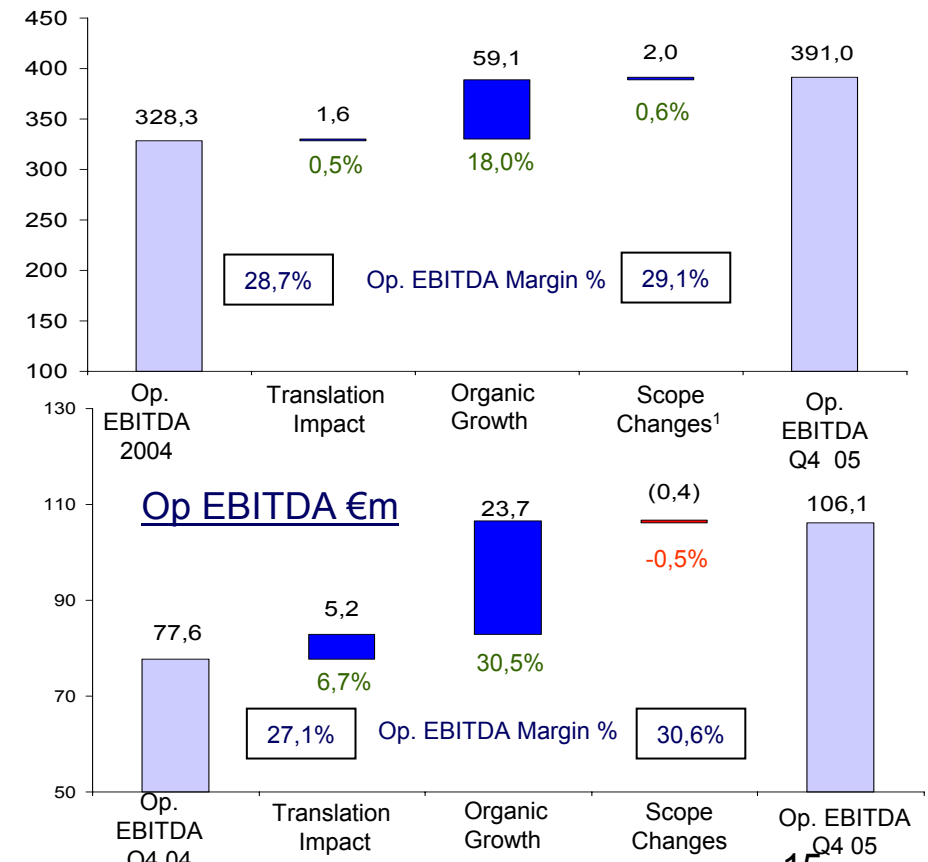
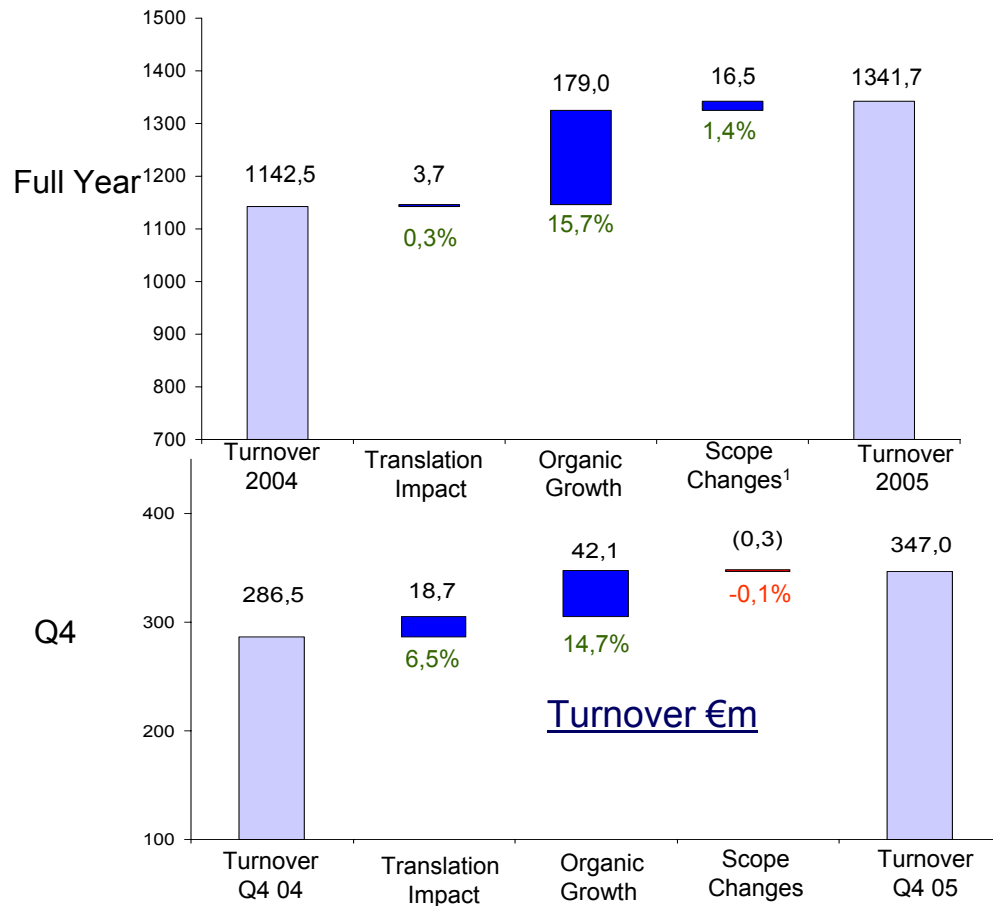
(3) 23,0% excluding impact of translations

(4) Share price and index value on 31/12/05

Group Turnover and Op EBITDA – Full Year & Q4 2005



In the absence of any acquisitions of note and any significant currency movements, Group turnover (+17%), and Op. EBITDA (+19%) are almost exclusively due to organic growth. Turnover and Op. EBITDA in the 4th quarter was up 15% and +30% respectively, reflecting the turnaround in Greece and continued growth of our international regions



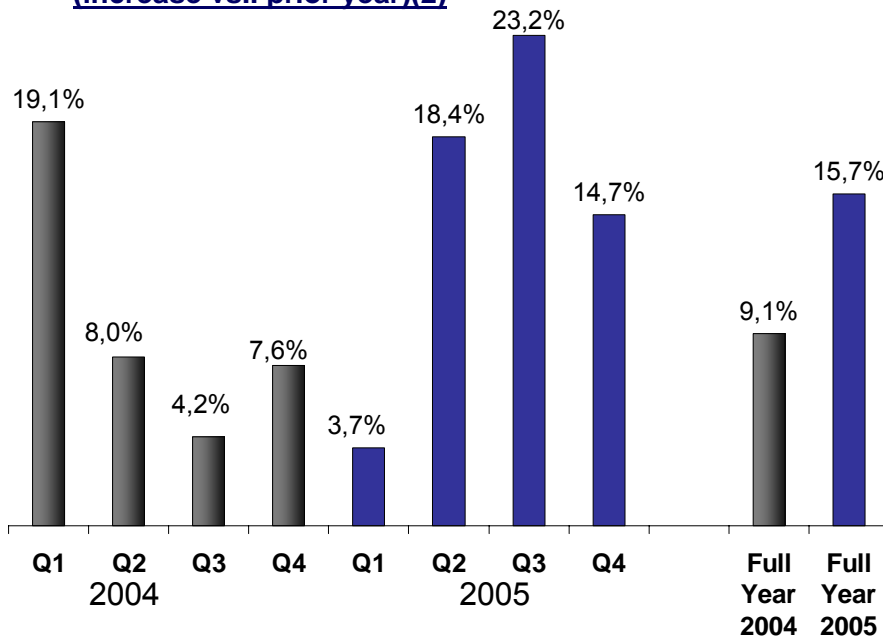
Year on Year Percentage Change in Quarterly Performance



Performance in fourth quarter benefited from the easier comparative period in Greece and the continued strong performance of the USA

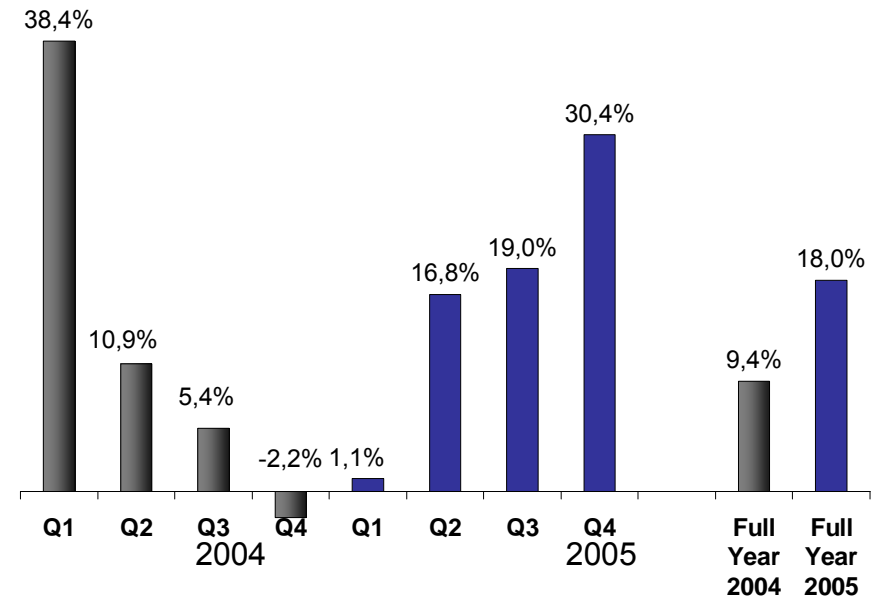
Organic Growth (Turnover) %

(increase vs.. prior year)(2)



Organic Growth (Op. EBITDA) %

(increase vs.. prior year)(2)



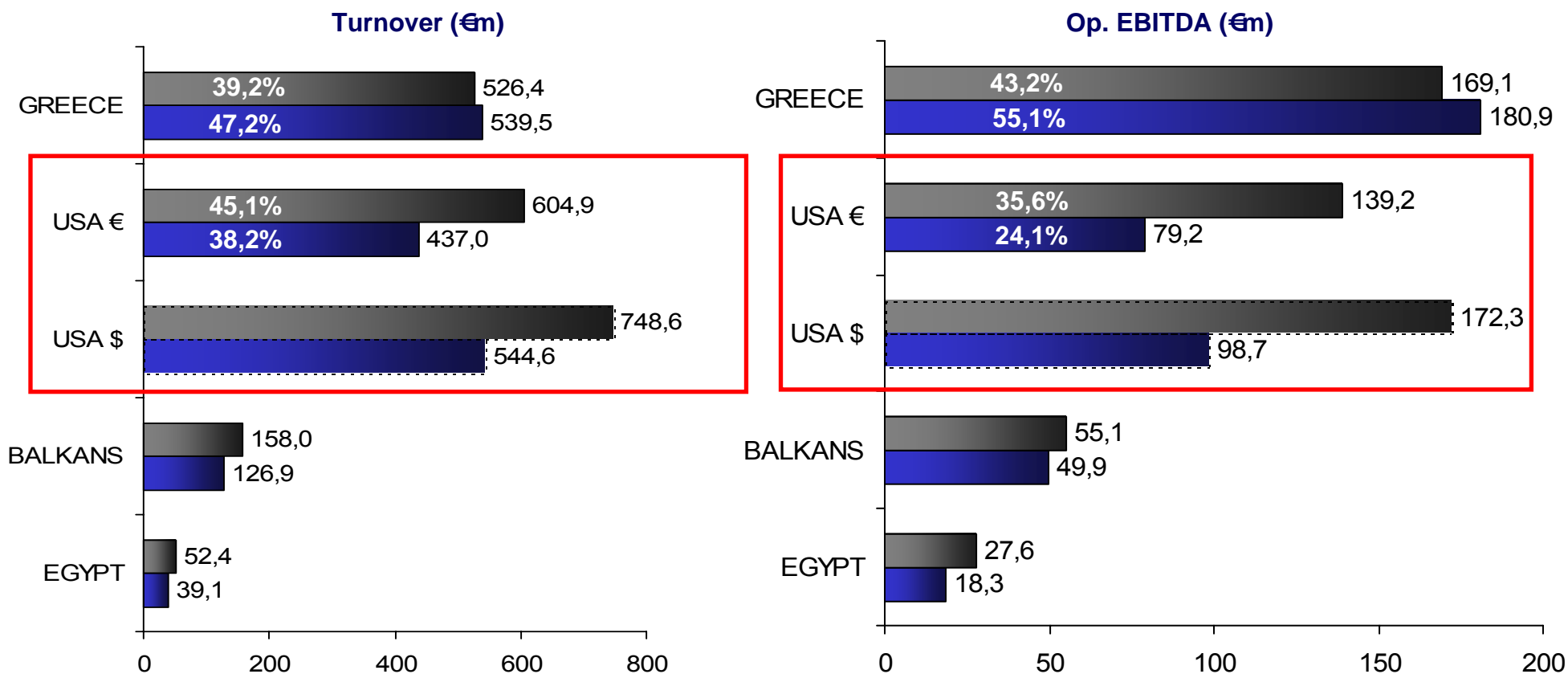
(1) Buoyant second quarter in Greece pre-Olympics

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

Consolidated Sales & Op. EBITDA by Region – Full Year 2005



Greece now represents 39% (47% in 2004) of sales and 43% (55% in 2004) of Op. EBITDA

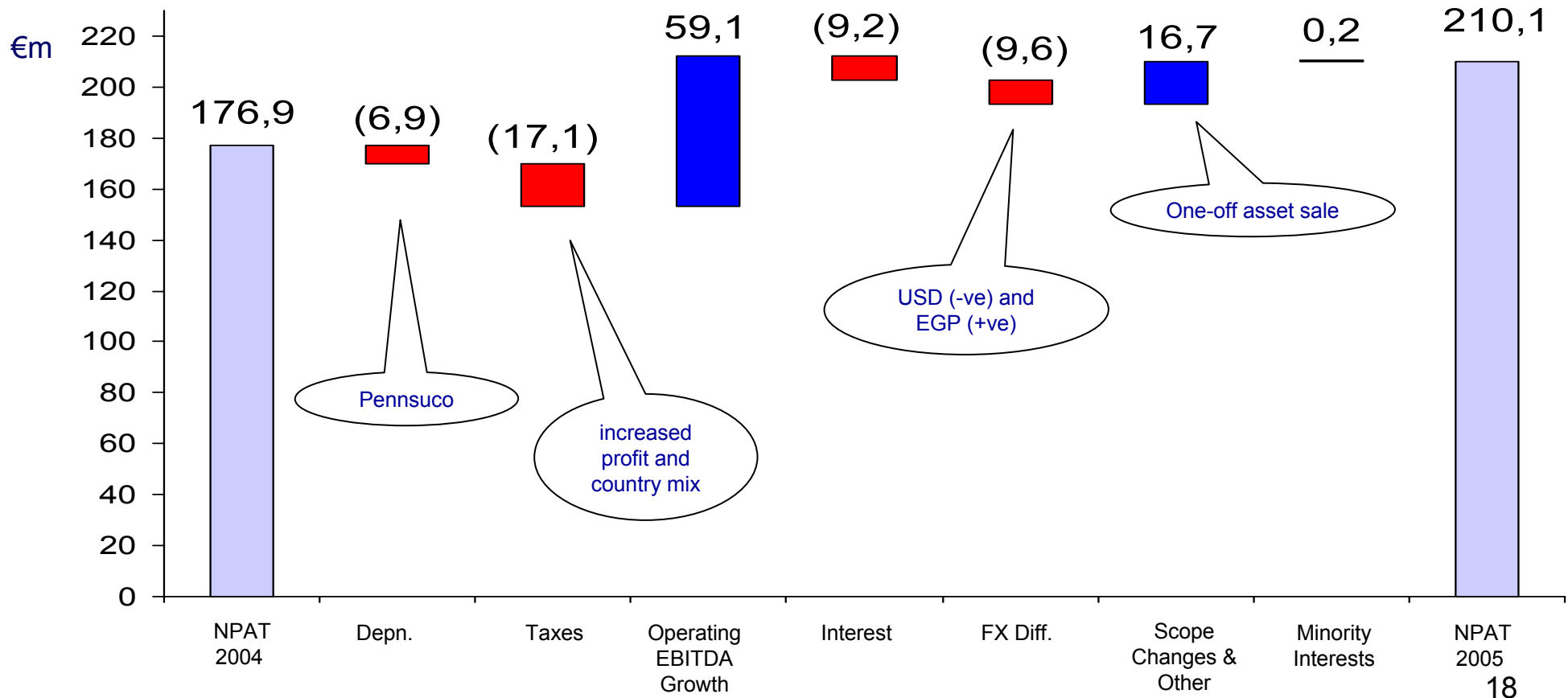


• Balkan Op. EBITDA on a like for like basis excluding one-offs is 20% ahead of 2004

Group Net Profit after Tax Full Year 2005



Net Profit after Taxes for the Group has benefited from Op. EBITDA growth year on year, offset by increased interest costs (interest not capitalized in 2005 and a shift to fixed rates) and negative FX impact mainly as a result of the revaluation of the USD versus the Euro



Net Financing Costs

Full Year 2005



Net financing costs impacted by interest capitalized in the USA in 2004 (€4m) and a shift to fixed rates (€2m). FX differences reflect revaluation of USD versus the Euro

(€m)		
Net Financing Costs - 2005		(24,1)
Net Financing Costs - 2004		(12,2)
Year on Year Increase		(11,9)
Interest Income/(Expense)	Greece	(2,4)
	USA	(7,5)
	Other	<u>(0,4)</u>
		(10,3)
Gains from sale of financial asset		7,1
Realized/Unrealized FX Gains/(Losses)		(8,7)
Net financing cost variance versus 2004		(11,9)

Foreign Currency Rates Full Year 2005



Borrowings impacted by the strengthening of the USD versus Euro at Balance Sheet dates

	Actual	Actual	Variance
<u>BALANCE SHEET</u>	<u>31/12/2005</u>	<u>31/12/2004</u>	<u>31/12/05 vs</u> <u>31/12/04</u>
€1 = USD	1,18	1,36	13%
€1 = EGP	6,77	8,27	18%
1USD=EGP	5,74	6,07	5%
€1 = CSD	85,50	79,08	-8%
1USD=JPY	117,74	102,53	-15%

<u>P&L</u>	<u>Ave 12M 05</u>	<u>Ave 12M 04</u>	<u>Ave 05 vs 04</u>
€1 = USD	1,24	1,25	1%
€1 = EGP	7,16	7,71	7%
1USD=EGP	5,77	6,19	7%
€1 = CSD	83,15	72,93	-14%
1USD=JPY	110,87	107,55	-3%

Bulgarian Leva fixed at €1 = BGN 1,956

No change in €/MKD exchange rates

Consolidated Balance Sheet

Full Year 2005



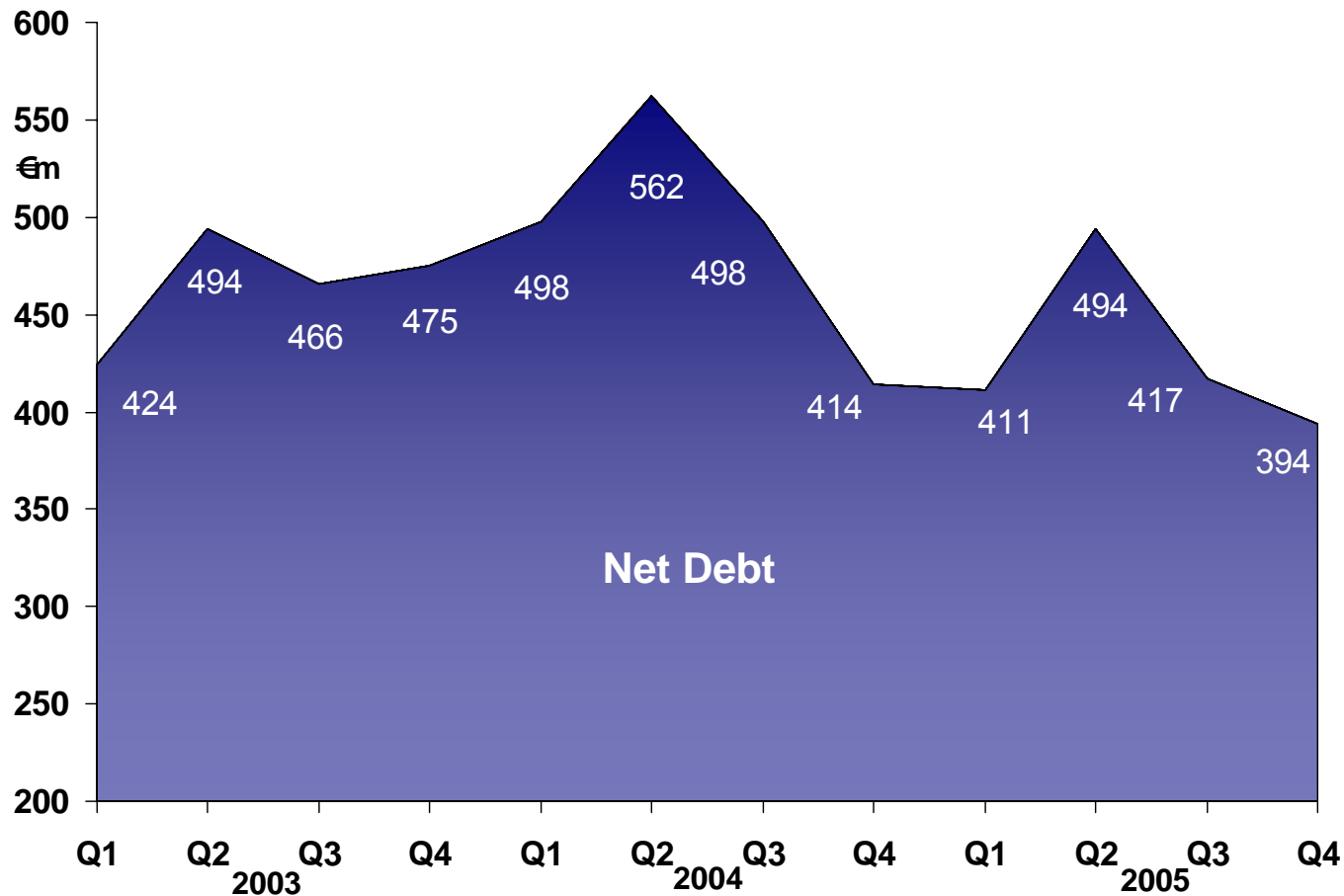
The revaluation of the USD and Capex were the most significant impacts on the Balance Sheet. Working capital increased due to Receivables and Inventories

Balance Sheet (€m)	2005A	2004A	05A vs 04A
Fixed Assets and Investments	1258	1090	168
Net Current Assets			
Inventories	176	136	40
Receivables and Other Prepayments	272	223	49
Securities	2	4	(2)
Other short term liabilities	<u>(220)</u>	<u>(177)</u>	<u>(43)</u>
	230	186	44
Net Debt			
Cash	95	78	17
Long Term due to Banks	(425)	(407)	(18)
Short term bank liabilities	<u>(64)</u>	<u>(85)</u>	<u>21</u>
	(394)	(414)	20
Long Term Liabilities and Provisions			
Provisions	(46)	(48)	2
Deffered tax provision	(144)	(121)	(23)
Other long term liabilities	<u>(16)</u>	<u>(17)</u>	<u>1</u>
	(206)	(186)	(20)
Minorities	(16)	(25)	9
Shareholders Equity	872	651	221

Net Debt as of 31.12.05



Net Debt decreased by €20m year on year, as a result of the revaluation of USD debt in Euros. Excluding the impact of translation, Net debt would have decreased by €74m

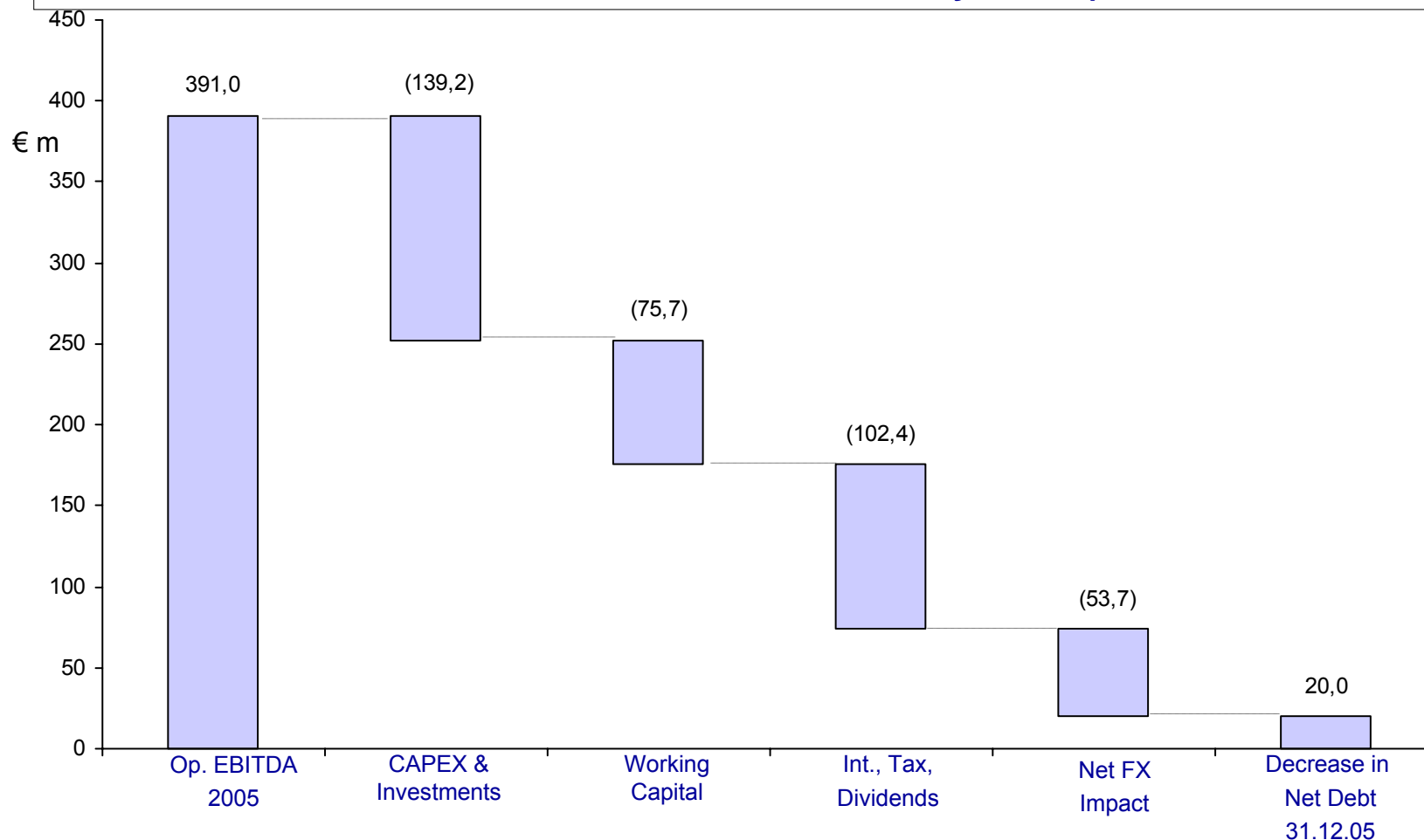


Sources and Uses of Cash

Full Year 2005



Capex and an increase in working capital was funded through cash generation in the year. Net Debt reduced despite the revaluation of USD debt (excluding this, Net Debt would reduce by €74m)





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- **Greece**
 - **Housing: no major changes anticipated**
 - **Public works: timing uncertainty**

- **U.S.A.**
 - **Despite uncertainties, short-term demand outlook seems strong**
 - **Pricing environment remains favorable**

- **S.E. Europe & E. Mediterranean**
 - **Positive outlook**

- **Overall**
 - **Profitability driven mainly by international operations**
 - **Input costs remain at high levels**
 - **Pipeline of business expansion projects (organic and acquisition)**