



**Interim Condensed Financial Statements
for the period
1 January – 30 June 2014
of the Group and Titan Cement Company S.A.**



These financial statements have been translated from the original Greek version. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.

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The half-year Financial Report, presented through pages 3 to 12 and 15 to 54 both for the Group and the Parent Company, has been approved by the Board of Directors on 31st of July 2014.

Chairman of the Board of Directors

Chief Executive Officer

ANDREAS L. CANELLOPOULOS
ID No AB500997

DIMITRIOS TH. PAPALEXOPOULOS
ID No AK031353

Chief Financial Officer

Finance Director Greece

Financial Consolidation Senior
Manager

MICHAEL H. COLAKIDES
Passport No E152969

GRIGORIOS D. DIKAIOS
ID No AB291692

ATHANASIOS S. DANAS
ID No AB006812

STATEMENT OF MEMBERS OF THE BOARD

(In accordance with article 5 of Law 3556/2007)

The following members of the Board of Directors of TITAN CEMENT COMPANY S.A., namely:

1. Mr. Andreas Canellopoulos, Chairman,
2. Mr. Dimitrios Papalexopoulos, Chief Executive Officer and
3. Mr. Nellos Canellopoulos, Board Member,

in our above mentioned capacity, hereby state that, as far as we know:

- A) the Financial Statements of TITAN CEMENT COMPANY S.A. for the period 1.1.2014 - 30.6.2014, which were drawn up in accordance with the applicable accounting standards, reflect in a true manner the assets, liabilities, equity and results for the period above period of TITAN CEMENT COMPANY S.A. as well as of the businesses included in the Group consolidation taken as a whole, in accordance with article 5 paragraphs 3 to 5 of Law 3556/2007

and

- B) the Report of the Board of Directors for the same above period reflects in a true manner the information required in accordance with article 5 paragraph 6 of Law 3556/2007.

Athens, July 31st, 2014

ANDREAS CANELLOPOULOS
Chairman

DIMITRIOS PAPALEXOPOULOS
Chief Executive Officer

NELLOS CANELLOPOULOS
Board Member

REPORT OF THE BOARD OF DIRECTORS FOR THE PERIOD 1.1.2014 - 30.6.2014

ECONOMIC ENVIRONMENT

The growth of the global economy continues to be weak. The contribution of industrialized countries to this growth has been rising, yet it is still well below that of emerging markets. The US economy was held back by the cold winter weather in the beginning of the year and the Eurozone recovery remains slow, as the region is still dealing with persistent unemployment and deflationary fears. In the meantime, growth in China and emerging markets has slowed compared to 2013. Even so, underlying data still point toward a slight acceleration in the growth of the global economy this year, although rising geopolitical tensions and the threats of a monetary squeeze imply that risks are on the downside.

FINANCIAL RESULTS – DEVELOPMENT OF ACTIVITIES – SIGNIFICANT EVENTS

Against this backdrop, during the 1st Half of 2014, Titan's revenue and profitability rose in the majority of its markets, and especially in the US, but gas shortages in Egypt prevented the Group from further enhancing its operating profitability (EBITDA). Nevertheless, the Group posted a marginally positive net profit (NPAT) after three consecutive semesters of net losses.

Consolidated turnover in the 1st Half of 2014 increased by 3.9% to €571 million. Earnings before interest, taxes, depreciation and amortization (EBITDA) stood broadly unchanged at €89 million. At stable exchange rates, turnover and operating profitability would have increased by 7% and by 4%, respectively. Net profits after taxes and minorities (NPAT) were €3 million in the 1st Half of 2014 against €22 million losses during the same period last year.

During the 1st Half of 2014, capital expenditure amounted to €28 million. The Group generated €59 million of operating free cash flow, which covered €26 million in interest payments and €12 million in tax payments, enabling the further reduction of net debt by €19 million. As at 30.06.2014, net debt stood at €490 million.

In June 2014, Standard & Poor's confirmed Titan's long-term credit rating as 'BB' with stable outlook.

The stock price of the Company closed at €23.68 a share on 30.06.2014, gaining 20% since 31.12.2013 and outperforming the General Index of the Athens Stock Exchange (ASE), which posted a 4% increase.

Market Overviews

In Greece, cement consumption increased from the very low levels of 2013, as a result of some degree of activity in public works – mainly the restart of the major road works. However, demand in private consumption remains depressed. High real estate taxes and low disposable income, in conjunction with an illiquid mortgage market and an unsold housing stock have brought private construction activity to a virtual stand-still.

As a consequence, the utilization rates of Titan's plants in Greece depend on exports, amidst intense international competition, particularly from countries with low energy costs and no limits on carbon dioxide emissions. In pursuing the improvement of its competitiveness, Titan

invests in the use of alternative fuels, aiming to reduce both its energy cost and its environmental footprint. Investments have so far enabled Titan to remain cost competitive and export activity to continue unabated.

As a whole, in the 1st Half of 2014, region Greece and Western Europe posted a 21.6% rise in turnover, which reached €148 million. EBITDA increased from €9 million to €16 million.

Poor weather conditions during the beginning of the year had an adverse effect on Titan's North American sales and operating profitability which in the second quarter increased considerably, driven mainly by Florida's substantial growth in cement consumption. According to the Portland Cement Association (PCA), in Florida cement consumption surged 27.1%, on the back of rising residential property and declining inventory. This figure compares favorably to a national average increase of 8.0%.

Titan America subsidiary, Separation Technologies LLC (ST), which is engaged in the production and operation of fly-ash beneficiation facilities, continued on its profitable growth performance. In addition, ST invested in further Research and Development with a view to optimizing its technology for a broader range of minerals applications.

Titan reported sales growth across all product lines and geographies in North America. The region now accounts for over a third of Group turnover and a rapidly increasing share of EBITDA. Driven by both higher volumes and improved prices, total revenue in the region grew in the 1st Half of 2014 by 13.8% and reached €220 million while EBITDA rose from €10 million to €18 million.

In South Eastern Europe, the positive weather effect on sales volumes was considerable at the beginning of the year but was reversed in the second quarter. However, cost efficiencies and the increased use of alternative fuels allowed the Group to improve its organic profitability. Economic growth in the region remains weak.

In the 1st Half of 2014, turnover in the region increased by 3.4% to €102 million, while EBITDA increased from €23 million to €30 million.

In Egypt demand for cement posted a marginal increase since last year. However, extensive gas supply shortages and the resulting production disruptions, in conjunction with delays in the licensing of investments for the use of solid fuels, severely impeded cement sales volumes and operating profitability. Investments that will enable the Beni Suef plant to use solid fuels are expected to be completed by the end of the year. The Group initiated purchases of clinker, in order to meet demand for cement – however, this had a limited impact on margin contribution.

In Turkey¹, demand continued on a positive trend.

In the 1st Half of 2014, turnover in the Eastern Mediterranean region dropped by 25.8% to €101 million. EBITDA fell by 46.2% to €25 million.

¹Following the adoption of IFRS 11, as of 1st January, 2014, Adocim Cimento Beton Sanayi ve Ticaret A.S. in Turkey is incorporated in the consolidated financial statements with the equity method, as the Group has joint control over the company. To facilitate comparability, 2013 consolidated financial statements have been restated accordingly.

TREASURY SHARES

In implementation of the decision of the Annual General Meeting of Shareholders dated 20.6.2014, which granted approval for the share buy-back of the Company's own common and preferred shares in accordance with article 16, paragraph 1, of Law 2190/1920 and up to 10% of the paid-up Company Share Capital, within a 24 month period, namely from 21.6.2014 until 20.6.2016, at a maximum purchase price of €40 per share and at a minimum purchase price equal to the nominal value of the Company share, namely €4 per share, the Board of Directors subsequently decided on 20.6.2014 the Company to proceed in the implementation of the above decision of the General Meeting of Shareholders within the above mentioned two year period. It is noted, that in accordance with this decision of the General Meeting of Shareholders, the share buy-back will be made provided the purchase of the Company's own shares shall be deemed advantageous compared with other investment options and the Company's available funds will be sufficient.

Within the first half of 2014, there was no share buy-back of the Company's own common and preferred shares.

On the contrary, during the same period the Company proceeded to the disposal (over-the-counter transaction) of 136,677 common treasury shares, pursuant to the "Stock Option Plan", which was approved by the decision of the General Meeting dated 03.06.2010 in conformity with Article 13 par. 13 of Codified Law 2190/20 and following the decision of the Board of Directors dated 27.2.2014. These shares represent 0.16% of the Company's paid up share capital and pursuant to the "Stock Option Plan" the sale price of each share was equal to the nominal value of the Company share, i.e. €4.00 per share, hence the total price of the shares sold was €546,708.

The total number of treasury shares that the Company held as at 30.06.2014 was 2,924,738 common shares and 5,919 preferred shares without voting rights. The aforementioned treasury shares represent 3.46% of the Company's paid up Share Capital.

INVESTMENTS AND DISPOSALS

Group capital expenditure for the 1st Half of 2014, excluding acquisitions and intangible assets, totaled €28 million – having been increased from the restrained levels of €18 million during the 1st Half of 2013. The increase stems mainly from investments in Egypt and the US. The net book value of fixed assets disposed of in the 1st Half of 2014 was €2 million, versus €1 million in the previous year.

PARENT COMPANY FINANCIAL RESULTS

Turnover of Titan Cement S.A. increased 12.6% in the 1st Half 2014 to €134 million, while EBITDA increased by 63.7% to €12 million. The Company's net profits stood at €8 million in the 1st Half 2014, compared to a net loss of €22 million in the same period last year.

The Annual General Meeting of Shareholders of Titan Cement Company S.A., which was held on 20th June 2014, approved the distribution of extraordinary reserves of a total amount of €8,463,252.80 corresponding to €0.10 per common and preferred share. Such amount increased by the sum corresponding to treasury shares held by the Company amounted in total to €0.10359 per share. The above distribution was subject to a 10% withholding tax on behalf of every shareholder. Therefore Shareholders received a net amount of € 0.09323 per share.

POST BALANCE SHEET EVENTS

On 10 July 2014, the Group subsidiary Titan Global Finance Plc issued Euro denominated notes with a five year tenure, which are guaranteed by Titan Cement Company S.A. The notes are traded on the regulated market of the Luxembourg Stock Exchange and their nominal value is €300 mil. with an annual coupon of 4.25%. The proceeds from the issue will be used to refinance existing credit facilities of the Group.

PROSPECTS FOR 2014

The recovery in the U.S. market continues and the Portland Cement Association (PCA) expects an 8% increase in cement consumption in 2014, and double-digit growth rates in 2015 and 2016. This improvement will be driven by residential building activity, which is still at relatively low levels.

In Greece, cement demand is predicted to increase for the first time after seven years, mainly due to the implementation of infrastructure projects. Expectations for residential construction are modest at best, despite a slight improvement in the economic climate of the country.

The level of construction activity in Southeastern Europe is broadly unchanged from last year without any signs for a substantial recovery in 2014.

The inadequate supply of natural gas in Egypt will continue to negatively affect results in the short run, if the problem persists. To address the issue, the Group is implementing investments to enable the use of solid and secondary fuels. The first coal mill is expected to be operational by the end of the year.

Finally, in Turkey, for the time being demand for cement remains strong.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT

Remaining focused on its strategic priorities, TITAN Group disclosed its 2nd integrated annual Report, end of June 2014. Stressing its enduring commitment to create value for its shareholders and stakeholders, the Report meets the A+ assurance level for GRI G3.1 and corresponds to the “advanced level” UN Global Compact criteria for Communication on Progress.

Safety:

Although efforts to raise awareness, train and equip contractors and drivers with safety guidelines and working methods as well as cultivate a mentality for accident prevention among TITAN employees and business partners, an off-site traffic accident involving a contracted vehicle caused the life of the driver at Thessaloniki/Greece, while a serious incident involving a contractor was also recorded in Turkey during the reported period.

Our environmental footprint:

A key part of our environmental strategy is to engage with stakeholders to develop joint solutions to key issues such as energy security, the impact of traditional fuels on climate change and biodiversity loss. TITAN has focused the last years primarily to maintain the level of performance achieved to date, particularly in respect to carbon and other air emissions. Accordingly, further reduction of air emissions, increase of the substitution of traditional fuels

with alternative ones and optimization of water and biodiversity management systems are included among the key priorities for 2014 and beyond.

TITAN is actively engaged in consultation of the post-2015 UNGC millennium goals and WBCSD's Action 2020 agenda as a core member of the UN Global Compact Initiative and WBCSD/Cement Sustainability Initiative. Its commitment to sustainability at national level as renounced once again by engaging in a new effort for Sustainability in Greece aiming to promote the dialogue among stakeholders and reach consensus on certain priorities that will enable the implementation of a national strategy for sustainability aligned with the EU strategy.

Our people and communities:

The unprecedented and extreme floods in Serbia and the severe earthquake in Cephalonia island in Greece led TITAN Group and its employees to join forces in order to assist the suffering people.

Across the Group TITAN employees from every Business Unit, organised a fundraising, the amount raised was more than doubled by TITAN Group and was offered to the Serbian people.

Moreover, employees in Serbia fundraised money which was also doubled by Cementarnica Kosjeric the TITAN Group subsidiary in Serbia.

For the aid of Cephalonia island, TITAN provided five hundred tons of packed cement to the island, catering for repair works urgently needed in buildings of public interest. Furthermore, the TITAN Greece employees' Union raised money that was used to purchase technology products, nutrition products and essentials that were offered to the Professional Elementary School, the Elderly Care Unit and the hospital based in Lixouri.

RISKS AND UNCERTAINTIES FOR 2014

FINANCIAL RISKS

The Group, by nature of its business and geographical positioning, is exposed to financial risks. The Group's overall risk management program focuses on financial market fluctuations and aims to minimize the potential unfavorable impact of these fluctuations on its financial performance. The Group does not engage in speculative transactions or transactions which are not related to its commercial, investing or borrowing activities.

Liquidity risk:

Liquidity is managed by employing a suitable mix of liquid cash assets and long term committed bank credit facilities. The ratio of unutilized long term committed bank credit facilities and immediately available cash over short-term debt is monitored on a monthly basis. As at -30th June 2014, the ratio of the Group's committed long-term unutilized facilities and cash over short-term debt stood at 5.35 times.

The Parent Company is registered and the Group undertakes part of its activities in a Eurozone country under an Economic Adjustment and Structural Reforms Program. If the Program fails or is aborted, the Group will face additional liquidity risks. To counter such risks, the Group maintains adequate liquidity reserves so as to be able to address any disturbances inflicted upon its cash flows.

Interest rate risk:

28% of total Group debt is based on fixed, pre-agreed interest rates and an additional 18% of floating interest rate debt has been swapped to a fixed rate basis via floating to fixed interest rate swaps.

The ratio of fixed to floating rates of the Group's net borrowings is determined by market conditions, Group strategy and financing requirements. Occasionally, interest rate derivatives may also be used, but solely to minimize the relevant risk and to shift the fixed to floating ratio of the Group's borrowings, if that is considered necessary. As at - 30th June 2014, the Group had €130 million of floating interest rate debt swapped to fixed with an average duration of c. 6 months and at an average interest rate of 2.41%, part of which (€100 million notional) has been designated as cash flow hedge. According to Group policy, interest rate trends and the duration of the Group's financing needs are monitored on a forward looking basis. Consequently, decisions about the duration and the mix between fixed and floating rate debt are taken on an ad-hoc basis. As a result, all short-term loans have been concluded with floating rates. Medium to long-term loans have been concluded partly with fixed and partly with floating rates.

Foreign Currency risk:

Group exposure to exchange rate (FX) risk derives primarily from existing or expected cash flows denominated in currencies other than the Euro (imports/exports) and from international investments. This risk is addressed in the context of policies approved by the Board of Directors at regular intervals.

FX risks are managed using natural hedges, FX options and FX forwards. Borrowings are denominated in the same currency as the assets that are being financed (where feasible), therefore creating a natural hedge for investments in foreign subsidiaries whose equity is exposed to FX conversion risk.

However, part of the financing of Group activities in the USA, Turkey, Egypt and Albania, is in different currencies than the functional ones. Their refinancing in local currencies is examined at regular intervals.

Also, Group company Titan Global Finance plc granted loans equal to €100 million in 2013 and €53.5 million in the first half of 2012 to Group company, Titan America LLC. Subsequently, Titan America LLC partially hedged the loan principal of €53.5 million via FX forward contracts.

Credit risk:

The Group is not exposed to major credit risks. Customer receivables primarily come from a large, widespread customer base. The financial status of customers is constantly monitored by Group companies.

When considered necessary, additional collateral is requested to secure credit. Provisions for impairment losses are made for special credit risks. As at 30th June 2014, it is deemed that there are no significant credit risks which are not already covered by insurance as a guarantee for the credit extended or by a provision for doubtful receivables.

Credit risk arising from counterparties' inability to meet their obligations towards the Group as regards cash and cash equivalents, investments and derivatives, is mitigated by pre-set limits on the degree of exposure to each individual financial institution. These pre-set limits are part of Group policies that are approved by the Board of Directors and monitored on a regular basis.

OPERATIONAL RISKS

Risks arising from the climate and natural disasters:

The Group operates in countries and areas such as Greece, Egypt, Turkey and Florida in the USA which are exposed to natural hazards (climate and geological) such as typhoons, sandstorms, earthquakes etc. Among the measures adopted by the Group to mitigate the disastrous effects of these phenomena, is the adoption of stricter designing standards than the ones stipulated in the relevant legislation. In addition, the Group has in place emergency plans to safeguard its industrial infrastructure and protect the lives of the Company's employees.

Political Risks:

The Group operates in regions that at times experience persistent political instability, riots, uprisings and generally various conditions that lead to extreme volatility and pose significant risks over the control, normal operation and return on the Group's investments. The aforementioned risks are managed through ad hoc measures aiming at maximum protection of TITAN's regional investments.

Risks associated with production cost:

The consumption of thermal energy, electricity and raw materials constitutes the most important element of the Group's cost base. The fluctuation in the price of fossil fuels poses a risk which greatly affects the cost of production.

In order to mitigate the effects of such a risk, the Group invests, and will continue to do so, in low energy-requirement equipment and in the replacement of fossil fuels by alternative fuels.

Ensuring access to the required quality and quantity of raw materials is an additional priority, which is taken into account when planning new investments.

With regard to existing units, the Group ensures the adequate supply of raw materials for the duration of the life of its industrial units.

The Group will also continue to invest in the use of alternative raw materials in order to gradually lessen its dependence on natural raw materials. To this end, the Group has set specific quantifiable targets for the substitution of natural raw materials by alternative raw materials, such as natural waste, and is closely monitoring the evolution of this activity.

Risks regarding safety at work:

Safety at work for Titan employees is a top priority.

The systematic effort to improve safety across all of the Group's operations includes among others, the appointment of an adequate number of safety officers to all productive units. Planning includes a variety of training programs aiming at the systematic training and education of employees and the firm application of systems and processes, which are designed and controlled by the Company's Health and Safety Division.

Environmental risks:

Protection of the environment and sustainable development are core priorities for the Group. To that end, the Group will continue its efforts to reduce its carbon footprint with an aim to achieve a total reduction of 22% in 2015 compared to 1990.

Furthermore, in order to limit the possibility of environmental damage, the Group will continue to systematically invest in the Best Available Technologies for the protection of the environment.

Moreover, the Group monitors closely forthcoming changes in the legislation regarding the protection of the environment and takes in advance all necessary measures for their implementation, in order to avoid the risk of non-timely compliance, when the new regulations come into effect.

MAJOR TRANSACTIONS BETWEEN COMPANY AND RELATED PARTIES

Transactions between the Company and related entities, as these are defined according to IAS 24 (related companies within the meaning of Article 42e of Codified Law 2190/1920), were undertaken as per ordinary market terms.

The amounts of sales and purchases undertaken in the course of the 1st Half 2014, and the balances of payables and receivables as at 30.06.2014 for the Group and the Company, arising from transactions between related parties are presented in the following tables:

Group

(all amounts in Euro thousands)

	Sales of goods & services	Purchases of goods & services	Receivables	Liabilities
Other interrelated parties	-	700	-	520
Executives and members of the Board	-	2.674	21	-
	-	3.374	21	520

Company

(all amounts in Euro thousands)

	Sales of goods & services	Purchases of goods & services	Receivables	Liabilities
Aeolian Maritime Company	1	-	-	265
Albasem S.A.	1	-	-	-
Interbeton Construction Materials S.A.	12.495	3.058	9.874	892
Intertitan Trading International S.A.	3.449	-	388	-
Transbeton - Domiki S.A.	410	-	603	-
Gournon Quarries S.A.	1	-	585	-
Titan Cement International Trading S.A.	1	-	240	1
Adocim Cimento Beton Sanayi ve Ticaret A.S.	1.802	-	-	-
Antea Cement SHA	418	14	983	-
Beni Suef Cement Co.S.A.E.	3.166	-	715	-
Alexandria Portland Cement Co. S.A.E.	211	-	70	-
Cementara Kosjeric AD	45	-	30	-
Cementi Crotone S.R.L.	220	-	220	-
Essex Cement Company LLC	7.217	19	1.830	-
Titan America LLC	3	-	-	259
Fintitan SRL	2.774	1	2.445	1
Sharrcem SH.P.K.	12	-	-	-
T.C.U.K. Ltd	6.789	19	72	-
Titan Global Finance PLC	-	19.653	-	706.415
Usje Cementarnica AD	7.176	-	4.275	-
Zlatna Panega Cement AD	-	15	-	15
Other subsidiaries	6	-	-	-
Other interrelated parties	-	700	-	520
Executives and members of the Board	-	2.674	21	-
	46.197	26.153	22.351	708.368

Regarding the transactions above, the following clarifications are made:

The revenue presented relates to sales of the company's finished goods to the aforementioned subsidiaries, while purchases relate to purchases of raw materials and services by the company from the said subsidiaries. Company receivables primarily relate to receivables from cement sales to the said subsidiaries.

Company liabilities primarily relate to two outstanding floating rate loan agreements: a) one of €100 million maturing in 2018 at the Euribor rate plus a 3.92% spread per annum, and b) one of €505 million maturing in 2018 with an interest rate of Euribor plus 3.55% spread per annum as well as an outstanding fixed rate loan agreement of €100 million maturing in 2017 at a fixed rate of 8.80% per annum to maturity. All were concluded with the UK based subsidiary Titan Global Finance Plc.

Company receivables primarily relate to receivables from cement sales to the said subsidiaries.

The remuneration of senior executives and members of the Group's Board of Directors for the 1st Half 2014 stood at €2.7 million compared to €1.6 million the previous year.

GOING CONCERN DISCLOSURE

The Board of Directors hereby states that both the Parent and Group companies have adequate resources to continue operating as a "going concern" for the foreseeable future.

THIS REPORT HAS BEEN TRANSLATED FROM THE ORIGINAL VERSION IN GREEK

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders of “TITAN CEMENT COMPANY S.A.”

Introduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of “TITAN CEMENT COMPANY S.A.” (the “Company”) as at 30 June 2014, and the related condensed separate and consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes that comprise the interim condensed financial information, which is an integral part of the six-month financial report of Law 3556/2007. Management is responsible for the preparation and presentation of this interim condensed financial information in accordance with International Financial Reporting Standards as adopted by the European Union and apply to interim financial reporting (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that may be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information is not prepared, in all material respects, in accordance with IAS 34.

Report on other legal requirements

Our review has not identified any inconsistency between the other information contained in the six-month financial report prepared in accordance with article 5 of Law 3556/2007 with the accompanying interim condensed financial information.

Athens, 31 July 2014

The Certified Auditor Accountant

CHRIS PELENDRIDIS

S.O.E.L. R.N. 17831

ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS ACCOUNTANTS S.A.

11th KM NATIONAL ROAD ATHENS-LAMIA

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SOEL REG. No. 107

Interim Condensed Income Statement

		Group		Company	
		For the six months ended 30/6		For the six months ended 30/6	
(all amounts in Euro thousands)	Note	2014	2013 <i>*Restated</i>	2014	2013
Sales of goods	5	571,221	549,931	133,843	118,882
Cost of sales		-430,905	-415,820	-111,313	-99,446
Gross profit before depreciation and amortization		140,316	134,111	22,530	19,436
Other income		12,042	10,596	5,320	3,936
Administrative expenses		-48,019	-44,743	-15,256	-15,203
Selling and marketing expenses		-9,163	-8,436	-66	-76
Other expenses		-6,179	-3,274	-319	-635
Profit before interest, taxes, depreciation and amortization (EBITDA)		88,997	88,254	12,209	7,458
Depreciation and amortization related to cost of sale:	9,10	-50,349	-54,503	-5,956	-5,716
Depreciation and amortization related to administrative and selling expenses	9,10	-3,420	-3,165	-661	-657
Reversal of impairment/(impairment) of tangible and intangible assets related to cost of sales	9,10	692	-1,507	692	-104
Profit before interest and taxes		35,920	29,079	6,284	981
Income from participations and investments		-	-	20,000	-
Expenses from participations and investments		-	-	-9	-2
Finance income		1,257	2,229	53	565
Finance costs		-29,879	-33,067	-22,124	-22,325
Net losses from financial instruments		-1,109	-2,916	-1,107	-1,114
Losses from foreign exchange differences	25	-1,519	-6,837	-444	-18
Share of profit/(loss) of associates and joint ventures	11	2,030	-811	-	-
Profit/(loss) before taxes		6,700	-12,323	2,653	-21,913
Income tax	8	-2,144	-6,146	5,508	-477
Profit/(loss) for the period		4,556	-18,469	8,161	-22,390
Attributable to:					
Equity holders of the parent		2,908	-21,799		
Non-controlling interests		1,648	3,330		
		4,556	-18,469		
Basic earnings/(losses) per share (in €)	20	0.0356	-0.2674		
Diluted earnings/(losses) per share (in €)	20	0.0355	-0.2658		

* Certain amounts shown here do not correspond to the interim condensed consolidated financial statements as at 30.6.2013 and reflect adjustments made as detailed in note 2.2.

The accompanying notes on pages 23 to 54 are an integral part of these financial statements

Interim Condensed Statement of Comprehensive Income

		Group		Company	
		For the six months ended 30/6		For the six months ended 30/6	
(all amounts in Euro thousands)	Note	2014	2013	2014	2013
Profit/(loss) for the period		4,556	-18,469	8,161	-22,390
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations	19	-1,950	-32,087	-	-
Net gains/(losses) on available-for-sale financial assets		133	-351	-	-328
Income tax effect	8	-	85	-	85
		133	-266	-	-243
Cash flow hedges	16	1,309	1,427	1,093	1,318
Income tax effect	8,16	825	-43	909	-
		2,134	1,384	2,002	1,318
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:		317	-30,969	2,002	1,075
Items not to be reclassified to profit or loss in subsequent periods:					
Actuarial gains on defined benefit plans		-	824	-	-
Income tax effect	8	-	-321	-	-
		-	503	-	-
Net other comprehensive income not being reclassified to profit or loss in subsequent periods:		-	503	-	-
Other comprehensive income/(loss) for the period, net of tax		317	-30,466	2,002	1,075
Total comprehensive income/(loss) for the period, net of tax		4,873	-48,935	10,163	-21,315
Attributable to:					
Equity holders of the parent		4,498	-47,427		
Non-controlling interests		375	-1,508		
		4,873	-48,935		

The accompanying notes on pages 23 to 54 are an integral part of these financial statements

Interim Condensed Income Statement for the 2nd Quarter

	Group		Company	
	For the three months ended 30/6		For the three months ended 30/6	
(all amounts in Euro thousands)	2014	2013 <i>*Restated</i>	2014	2013
Sales of goods	319,427	314,695	75,653	68,272
Cost of sales	-231,395	-227,785	-61,144	-53,159
Gross profit before depreciation and amortization	88,032	86,910	14,509	15,113
Other income	5,372	7,818	2,991	2,433
Administrative expenses	-26,149	-23,868	-8,248	-7,865
Selling and marketing expenses	-4,727	-4,360	-35	-52
Other expenses	-4,004	-1,517	-100	-191
Profit before interest, taxes, depreciation and amortization (EBITDA)	58,524	64,983	9,117	9,438
Depreciation and amortization related to cost of sales	-24,744	-27,099	-3,072	-2,871
Depreciation and amortization related to administrative and selling expenses	-1,696	-1,592	-339	-330
Impairment of tangible and intangible assets related to cost of sales	-	-1,402	-	1
Profit before interest and taxes	32,084	34,890	5,706	6,238
Expenses from participations and investments	-	-	-9	-2
Finance income	684	1,064	26	344
Finance costs	-16,549	-17,837	-10,182	-11,758
Net losses from financial instruments	-560	-1,107	-560	-563
Losses from foreign exchange differences	-1,267	-5,524	-345	-429
Share of profit/(loss) of associates and joint ventures	2,004	-326	-	-
Profit/(loss) before taxes	16,396	11,160	-5,364	-6,170
Income tax	-2,479	-3,463	4,465	874
Profit/(loss) for the period	13,917	7,697	-899	-5,296

Attributable to:

Equity holders of the parent	13,919	5,268
Non-controlling interests	-2	2,429
	13,917	7,697

Basic earnings per share (in €)

0.1706 **0.0646**

Diluted earnings per share (in €)

0.1698 **0.0636**

* Certain amounts shown here do not correspond to the interim condensed consolidated financial statements as at 30.6.2013 and reflect adjustments made as detailed in note 2.2.

The accompanying notes on pages 23 to 54 are an integral part of these financial statements

Interim Condensed Statement of Comprehensive Income for the 2nd Quarter

	Group		Company	
	For the three months ended 30/6		For the three months ended 30/6	
(all amounts in Euro thousands)	2014	2013	2014	2013
Profit/(loss) for the period	13,917	7,697	-899	-5,296
<i>Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of foreign operations	-859	-37,317	-	-
Net gains/(losses) on available-for-sale financial assets	133	-329	-	-328
Income tax effect	-	85	-	85
	133	-244	-	-243
Cash flow hedges	664	727	518	664
Income tax effect	1,002	-25	1,059	-
	1,666	702	1,577	664
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:	940	-36,859	1,577	421
<i>Items not to be reclassified to profit or loss in subsequent periods:</i>				
Actuarial gains on defined benefit plans	-	824	-	-
Income tax effect	-	-321	-	-
	-	503	-	-
Net other comprehensive income not being reclassified to profit or loss in subsequent periods:	-	503	-	-
Other comprehensive income/(loss) for the period, net of tax	940	-36,356	1,577	421
Total comprehensive income/(loss) for the period, net of tax	14,857	-28,659	678	-4,875
Attributable to:				
Equity holders of the parent	15,958	-27,776		
Non-controlling interests	-1,101	-883		
	14,857	-28,659		

The accompanying notes on pages 23 to 54 are an integral part of these financial statements

Interim Condensed Statement of Financial Position

(all amounts in Euro thousands)

(all amounts in Euro thousands)		Group			Company	
		30/06/2014	31/12/2013	01/01/2013	30/06/2014	31/12/2013
Assets	Note		*Restated	*Restated		
Property, plant & equipment	9	1,542,001	1,564,945	1,708,181	230,972	232,332
Investment properties		13,214	13,220	8,546	13,973	13,973
Intangible assets and goodwill	10	408,351	414,028	462,181	2,083	1,185
Investments in subsidiaries	12	-	-	-	1,145,046	1,243,829
Investments in associates & joint ventures	11,12	85,654	77,252	96,282	-	
Available-for-sale financial assets	16	1,706	1,573	1,877	111	111
Other non-current assets	16,17	11,961	11,617	11,797	2,769	2,768
Deferred tax asset	8	2,206	1,202	2,386	-	-
Non-current assets		2,065,093	2,083,837	2,291,250	1,394,954	1,494,198
Inventories	23	248,430	221,376	229,923	64,268	69,694
Trade receivables	24	96,126	112,340	113,033	42,173	28,708
Other receivables and prepayments		64,481	60,416	70,009	17,543	16,962
Derivative financial instruments	16	1,075	1,566	-	-	-
Available-for-sale financial assets	16	63	63	63	61	61
Cash and cash equivalents	6	226,945	184,257	283,987	9,143	8,780
Current assets		637,120	580,018	697,015	133,188	124,205
Total Assets		2,702,213	2,663,855	2,988,265	1,528,142	1,618,403
Equity and Liabilities						
Share Capital (84,632,528 shares of €4.00)	18	338,530	338,530	338,530	338,530	338,530
Share premium	18	22,826	22,826	22,826	22,826	22,826
Share options	18	4,181	3,971	2,891	4,181	3,971
Treasury shares	18	-82,875	-87,680	-89,446	-82,875	-87,680
Other Reserves	19	291,391	293,299	381,027	524,797	511,258
Retained earnings		825,518	845,181	878,635	-67,334	-51,237
Equity attributable to equity holders of the parent		1,399,571	1,416,127	1,534,463	740,125	737,668
Non-controlling interests		120,536	122,683	125,478	-	-
Total equity (a)		1,520,107	1,538,810	1,659,941	740,125	737,668
Long-term borrowings	15,16	640,177	599,069	686,507	700,579	745,835
Derivative financial instruments		-	-	16,784	-	-
Deferred tax liability	8	170,671	163,516	178,227	7,244	14,215
Retirement benefit obligations		24,159	23,657	26,693	11,646	11,279
Provisions	14	14,084	12,686	17,208	2,757	1,756
Other non-current liabilities	16	29,159	29,635	30,632	4,251	4,557
Non-current liabilities		878,250	828,563	956,051	726,477	777,642
Short-term borrowings	15,16	76,820	93,724	158,325	2,508	50,173
Trade and other payables		218,850	187,233	199,280	57,421	48,319
Derivative financial instruments	16	1,424	3,375	1,294	1,424	2,832
Current income tax payable		6,430	10,137	11,765	-	-
Provisions	14	332	2,013	1,609	187	1,769
Current liabilities		303,856	296,482	372,273	61,540	103,093
Total liabilities (b)		1,182,106	1,125,045	1,328,324	788,017	880,735
Total Equity and Liabilities (a+b)		2,702,213	2,663,855	2,988,265	1,528,142	1,618,403

* Certain amounts shown here do not correspond to the annual consolidated financial statements as at 31.12.2013 & 1.1.2013 and reflect adjustments made as detailed in note 2.2.

The accompanying notes on pages 23 to 54 are an integral part of these financial statements

Interim Condensed Statement of Changes in Equity

(all amounts in Euro thousands)

Group	Attributable to equity holders of the parent									Non-controlling interests	Total equity
	Ordinary shares	Share premium	Preferred ordinary shares	Share options	Ordinary treasury shares	Preferred treasury shares	Other reserves (note 19)	Retained earnings	Total		
Balance at 1 January 2013	308,254	22,826	30,276	2,891	-89,329	-117	381,027	878,635	1,534,463	125,478	1,659,941
(Loss)/profit for the period	-	-	-	-	-	-	-	-21,799	-21,799	3,330	-18,469
Other comprehensive loss	-	-	-	-	-	-	-25,628	-	-25,628	-4,838	-30,466
Total comprehensive loss for the period	-	-	-	-	-	-	-25,628	-21,799	-47,427	-1,508	-48,935
Dividends distributed to non-controlling interests	-	-	-	-	-	-	-	-	-	-746	-746
Treasury shares sold (note 18)	-	-	-	-	1,515	-	-	-1,342	173	-	173
Non-controlling interest's put option recognition (note 22)	-	-	-	-	-	-	-1,884	-	-1,884	1,685	-199
Share based payment transactions	-	-	-	590	-	-	-	-	590	-	590
Transfer between reserves	-	-	-	-	-	-	-932	932	-	-	-
Balance at 30 June 2013	308,254	22,826	30,276	3,481	-87,814	-117	352,583	856,426	1,485,915	124,909	1,610,824
Balance at 1 January 2014	308,254	22,826	30,276	3,971	-87,563	-117	293,299	845,181	1,416,127	122,683	1,538,810
Profit for the period	-	-	-	-	-	-	-	2,908	2,908	1,648	4,556
Other comprehensive income/(loss)	-	-	-	-	-	-	1,590	-	1,590	-1,273	317
Total comprehensive income for the period	-	-	-	-	-	-	1,590	2,908	4,498	375	4,873
Dividends distributed to non-controlling interests	-	-	-	-	-	-	-	-	-	-844	-844
Contingency reserve distributed to shareholders (note 19)	-	-	-	-	-	-	-8,463	-	-8,463	-	-8,463
Treasury shares sold (note 18)	-	-	-	-	4,805	-	-	-4,258	547	-	547
Deferred tax adjustment due to change in income tax rates	-	-	-	-	-	-	-12,067	-	-12,067	-2,558	-14,625
Non-controlling interest's put option recognition (note 22)	-	-	-	-	-	-	-1,281	-	-1,281	880	-401
Share based payment transactions	-	-	-	210	-	-	-	-	210	-	210
Transfer between reserves	-	-	-	-	-	-	18,313	-18,313	-	-	-
Balance at 30 June 2014	308,254	22,826	30,276	4,181	-82,758	-117	291,391	825,518	1,399,571	120,536	1,520,107

The accompanying notes on pages 23 to 54 are an integral part of these financial statements

Interim Condensed Statement of Changes in Equity (continued)

(all amounts in Euro thousands)

Company	Ordinary shares	Share premium	Preferred ordinary shares	Share options	Ordinary treasury shares	Preferred treasury shares	Other reserves (note 19)	Retained earnings	Total equity
Balance at 1 January 2013	308,254	22,826	30,276	2,891	-89,329	-117	508,380	-6,518	776,663
Loss for the period	-	-	-	-	-	-	-	-22,390	-22,390
Other comprehensive income	-	-	-	-	-	-	1,075	-	1,075
Total comprehensive income/(loss) for the period	-	-	-	-	-	-	1,075	-22,390	-21,315
Treasury shares sold (note 18)	-	-	-	-	1,515	-	-	-1,342	173
Share based payment transactions	-	-	-	590	-	-	-	-	590
Balance at 30 June 2013	308,254	22,826	30,276	3,481	-87,814	-117	509,455	-30,250	756,111
Balance at 1 January 2014	308,254	22,826	30,276	3,971	-87,563	-117	511,258	-51,237	737,668
Profit for the period	-	-	-	-	-	-	-	8,161	8,161
Other comprehensive income	-	-	-	-	-	-	2,002	-	2,002
Total comprehensive income for the period	-	-	-	-	-	-	2,002	8,161	10,163
Contingency reserve distributed to shareholders (note 19)	-	-	-	-	-	-	-8,463	-	-8,463
Treasury shares sold (note 18)	-	-	-	-	4,805	-	-	-4,258	547
Share based payment transactions	-	-	-	210	-	-	-	-	210
Transfer between reserves	-	-	-	-	-	-	20,000	-20,000	-
Balance at 30 June 2014	308,254	22,826	30,276	4,181	-82,758	-117	524,797	-67,334	740,125

The accompanying notes on pages 23 to 54 are an integral part of these financial statements

Interim Condensed Cash Flow Statement

(all amounts in Euro thousands)

		Group		Company	
		For the six months ended 30/6		For the six months ended 30/6	
(all amounts in Euro thousands)	Note	2014	2013 <i>*Restated</i>	2014	2013
Cash flows from operating activities					
Profit/(loss) before taxes		6,700	-12,323	2,653	-21,913
<i>Adjustments for:</i>					
Depreciation/amortization & impairment of tangible and intangible assets	9,10	53,077	59,175	5,925	6,477
Provisions		37	-2,661	-3,184	110
Exchange differences		1,649	6,415	444	18
Income from participations & investments		-	-	-20,000	-
Interest expense		28,167	30,350	21,865	21,530
Other non cash items		-2,614	4,230	3,296	1,487
Adjusted profit before changes in working capital		87,016	85,186	10,999	7,709
(Increase)/decrease in inventories		-28,506	-5,195	5,765	2,634
Decrease/(increase) trade and other receivables		9,651	-16,316	-14,303	-9,429
(Increase)/decrease in operating long-term receivables/payables		-710	-1,071	40	82
Increase in trade and other payables (excluding banks)		19,907	10,402	1,411	9,224
Cash generated from operations		87,358	73,006	3,912	10,220
Income tax paid		-12,064	-18,606	-966	-593
<i>Net cash flows from operating activities</i>		75,294	54,400	2,946	9,627
Cash flows from investing activities					
Acquisition of non-controlling interests		-	-4,000	-	-
Share capital decrease/(increase) in subsidiaries, associates and joint ventures		-	-	98,808	-30,141
Purchase of tangible assets and investment properties	9	-28,384	-17,822	-5,356	-4,854
Purchase of intangible assets		-358	-568	-314	-182
Proceeds from sale of tangible and intangible assets	9	842	974	84	606
Proceeds from dividends		-	-	20,000	-
Payments for available-for-sale financial assets		-	-3,040	-	-3,000
Interest received		1,257	2,229	53	565
<i>Net cash flows (used in)/from investing activities</i>		-26,643	-22,227	113,275	-37,006
Cash flows from financing activities					
Interest paid		-27,354	-21,662	-22,059	-22,353
Proceeds from sale of treasury shares (note 18)		547	173	547	173
Dividends paid to shareholders		-	-70	-	-70
Dividends paid to non-controlling interests		-506	-391	-	-
Proceeds from borrowings		196,024	608,865	96,394	173,434
Repayment of borrowings		-174,536	-601,359	-190,738	-91,323
<i>Net cash flows (used in)/from financing activities</i>		-5,825	-14,444	-115,856	59,861
Net increase in cash and cash equivalents					
Cash and cash equivalents at start of period	6	184,257	283,987	8,780	35,601
Effects of exchange rate changes		-138	-2,380	-2	-27
<i>Cash and cash equivalents at end of period</i>	6	226,945	299,336	9,143	68,056

* Certain amounts shown here do not correspond to the interim condensed consolidated financial statements as at 30.6.2013 and reflect adjustments made as detailed in note 2.2.

The accompanying notes on pages 23 to 54 are an integral part of these financial statements

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Notes to the Interim Condensed Financial Statements

1. General information

Titan Cement Co. S.A. (the Company) and, its subsidiaries (collectively the Group) are engaged in the production, trade and distribution of a wide range of construction materials, including cement, concrete, aggregates, cement blocks, dry mortars and fly ash. The Group operates primarily in Greece, the Balkans, Egypt, Turkey and the USA.

Information on the Group's structure is provided in note 12. Information on other related party relationships of the Group and the Company is provided in note 21.

The Company is a limited liability company incorporated and domiciled in Greece at 22A Halkidos Street - 111 43 Athens with number in the General Electronic Commercial Registry: 224301000 (formerly the Register of Sociétés Anonymes Number: 6013/06/B/86/90) and is listed on the Athens Stock Exchange.

These interim condensed financial statements (the financial statements) have been approved for issue by the Board of Directors on 31 July 2014.

2. Basis of preparation and summary of significant accounting policies

These financial statements for the six-month period ended 30 June 2014 have been prepared by management in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".

The financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2013.

However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual group financial statements.

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2013, except for the new or revised standards, amendments and/or interpretations that are mandatory for the periods beginning on or after 1 January 2014 (par. 2.1. and 2.2. below).

2.1. Standards and Interpretations effective for the current financial year that have no significant impact on the financial statements of the Group and the Company

- **IFRS 10 Consolidated Financial Statements, IAS 27 Separate Financial Statements**

IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also addresses the issues raised in SIC-12 Consolidation — Special Purpose Entities.

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 will require management to exercise significant judgment to determine which entities are controlled and therefore are required to be consolidated by a parent, compared with the requirements that were in IAS 27.

- **IFRS 12 Disclosures of Interests in Other Entities**

IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures

relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required.

- **IAS 28 Investments in Associates and Joint Ventures (Revised)**

As a consequence of the new IFRS 11 Joint arrangements and IFRS 12 Disclosure of Interests in Other Entities, IAS 28 Investments in Associates, has been renamed IAS 28 Investments in Associates and Joint Ventures, and describes the application of the equity method to investments in joint ventures in addition to associates.

- **IAS 32 Financial Instruments: Presentation (Amended) - Offsetting Financial Assets and Financial Liabilities**

These amendments clarify the meaning of "currently has a legally enforceable right to set-off". The amendments also clarify the application of the IAS 32 offsetting criteria to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous.

- **IAS 36 Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets**

In developing IFRS 13 the IASB decided to amend IAS 36 to require the disclosure of information about the recoverable amount of impaired assets, particularly if that amount is based on fair value less costs of disposal. The existing standard requires an entity to disclose the recoverable amount of an asset (including goodwill) or a cash-generating unit ("CGU") for which a material impairment loss was recognised or reversed during the reporting period. The amendment made to IAS 36 requires an entity to disclose the recoverable amount of each CGU for which the carrying amount of goodwill or other intangible assets with indefinite useful lives allocated to that unit is significant.

- **IAS 39 Financial Instruments: Recognition and Measurement - Novation of Derivatives and Continuation of Hedge Accounting (amendment)**

Under the amendment there would be no need to discontinue hedge accounting if a hedging derivative was novated, provided certain criteria are met. The IASB made a narrow-scope amendment to IAS 39 to permit the continuation of hedge accounting in certain circumstances in which the counterparty to a hedging instrument changes in order to achieve clearing for that instrument.

- **IFRIC Interpretation 21: Levies**

The Interpretations Committee was asked to consider how an entity should account for liabilities to pay levies imposed by governments, other than income taxes, in its financial statements. IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The Interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

2.2. Standards and Interpretations effective for the current financial year that have impact on the presentation of the Group's financial statements

• IFRS 11 Joint Arrangements

IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for jointly controlled entities ("JCEs") using the proportionate consolidation method. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method.

The application of the new standard affects the Group's interim statement of financial position, by replacing the proportionate method of consolidation for the joint ventures, Adocim Cimento Beton Sanayi ve Ticaret AS and Transbeton - Structural SA, with the equity method of consolidation.

In addition, this change has been implemented in the comparative information (restated figures for the previous period), while its effect is shown in the tables below:

Impact on the Interim Income Statement:

(all amounts in Euro thousands)	For the six months ended 30/6		
	2013 Reported	Restatement	2013 Restated
Sales of goods	571,938	-22,007	549,931
Cost of sales	-432,572	16,752	-415,820
Gross profit before depreciation and amortization	139,366	-5,255	134,111
Other income	10,630	-34	10,596
Administrative expenses	-45,609	866	-44,743
Selling and marketing expenses	-8,790	354	-8,436
Other expenses	-3,403	129	-3,274
Profit before interest, taxes, depreciation and amortization (EBITDA)	92,194	-3,940	88,254
Depreciation and amortization related to cost of sales	-55,506	1,003	-54,503
Depreciation and amortization related to administrative and selling expenses	-3,165	-	-3,165
Impairment of tangible and intangible assets related to cost of sales	-1,507	-	-1,507
Profit before interest and taxes	32,016	-2,937	29,079
Finance income	2,229	-	2,229
Finance costs	-34,511	1,444	-33,067
Net losses from financial instruments	-2,916	-	-2,916
Losses from foreign exchange differences	-8,763	1,926	-6,837
Share of loss of associates and joint ventures	-412	-399	-811
Loss before taxes	-12,357	34	-12,323
Income tax	-6,112	-34	-6,146
Loss for the period	-18,469	-	-18,469
Attributable to:			
Equity holders of the parent	-21,799	-	-21,799
Non-controlling interests	3,330	-	3,330
	-18,469	-	-18,469
Basic losses per share (in €)	-0.2674	-	-0.2674
Diluted losses per share (in €)	-0.2658	-	-0.2658

Impact on the Interim Income Statement for the 2nd Quarter:*(all amounts in Euro thousands)*

	For the three months ended 30/6		
	2013 Reported	Restatement	2013 Restated
Sales of goods	328,974	-14,279	314,695
Cost of sales	-238,389	10,604	-227,785
Gross profit before depreciation and amortization	90,585	-3,675	86,910
Other income	7,826	-8	7,818
Administrative expenses	-24,366	498	-23,868
Selling and marketing expenses	-4,539	179	-4,360
Other expenses	-1,626	109	-1,517
Profit before interest, taxes, depreciation and amortization (EBITDA)	67,880	-2,897	64,983
Depreciation and amortization related to cost of sales	-27,595	496	-27,099
Depreciation and amortization related to administrative and selling expenses	-1,593	1	-1,592
Impairment of tangible and intangible assets related to cost of sales	-1,402	-	-1,402
Profit before interest and taxes	37,290	-2,400	34,890
Finance income	1,064	-	1,064
Finance costs	-18,571	734	-17,837
Net losses from financial instruments	-1,107	-	-1,107
Losses from foreign exchange differences	-7,529	2,005	-5,524
Share of loss of associates and joint ventures	-46	-280	-326
Profit before taxes	11,101	59	11,160
Income tax	-3,404	-59	-3,463
Profit for the period	7,697	-	7,697

Attributable to:

Equity holders of the parent	5,268	-	5,268
Non-controlling interests	2,429	-	2,429
	7,697	-	7,697

Basic earnings per share (in €)**Diluted earnings per share (in €)**

0.0646	-	0.0646
0.0636	-	0.0636

Impact on the Interim Statement of Financial Position as at December 31, 2013:*(all amounts in Euro thousands)*

	31/12/2013 Reported	Restatement	31/12/2013 Restated
<u>Assets</u>			
Property, plant & equipment	1,605,635	-40,690	1,564,945
Investment properties	13,220	-	13,220
Intangible assets and goodwill	465,996	-51,968	414,028
Investments in subsidiaries	-	-	-
Investments in associates & joint ventures	2,429	74,823	77,252
Available-for-sale financial assets	1,573	-	1,573
Other non-current assets	12,241	-624	11,617
Deferred tax asset	1,597	-395	1,202
Non-current assets	2,102,691	-18,854	2,083,837
Inventories	225,133	-3,757	221,376
Trade receivables	125,033	-12,693	112,340
Other receivables and prepayments	62,069	-1,653	60,416
Derivative financial instruments	1,566	-	1,566
Available-for-sale financial assets	63	-	63
Cash and cash equivalents	184,501	-244	184,257
Current assets	598,365	-18,347	580,018
Total Assets	2,701,056	-37,201	2,663,855
<u>Equity and Liabilities</u>			
Share Capital (84,632,528 shares of €4.00)	338,530	-	338,530
Share premium	22,826	-	22,826
Share options	3,971	-	3,971
Treasury shares	-87,680	-	-87,680
Other Reserves	293,299	-	293,299
Retained earnings	845,181	-	845,181
Equity attributable to equity holders of the parent	1,416,127	-	1,416,127
Non-controlling interests	122,683	-	122,683
Total equity (a)	1,538,810	-	1,538,810
Long-term borrowings	610,433	-11,364	599,069
Deferred tax liability	163,956	-440	163,516
Retirement benefit obligations	23,850	-193	23,657
Provisions	12,793	-107	12,686
Other non-current liabilities	29,635	-	29,635
Non-current liabilities	840,667	-12,104	828,563
Short-term borrowings	112,623	-18,899	93,724
Trade and other payables	193,431	-6,198	187,233
Derivative financial instruments	3,375	-	3,375
Current income tax payable	10,137	-	10,137
Provisions	2,013	-	2,013
Current liabilities	321,579	-25,097	296,482
Total Liabilities (b)	1,162,246	-37,201	1,125,045
Total Equity and Liabilities (a+b)	2,701,056	-37,201	2,663,855

Impact on the Interim Statement of Financial Position as at January 1, 2013:*(all amounts in Euro thousands)*

	01/01/2013 Reported	Restatement	01/01/2013 Restated
<u>Assets</u>			
Property, plant & equipment	1,759,036	-50,855	1,708,181
Investment properties	8,546	-	8,546
Intangible assets and goodwill	527,498	-65,317	462,181
Investments in associates & joint ventures	2,734	93,548	96,282
Available-for-sale financial assets	1,877	-	1,877
Other non-current assets	12,572	-775	11,797
Deferred tax asset	2,499	-113	2,386
Non-current assets	2,314,762	-23,512	2,291,250
Inventories	233,765	-3,842	229,923
Trade receivables	127,488	-14,455	113,033
Other receivables and prepayments	71,692	-1,683	70,009
Available-for-sale financial assets	63	-	63
Cash and cash equivalents	284,272	-285	283,987
Current assets	717,280	-20,265	697,015
Total Assets	3,032,042	-43,777	2,988,265
<u>Equity and Liabilities</u>			
Share Capital (84,632,528 shares of €4.00)	338,530	-	338,530
Share premium	22,826	-	22,826
Share options	2,891	-	2,891
Treasury shares	-89,446	-	-89,446
Other Reserves	381,027	-	381,027
Retained earnings	878,635	-	878,635
Equity attributable to equity holders of the parent	1,534,463	-	1,534,463
Non-controlling interests	125,478	-	125,478
Total equity (a)	1,659,941	-	1,659,941
Long-term borrowings	705,227	-18,720	686,507
Derivative financial instruments	16,784	-	16,784
Deferred tax liability	178,786	-559	178,227
Retirement benefit obligations	26,908	-215	26,693
Provisions	17,317	-109	17,208
Other non-current liabilities	30,632	-	30,632
Non-current liabilities	975,654	-19,603	956,051
Short-term borrowings	174,636	-16,311	158,325
Trade and other payables	207,009	-7,729	199,280
Derivative financial instruments	1,294	-	1,294
Current income tax payable	11,899	-134	11,765
Provisions	1,609	-	1,609
Current liabilities	396,447	-24,174	372,273
Total Liabilities (b)	1,372,101	-43,777	1,328,324
Total Equity and Liabilities (a+b)	3,032,042	-43,777	2,988,265

Impact on the Interim Cash Flow Statement

(all amounts in Euro thousands)

	For the six months ended 30/6		
	2013 Reported	Restatement	2013 Restated
Cash flows from operating activities			
Loss before taxes	-12,357	34	-12,323
<i>Adjustments for:</i>			
Depreciation/amortization & impairment of tangible and intangible assets	60,178	-1,003	59,175
Provisions	-2,630	-31	-2,661
Exchange differences	8,340	-1,925	6,415
Interest expense	31,794	-1,444	30,350
Other non cash items	3,813	417	4,230
Adjusted profit before changes in working capital	89,138	-3,952	85,186
Increase in inventories	-6,099	904	-5,195
Increase in trade and other receivables	-18,870	2,554	-16,316
Increase in operating long-term receivables/payables	-1,174	103	-1,071
Decrease in trade and other payables (excluding banks)	10,615	-213	10,402
Cash from operations	73,610	-604	73,006
Income tax paid	-18,740	134	-18,606
<i>Net cash flows from operating activities</i>	54,870	-470	54,400
Cash flows from investing activities			
Acquisition of non controlling interests	-4,000	-	-4,000
Purchase of tangible assets	-18,677	855	-17,822
Purchase of intangible assets	-568	-	-568
Proceeds from sale of tangible and intangible assets	994	-20	974
Proceeds from partial disposal of foreign subsidiary business	-	-	-
Proceeds from dividends	-	-	-
Proceeds from sale of available-for-sale financial assets	-	-	-
Payments from available-for-sale financial assets	-3,040	-	-3,040
Interest received	2,229	-	2,229
<i>Net cash flows used in investing activities</i>	-23,062	835	-22,227
Cash flows from financing activities			
Interest paid	-23,100	1,438	-21,662
Proceeds from sale of treasury shares	173	-	173
Proceeds from government grants	-	-	-
Dividends paid to shareholders	-70	-	-70
Dividends paid to non-controlling interests	-391	-	-391
Proceeds from borrowings	623,411	-14,546	608,865
Repayment of borrowings	-614,304	12,945	-601,359
<i>Net cash flows used in financing activities</i>	-14,281	-163	-14,444
Net increase in cash and cash equivalents	17,527	202	17,729
Cash and cash equivalents at start of period	284,272	-285	283,987
Effects of exchange rate changes	-2,381	1	-2,380
Cash and cash equivalents at end of period	299,418	-82	299,336

2.3. New Standards and Interpretations issued but not yet effective and not early adopted by the Group and the Company

- **IAS 16 Property, Plant & Equipment and IAS 38 Intangible assets (Amendment): Clarification of Acceptable Methods of Depreciation and Amortization**

The amendment is effective for annual periods beginning on or after 1 January 2016. The amendment provides additional guidance on how the depreciation or amortization of property, plant and equipment and intangible assets should be calculated. This amendment clarifies the principle in IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, the ratio of revenue generated to total revenue expected to be generated cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendment has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the interpretation on the financial position or performance of the Group.

- **IAS 19 Defined Benefit Plans (Amended): Employee Contributions**

The amendment is effective from 1 July 2014. The amendment applies to contributions from employees or third parties to defined benefit plans. The objective of the amendment is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. This amendment has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the interpretation on the financial position or performance of the Group.

- **IFRS 9 Financial Instruments: Classification and Measurement and subsequent amendments to IFRS 9 and IFRS 7-Mandatory Effective Date and Transition Disclosures; Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39**

IFRS 9 reflects the IASBs work on the replacement of IAS 39 and is being published in three phases. Phase 1 applies to classification and measurement of financial assets and financial liabilities as defined in IAS 39. The adoption of the first phase of IFRS 9 will have an effect on the classification and measurement of financial assets, but will not have an impact on classification and measurements of financial liabilities. In phases 2 and 3, the IASB will address hedge accounting and impairment of financial assets. The second package of amendments issued in November 2013 initiate further accounting requirements for financial instruments. These amendments a) bring into effect a substantial overhaul of hedge accounting that will allow entities to better reflect their risk management activities in the financial statements; b) allow the changes to address the so-called 'own credit' issue that were already included in IFRS 9 Financial Instruments to be applied in isolation without the need to change any other accounting for financial instruments; and c) remove the 1 January 2015 mandatory effective date of IFRS 9, to provide sufficient time for preparers of financial statements to make the transition to the new requirements. The IASB is currently working on drafting the final requirements on impairment. This standard and subsequent amendments have not yet been endorsed by the EU. The Group will quantify the effect in conjunction with the other phases, when the final standard including all phases is issued.

- **IFRS 11 Joint arrangements (Amendment): Accounting for Acquisitions of Interests in Joint Operations**

The amendment is effective for annual periods beginning on or after 1 January 2016. IFRS 11 addresses the accounting for interests in joint ventures and joint operations. The amendment adds new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business in accordance with IFRS and specifies the appropriate accounting treatment for such acquisitions. The amendment has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the interpretation on the financial position or performance of the Group.

- **IFRS 14 Regulatory Deferral Accounts**

The standard is effective for annual periods beginning on or after 1 January 2016. The IASB has a project to consider the broad issues of rate regulation and plans to publish a Discussion Paper on this subject in 2014. Pending the outcome of this comprehensive Rate-regulated Activities project, the IASB decided to develop IFRS 14 as an interim measure. IFRS 14 permits first-time adopters to continue to recognise amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt IFRS. However, to enhance comparability with entities that already apply IFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items. An entity that already presents IFRS financial statements is not eligible to apply the standard. This standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the interpretation on the financial position or performance of the Group.

- **IFRS 15 Revenue from Contracts with Customers**

The standard is effective for annual periods beginning on or after 1 January 2017. IFRS 15 establishes a five-step model that will apply to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., sales of property, plant and equipment or intangibles). Extensive disclosures will be required, including disaggregation of total revenue; information about performance obligations; changes in contract asset and liability account balances between periods and key judgments and estimates. The standard has not been yet endorsed by the European Union. The Group is in the process of assessing the impact of the interpretation on the financial position or performance of the Group.

- **The IASB has issued the Annual Improvements to IFRSs 2010 – 2012 Cycle**, which is a collection of amendments to IFRSs. The amendments are effective for annual periods beginning on or after 1 July 2014. These annual improvements have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the improvements on the financial position or performance of the Group.

- **IFRS 2 Share-based Payment:** This improvement amends the definitions of 'vesting condition' and 'market condition' and adds definitions for 'performance condition' and 'service condition' (which were previously part of the definition of 'vesting condition').
- **IFRS 3 Business combinations:** This improvement clarifies that contingent consideration in a business acquisition that is not classified as equity is subsequently measured at fair value through profit or loss whether or not it falls within the scope of IFRS 9 Financial Instruments.
- **IFRS 8 Operating Segments:** This improvement requires an entity to disclose the judgments made by management in applying the aggregation criteria to operating segments and clarifies that an entity shall only provide reconciliations of the total of the reportable segments' assets to the entity's assets if the segment assets are reported regularly.
- **IFRS 13 Fair Value Measurement:** This improvement in the Basis of Conclusion of IFRS 13 clarifies that issuing IFRS 13 and amending IFRS 9 and IAS 39 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting if the effect of not discounting is immaterial.
- **IAS 16 Property Plant & Equipment:** The amendment clarifies that when an item of property, plant and equipment is revalued, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.
- **IAS 24 Related Party Disclosures:** The amendment clarifies that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a related party of the reporting entity.

- **IAS 38 Intangible Assets:** The amendment clarifies that when an intangible asset is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.
- **The IASB has issued the Annual Improvements to IFRSs 2011 – 2013 Cycle**, which is a collection of amendments to IFRSs. The amendments are effective for annual periods beginning on or after 1 July 2014. These annual improvements have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the improvements on the financial position or performance of the Group.
 - **IFRS 3 Business Combinations:** This improvement clarifies that IFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.
 - **IFRS 13 Fair Value Measurement:** This improvement clarifies that the scope of the portfolio exception defined in paragraph 52 of IFRS 13 includes all contracts accounted for within the scope of IAS 39 Financial Instruments: Recognition and Measurement or IFRS 9 Financial Instruments, regardless of whether they meet the definition of financial assets or financial liabilities as defined in IAS 32 Financial Instruments: Presentation.
 - **IAS 40 Investment Properties:** This improvement clarifies that determining whether a specific transaction meets the definition of both a business combination as defined in IFRS 3 Business Combinations and investment property as defined in IAS 40 Investment Property requires the separate application of both standards independently of each other.

3. Estimates

The preparation of the interim condensed financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim condensed financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2013.

4. Seasonality of operations

The Group is a supplier of cement, concrete, aggregates and other building materials. The demand for these products is seasonal in temperate countries such as in Europe and North America. Therefore, the Group generally records lower revenues and operating profits during the first and fourth quarters when adverse weather conditions are present in the northern hemisphere. In contrast, sales and profitability tend to be higher during the second and third quarters, as favorable weather conditions support construction activity.

5. Segment information

For management information purposes, the Group is structured in four operating (geographic) segments: Greece and Western Europe, North America, Southeastern Europe and Eastern Mediterranean. Each operating segment is a set of countries. The aggregation of countries is based on geographic position.

Each region has a regional Chief Executive Officer (CEO) who reports to the Group's CEO. In addition, the Group's finance department is organized by geographic region for effective financial control and performance monitoring.

Management monitors the operating results of its business units separately for the purpose of making decisions, allocating resources and assessing performance. Segment performance is evaluated based on Earnings before Interest, Taxes, Depreciations & Amortization (EBITDA). Financing is managed on a group basis and finance costs and finance revenue are allocated to the operating segments.

<i>(all amounts in Euro thousands)</i>	Greece and Western Europe		North America		Southeastern Europe		Eastern Mediterranean		Adjustments and eliminations		Total	
	2014	2013 <i>Restated</i>	2014	2013	2014	2013	2014	2013 <i>Restated</i>	2014	2013 <i>Restated</i>	2014	2013 <i>Restated</i>
<i>Period from 1/1-30/6</i>												
Gross revenue	164,605	138,512	220,230	193,503	102,426	100,083	100,849	135,996	-	-	588,110	568,094
Inter-segment revenue	-16,781	-17,024	-94	-96	-14	-1,043	-	-	-	-	-16,889	-18,163
Total revenue	147,824	121,488	220,136	193,407	102,412	99,040	100,849	135,996	-	-	571,221	549,931
Gross profit before depreciation & amortization	31,024	22,512	38,072	30,160	39,600	32,600	32,141	48,941	-521	-102	140,316	134,111
Earnings before interest, taxes, depreciation & amortization (EBITDA)	16,452	9,639	18,281	10,339	30,218	23,312	24,594	45,257	-548	-293	88,997	88,254
Earnings/(losses) before interest and taxes	7,899	-321	-5,937	-18,076	19,812	12,810	14,591	34,858	-445	-192	35,920	29,079
Profit/(loss) before taxes	4,429	-25,073	-17,940	-27,201	24,472	14,685	17,019	26,442	-21,280	-1,176	6,700	-12,323

5. Segment information (continued)

(all amounts in Euro
thousands)

	Greece and Western Europe		North America		Southeastern Europe		Eastern Mediterranean		Adjustments and eliminations		Total	
	30/06/2014	31/12/2013 <i>Restated</i>	30/06/2014	31/12/2013	30/06/2014	31/12/2013	30/06/2014	31/12/2013 <i>Restated</i>	30/06/2014	31/12/2013 <i>Restated</i>	30/06/2014	31/12/2013 <i>Restated</i>
Total assets	2,608,909	2,707,566	822,769	797,552	802,316	893,488	1,084,795	1,050,277	-2,616,576	-2,785,028	2,702,213	2,663,855
Total liabilities	1,870,311	1,971,635	466,562	431,599	201,013	191,426	233,660	188,347	-1,589,440	-1,657,962	1,182,106	1,125,045

6. Cash and cash equivalents

(all amounts in Euro
thousands)

	Group		Company	
	30/06/2014	31/12/2013 <i>Restated</i>	30/06/2014	31/12/2013
Cash in hand	117	51	8	3
Short-term bank deposits	226,828	184,206	9,135	8,777
	226,945	184,257	9,143	8,780

Short-term bank deposits consist primarily of current accounts and time deposits. The effective interest rates on these short-term bank deposits are based on Euribor rates and are negotiated on a case by case basis.

Bank Credit Facilities

The Group and the Company had the following bank credit facilities and bonds on 30 June 2014:

(all amounts in Euro thousands)

	Group		Company	
	30/6/2014	31/12/2013	30/6/2014	31/12/2013
Total Committed credit facilities	932,539	1,212,638	764,300	899,300
Total Uncommitted credit facilities	123,939	128,859	89,229	89,701
Unutilised Committed credit facilities	232,833	535,254	59,300	99,300
Unutilised Uncommitted credit facilities	97,884	107,178	86,722	89,528
Total Unutilised credit facilities	330,717	642,432	146,022	188,828

7. Number of employees

Number of employees as at the end of the reporting period: Group 5,265 (30.6.2013 restated: 5,251), Company 802 (30.6.2013: 802).

8. Income tax

The Group and the Company calculate the period income tax using the tax rate that would be applicable to the expected total annual earnings.

The major components of income tax in the interim consolidated income statement and the interim statement of comprehensive income are:

	Group		Company	
	For the six months ended 30/6		For the six months ended 30/6	
	2014	2013 <i>Restated</i>	2014	2013
<i>(all amounts in Euro thousands)</i>				
Current income tax expense	-8,227	-13,076	-554	-593
Deferred tax	6,083	6,930	6,062	116
Income tax recognised in interim income statement	-2,144	-6,146	5,508	-477
Income tax recognised in other comprehensive income	825	-279	909	85
Total income taxes	-1,319	-6,425	6,417	-392

The movement of the net deferred tax liabilities is analyzed as follows:

	Group		Company	
	2014	2013 <i>Restated</i>	2014	2013
<i>(all amounts in Euro thousands)</i>				
Opening balance 1/1	162,314	175,841	14,215	17,972
Tax income during the period recognised in the income statement	-6,083	-6,930	-6,062	-116
Tax (income)/expense during the period recognised in the OCI	-825	279	-909	-85
Deferred tax adjustment recognised in the statement of changes in equity *	14,625	-	-	-
Exchange differences	-1,566	-8,761	-	-
Ending balance 30/6	168,465	160,429	7,244	17,771

(*) During June 2014, the tax rate of the Group subsidiaries in Egypt changed from 25% to 30%. This change resulted the recalculation of the deferred tax, which was accumulated in the revaluation reserves.

9. Property, plant and equipment

	Group		Company	
	2014	2013 <i>Restated</i>	2014	2013
<i>(all amounts in Euro thousands)</i>				
Opening balance 1/1	1,564,945	1,708,181	232,332	237,672
Additions / capitalizations	28,323	17,822	5,356	4,854
Disposals (net book value)	-1,560	-887	-19	-389
Depreciation charge & impairments	-47,055	-49,155	-6,473	-6,261
Exchange differences	-3,886	-41,526	-	-
Other	1,234	156	-224	-
Ending balance 30/6	1,542,001	1,634,591	230,972	235,876

Assets with a net book value of €1,560 thousand were disposed of by the Group during the six months ended 30 June 2014 (1.1-30.6.2013: €887 thousand) resulting in a net loss of €726 thousand (1.1-30.6.2013: net profit €87 thousand).

10. Intangible assets

(all amounts in Euro thousands)

Group	Goodwill	Other intangible assets	Total
Opening balance 1/1/2014	323,010	91,018	414,028
Additions	-	1,252	1,252
Disposals	-	-8	-8
Depreciation charge & impairments	-	-6,167	-6,167
Exchange differences	-255	-652	-907
Other	-	153	153
Ending balance 30/6/2014	322,755	85,596	408,351
Opening balance 1/1/2013 - restated	347,284	114,897	462,181
Additions	-	884	884
Depreciation charge & impairments	-800	-9,385	-10,185
Exchange differences	1,382	-4,796	-3,414
Other	-	-22	-22
Ending balance 30/6/2013 - restated	347,866	101,578	449,444

Goodwill is tested for impairment at the end of each fiscal year and when circumstances indicate that the carrying value may be impaired. The Group's impairment test for goodwill and intangible assets with indefinite lives is based on value-in-use calculations. The key assumptions used to determine the recoverable amount for the different cash generating units were disclosed in the annual consolidated financial statements for the year ended 31 December 2013.

Company	Intangible assets	
	2014	2013
Opening balance 1/1	1,185	1,099
Additions	468	182
Disposals (net book value)	-7	-
Depreciation charge & impairments	437	-329
Ending balance 30/6	2,083	952

11. Investments in associates and joint ventures

The Group interim financial statements incorporate the following Bulgarian-based companies with the equity method of consolidation: Karieri AD with ownership percentage 48.711% (31.12.2013: 48.711%), Karierni Materiali AD with ownership percentage 48.764% (31.12.2013: 48.764%), Vris OOD with ownership percentage 48.764% (31.12.2013: 48.764%).

All of the aforementioned companies operate in the aggregates business and are not listed on a public exchange market.

Moreover, following the adoption of IFRS 11 on 1 January 2014, the Group incorporates in its financial statements with the same method the companies Transbeton-Domiki S.A., based in Greece, and Adocim Cimento Beton Sanayi ve Ticaret A.S., based in Turkey. The Group's ownership percentage in each company is 50.0%. The Group has joint control over the two joint ventures and therefore applies the equity method, as the new standard requires (note 2.2). Until 31 December 2013, the Group incorporated in its financial statements the aforementioned companies with the proportionate method of consolidation (note 12).

Transbeton-Domiki S.A. operates in the ready-mix and aggregates business and Adocim Cimento Beton Sanayi ve Ticaret A.S. operates in the production of cement. The two companies are not listed on a public exchange market.

The Group subsidiary in the USA, Separation Technologies LLC, and the US-corporation Charah, Inc. founded the company ASH Venture LLC, which beneficiates, markets and sells fly ash. Separation Technologies LLC participates in the share capital of ASH Venture LLC with an ownership percentage of 33%. The remaining 67% is owned by Charah, Inc., which also controls the activities of the newly established company. ASH Venture LLC began its commercial activity on 1 January 2014. In the interim financial statements, the Group incorporates the aforementioned company with the equity method of consolidation.

The movement of the Group's participation in associates and joint ventures is analyzed as follows:

(all amounts in Euro thousands)	30/06/2014	31/12/2013 <i>Restated</i>
Opening balance 1/1	77,252	96,282
Dividends received	-278	-
Establishment of associates	5,060	-
Share of profit/(loss) of associates and joint ventures	2,030	-662
Exchange differences	1,645	-18,196
Other	-55	-172
Ending balance	85,654	77,252

12. Principal subsidiaries, associates and joint ventures

			30/06/2014		31/12/2013	
			% of investment (*)		% of investment (*)	
Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	Direct	Indirect	Direct	Indirect
Full consolidation method						
Titan Cement Company S.A	Greece	Cement producer	Parent company		Parent company	
Aeolian Maritime Company	Greece	Shipping	100.000	-	100.000	-
Aitolika Quarries S.A.	Greece	Quarries & aggregates	-	63.723	-	63.723
Albacem S.A.	Greece	Trading company	99.996	0.004	99.996	0.004
Arktias S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Interbeton Construction Materials S.A.	Greece	Ready mix & aggregates	99.851	0.149	99.851	0.149
Intertitan Trading International S.A.	Greece	Trading company	99.995	0.005	99.995	0.005
KTIMET Quarries S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Porfirion S.A.	Greece	Production and trade of electricity	-	100.000	-	100.000
Gournon Quarries S.A.	Greece	Quarries & aggregates	54.930	45.070	54.930	45.070
Quarries of Tagaradon Community S.A.	Greece	Quarries & aggregates	-	79.928	-	79.928
Quarries of Tanagra S.A. (1)	Greece	Quarries & aggregates	-	-	-	100.000
Vahou Quarries S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Sigma Beton S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Titan Atlantic Cement Industrial and Commercial S.A.	Greece	Investment holding company	43.947	56.053	43.947	56.053
Titan Cement International Trading S.A.	Greece	Trading company	99.933	0.067	99.933	0.067
Double W & Co OOD	Bulgaria	Port	-	99.989	-	99.989
ECO Conception EOOD	Bulgaria	Alternative fuels	-	99.989	-	99.989
Granitoid AD	Bulgaria	Trading company	-	99.760	-	99.760
Gravel & Sand PIT AD	Bulgaria	Quarries & aggregates	-	99.989	-	99.989
Trojan Cem EOOD	Bulgaria	Trading company	-	83.943	-	83.943
Zlatna Panega Beton EOOD	Bulgaria	Ready mix	-	99.989	-	99.989
Zlatna Panega Cement AD	Bulgaria	Cement producer	-	99.989	-	99.989
Green Alternative Energy Assets EAD	Bulgaria	Alternative fuels	-	100.000	-	100.000
Cementi ANTEA SRL	Italy	Trading company	-	60.000	-	60.000
Cementi Crotone S.R.L.	Italy	Import & distribution of Cement	-	100.000	-	100.000
Fintitan SRL	Italy	Import & distribution of cement	100.000	-	100.000	-
Separation Technologies Canada Ltd	Canada	Processing of fly ash	-	100.000	-	100.000
Aemos Cement Ltd	Cyprus	Investment holding company	100.000	-	100.000	-
Alvacim Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Gaea Green Alternative Energy Assets Limited	Cyprus	Investment holding company	-	100.000	-	100.000
Balkcem Ltd	Cyprus	Investment holding company	-	88.514	-	88.514
East Cement Trade Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Feronia Holding Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Iapetos Ltd	Cyprus	Investment holding company	100.000	-	100.000	-
KOCEM Limited	Cyprus	Investment holding company	-	100.000	-	100.000
Rea Cement Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Terret Enterprises Ltd	Cyprus	Investment holding company	-	88.514	-	88.514
Themis Holdings Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Titan Cement Cyprus Limited	Cyprus	Investment holding company	-	88.514	-	88.514
Tithys Ltd	Cyprus	Investment holding company	-	88.514	-	88.514
Alexandria Portland Cement Co. S.A.E	Egypt	Cement producer	-	82.513	-	82.513
Beni Suef Cement Co.S.A.E.	Egypt	Cement producer	-	82.513	-	82.513
Titan Beton & Aggregate Egypt LLC	Egypt	Quarries & aggregates	-	83.118	-	83.118
Sharr Beteiligungs GmbH	Germany	Investment holding company	-	88.514	-	88.514

12. Principal subsidiaries, associates and joint ventures (continued)

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	30/06/2014		31/12/2013	
			% of investment (*)		% of investment (*)	
			Direct	Indirect	Direct	Indirect
Full consolidation method						
Separation Technologies U.K. Ltd	U.K.	Processing of fly ash	-	100.000	-	100.000
Titan Cement U.K. Ltd	U.K.	Import & distribution of cement	100.000	-	100.000	-
Titan Global Finance PLC	U.K.	Financial services	100.000	-	100.000	-
Alexandria Development Co.Ltd	U.K.	Investment holding company	-	82.717	-	82.717
Titan Egyptian Inv. Ltd	U.K.	Investment holding company	-	100.000	-	100.000
Carolinas Cement Company LLC	U.S.A.	Own/develop real estate	-	100.000	-	100.000
Essex Cement Co. LLC	U.S.A.	Trading company	-	100.000	-	100.000
Markfield America LLC	U.S.A.	Insurance company	-	100.000	-	100.000
Massey Sand and Rock Co	U.S.A.	Quarries & aggregates	-	100.000	-	100.000
Mechanicsville Concrete INC.	U.S.A.	Ready mix	-	100.000	-	100.000
Metro Redi-Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Miami Valley Ready Mix of Florida LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Pennsuco Cement Co. LLC	U.S.A.	Cement producer	-	100.000	-	100.000
Roanoke Cement Co. LLC	U.S.A.	Cement producer	-	100.000	-	100.000
S&W Ready Mix Concrete Co. Inc.	U.S.A.	Ready mix	-	100.000	-	100.000
S&W Ready Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Separation Technologies LLC	U.S.A.	Processing of fly ash	-	100.000	-	100.000
Standard Concrete LLC	U.S.A.	Trading company	-	100.000	-	100.000
ST Mid-Atlantic LLC	U.S.A.	Processing of fly ash	-	100.000	-	100.000
Summit Ready-Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Titan Florida LLC (2)	U.S.A.	Cement producer	-	100.000	-	100.000
Titan Carolina Concrete LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Titan Mid-Atlantic Aggregates LLC	U.S.A.	Quarries & aggregates	-	100.000	-	100.000
Titan Virginia Ready Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Titan America LLC	U.S.A.	Investment holding company	-	100.000	-	100.000
Trusa Realty LLC	U.S.A.	Real estate brokerage	-	100.000	-	100.000
Tyson Material Transport LLC	U.S.A.	Transportation	-	100.000	-	100.000
Cementara Kosjeric AD	Serbia	Cement producer	-	88.514	-	88.514
Stari Silo Company DOO	Serbia	Trading company	-	88.514	-	88.514
TCK Montenegro DOO	Montenegro	Trading company	-	88.514	-	88.514
Cement Plus LTD	F.Y.R.O.M	Trading company	-	54.563	-	54.563
GAEA Zelena Alternative Enerjia DOOEL	F.Y.R.O.M	Alternative fuels	-	100.000	-	100.000
Rudmark DOOEL	F.Y.R.O.M	Trading company	-	83.943	-	83.943
Usje Cementarnica AD	F.Y.R.O.M	Cement producer	-	83.943	-	83.943
Vesa DOOL	F.Y.R.O.M	Trading company	-	100.000	-	100.000
Kosovo Construction Materials L.L.C.	Kosovo	Quarries & aggregates	-	88.514	-	88.514
Sharrcem SH.P.K.	Kosovo	Cement producer	-	88.514	-	88.514
Alba Cemento Italia, SHPK	Albania	Trading company	-	60.000	-	60.000
Antea Cement SHA	Albania	Cement producer	-	60.000	-	60.000
GAEA Enerjia Alternative e Gjëlber Sh.p.k.	Albania	Alternative fuels	-	100.000	-	100.000
Dancem APS	Denmark	Trading company	-	100.000	-	100.000
Aeas Netherlands B.V.	Holland	Investment holding company	-	88.514	-	88.514
Colombus Properties B.V.	Holland	Investment holding company	100.000	-	100.000	-
Holtitan B.V.	Holland	Investment holding company	-	88.514	-	88.514
Salentijn Properties1 B.V.	Holland	Investment holding company	100.000	-	100.000	-
Titan Cement Netherlands BV	Holland	Investment holding company	-	88.514	-	88.514

12. Principal subsidiaries, associates and joint ventures (continued)

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	30/06/2014		31/12/2013	
			% of investment (*)		% of investment (*)	
			Direct	Indirect	Direct	Indirect
Proportionate consolidation method						
Transbeton - Domiki S.A. (3)	Greece	Ready mix	-	-	-	50.000
Adocim Cimento Beton Sanayi ve Ticaret A.S.(3)	Turkey	Cement producer	-	-	-	50.000
Equity consolidation method						
Karieri AD	Bulgaria	Quarries & aggregates	-	48.711	-	48.711
Karierni Materiali AD	Bulgaria	Quarries & aggregates	-	48.764	-	48.764
Vris OOD	Bulgaria	Quarries & aggregates	-	48.764	-	48.764
Transbeton - Domiki S.A. (3)	Greece	Ready mix	-	50.000	-	-
Adocim Cimento Beton Sanayi ve Ticaret A.S.(3)	Turkey	Cement producer	-	50.000	-	-
ASH Venture LLC (4)	U.S.A.	Processing of fly ash	-	33.000	-	-

(*) Percentage of investment represents both percentage of shareholding and percentage of control

Significant Group structure changes

- (1) Absorbed subsidiary by Interbeton Construction Materials S.A.
(2) The Group subsidiary in USA Tarmac America LLC was renamed to Titan Florida LLC.
(3) Change in method of accounting due to the adoption of IFRS 11 (note 2.2).
(4) On 31 March 2014, the Group's financial statements incorporated the newly established company ASH Venture LLC, with the equity method of consolidation (note 11).

The movement of the Company's investments in subsidiaries, is analyzed as follows:

(all amounts in Euro thousands)

	30/06/2014	31/12/2013
Participation in subsidiaries on 1 January	1,243,829	1,213,365
Share capital (decrease)/increase in subsidiaries	-98,850	30,275
Other	67	189
Participation in subsidiaries	1,145,046	1,243,829

The €98.9 mil. decrease in the "Investment in subsidiaries" is due to:

- a) the €100 mil. share capital decrease from a subsidiary and b) the €1.1 mil. share capital increase to another subsidiary.

13. Fiscal years unaudited by the tax authorities

⁽¹⁾ Titan Cement Company S.A	2013	Cementi Crotone S.R.L.	2009-2013
⁽²⁾ Aeolian Maritime Company	-	Cementi ANTEA SRL	2010-2013
⁽¹⁾ Albacem S.A.	2012-2013	Colombus Properties B.V.	2010-2013
⁽¹⁾ Arktias S.A.	2013	Holtitan BV	2010-2013
⁽¹⁾ Dodekanesos Quarries S.A.	2013	Aeas Netherlands B.V.	2010-2013
⁽¹⁾ Interbeton Construction Materials S.A.	2007-2010, 2012, 2013	⁽²⁾ Titan Cement U.K. Ltd	-
⁽¹⁾ Intertitan Trading International S.A.	2012-2013	⁽²⁾ Separation Technologies U.K. Ltd	-
⁽¹⁾ Pozolani S.A.	2013	⁽⁵⁾ Titan America LLC	2011-2013
⁽¹⁾ Porfirion S.A.	2013	Separation Technologies Canada Ltd	2011-2013
⁽¹⁾ Vahou Quarries S.A.	2013	Stari Silo Copmany DOO	2008-2013
Quarries Gournon S.A.	2013	Cementara Kosjeric DOO	2006-2013
⁽¹⁾ Quarries of Tagaradon Community S.A.	2013	TCK Montenegro DOO	2007-2013
⁽¹⁾ Quarries of Tanagra S.A.	2013	Double W & Co OOD	2007-2013
⁽¹⁾ Aitolika Quarries S.A.	2012-2013	Granitoid AD	2007-2013
⁽¹⁾ Sigma Beton S.A.	2013	Gravel & Sand PIT AD	2007-2013
⁽¹⁾ Titan Atlantic Cement Industrial and Commercial S.A.	2013	Zlatna Panega Beton EOOD	2008-2013
⁽¹⁾ Titan Cement International Trading S.A.	2012-2013	Zlatna Panega Cement AD	2010-2013
KTIMET Quarries S.A.	2013	Cement Plus LTD	2012-2013
Aemos Cement Ltd	2007-2013	Rudmark DOOEL	2006-2013
Alvacim Ltd	2010-2013	Usje Cementarnica AD	2009-2013
⁽³⁾ Balkcem Ltd	2008-2013	Titan Cement Netherlands BV	2010-2013
Iapetos Ltd	2007-2013	Alba Cemento Italia, SHPK	2012-2013
Rea Cement Ltd	2008-2013	Antea Cement SHA	2013
Themis Holdings Ltd	2007-2013	Sharr Beteiligungs GmbH	2011-2013
⁽⁴⁾ Tithys Ltd	2006-2013	Kosovo Construction Materials L.L.C.	2010-2013
Feronia Holding Ltd	2007-2013	SharrCem Sh.P.K	2011-2013
Vesa DOOL	2006-2013	⁽²⁾ Alexandria Development Co.Ltd	-
Trojan Cem EOOD	2010-2013	Alexandria Portland Cement Co. S.A.E	2007-2013
Dancem APS	2009-2013	GAEA Green Alternative Energy Assets Ltd	2007-2013
Titan Global Finance PLC	2008-2013	Beni Suef Cement Co.S.A.E.	2009-2013
Geospan Dooel	2010-2013	East Cement Trade Ltd	2006-2013
Terret Enterprises Ltd	2009-2013	Titan Beton & Aggregate Egypt LLC	2009-2013
Salentijn Properties1 B.V.	2010-2013	⁽²⁾ Titan Egyptian Inv. Ltd	-
Titan Cement Cyprus Limited	2007-2013	Green Alternative Energy Assets EAD	2012-2013
KOCEM Limited	2007-2013	GAEA Zelena Alternative Enerjia DOOEL	2013
ECO Conception EOOD	2011-2013	GAEA Enerjia Alternative e Gjelder Sh.p.k.	2013
⁽²⁾ Fintitan SRL	-		

(1) For the fiscal years 2012 and 2013 the above companies were tax audited by their Certified Auditors Accountants, according to the terms of article 82, par. 5 of the Law 2238/1994. The tax audit for the fiscal year 2014 will be conducted by the Certified Auditors Accountants according to the article 65A, par. 1 of L. 4174/2013 that has been accordingly revised by L. 4262/2014.

(2) Under special tax status.

(3) Fiscal year of 2009 has been audited.

(4) Fiscal year of 2007 has been audited.

(5) Companies operating in the U.S.A., are incorporated in the Titan America LLC subgroup (note 12).

14. Provisions

Group

Group provisions presented in short and long term liabilities as at 30 June 2014 amounted to €14.4 mil. (31.12.2013 restated: €14.7 mil.).

The above amount includes among others, the provision for the rehabilitation of quarries amounting to €11.2 mil. (31.12.2013: €10.7 mil.), the provision for staff costs of €0.8 mil. (31.12.2013: €1.6 mil.) and other provisions for risks none of which are individually material to the Group.

Company

Company provisions presented in short and long term liabilities as at 30 June 2014 amounted to €2.9 mil. (31.12.2013: €3.5 mil.). The above amount includes among others, the provision for the rehabilitation of quarries amounting to €1.8 mil. (31.12.2013: €1.8 mil.) and the provision for staff costs of €0.8 mil. (31.12.2013: €1.6 mil.).

15. Borrowings

The maturity profile of the borrowings as shown in the financial statements and the loan contracts which are valid on 30 June 2014 is shown in the following table:

(all amounts in Euro thousands)

	Group		Company	
	30/6/2014	31/12/2013 <i>Restated</i>	30/6/2014	31/12/2013
Up to 1 year	76,820	93,724	2,508	50,173
From 1 to 2 years	15,773	298,966	-	646,704
From 2 to 3 years	229,753	20,541	97,064	-
From 3 to 4 years	338,433	220,358	603,515	99,131
From 4 to 5 years	-	3,298	-	-
More than 5 years	56,218	55,906	-	-
Total debt	716,997	692,793	703,087	796,008
Total short term borrowings	76,820	93,724	2,508	50,173
Total long term borrowings	640,177	599,069	700,579	745,835
Total debt	716,997	692,793	703,087	796,008

Group subsidiary, Titan Global Finance PLC (TGF), entered into a €455 mil. multi-currency forward start revolving credit facility with a syndicate of Greek and international banks. The contract was signed on 30 January 2014, in London. The facility, which is guaranteed by Titan Cement S.A., matures in January 2018 and it was used for refinancing credit facilities and financing general corporate purposes.

16. Financial instruments

Cash flow and fair value hedges

a) Interest Rate Swap (from floating to fixed)

1) Titan Cement Company S.A. borrowed €100 mil. under floating rates from Titan Global Finance in early 2011. Titan Cement Company S.A. then entered into floating to fixed interest rate swaps of €100 mil. notional with five financial institutions. The Company receives floating rate and pays fixed. The transaction was undertaken in order to hedge the interest rate risk associated with the floating part (1month EURIBOR) of the Euro denominated borrowing. At the inception of the hedge relationship, Titan Cement Company S.A. formally designated the hedge as a cash flow hedge and documented the risk management objective and strategy for undertaking the hedge. The terms of the interest rate swaps were negotiated to match the terms of the Euro Loan and the hedge was assessed to be highly effective.

The derivative financial instrument was initially recognized at fair value on the effective date of the contract, and is being subsequently re-measured at fair value. As at 30 June 2014, the fair value of the derivative contracts of €1,141 thousand (31.12.2013: €2,234 thousand) was recorded as a liability in the statement of financial position. As this derivative instrument has been designated as a cash flow hedge, any gains or losses arising from changes in the fair value of the derivative are recognized in the statement of comprehensive income as a separate component of equity. Consequently, as at 30 June 2014, an unrealized gain of €1,093 thousand (30.6.2013: €1,318 thousand) was recognized.

2) Titan Cement Company S.A. has an interest rate swap amounting to €30 mil. since 2009, which is recognized as a fair value hedge. As at 30 June 2014, the fair value of the derivative contracts was recorded as a liability of €283 thousand (31.12.2013: €598 thousand) in the statement of financial position. The valuation's result of €315 thousand (30.6.2013: €382 thousand) of the abovementioned derivative was recorded as finance income in the income statement for the period ended 30 June 2014.

16. Financial instruments (continued)

b) Forward Foreign Currency Exchange

In the first semester of 2012, the Group's subsidiary Titan America LLC entered into borrowings of €53.5 mil. from Titan Global Finance. At the same time, Titan America LLC also entered into forward foreign currency exchange contracts with two third-party financial institutions. The transactions were undertaken in order to hedge the foreign currency risk (€/€) associated with the Euro denominated borrowing. At the inception of the hedge relationship, Titan America LLC formally designated the hedge as a cash flow hedge and documented the risk management objective and strategy for undertaking the hedge. The hedge was assessed to be highly effective.

The abovementioned instruments were initially recognized at fair value on the effective date of the contract, and are being subsequently remeasured at fair value. As at 30 June 2014, the fair value of the derivative contracts was recorded as an asset of €1,075 thousand (31.12.2013: €1,566 thousand) in the statement of financial position. As these derivative instruments have been designated as a cash flow hedge, a gain of €216 thousand arising from changes in fair value of the derivatives was recognized through the statement of comprehensive income as a separate component of equity.

Set out below is a comparison by category of carrying amounts and fair values of the Group's and Company's financial instruments that are carried in the financial statements:

Fair value

(all amounts in Euro thousands)

	Group				Company			
	Carrying amount		Fair value		Carrying amount		Fair value	
	30/6/2014	31/12/2013 <i>Restated</i>	30/6/2014	31/12/2013 <i>Restated</i>	30/6/2014	31/12/2013	30/6/2014	31/12/2013
<u>Financial assets</u>								
Available for-sale financial assets	1,769	1,636	1,769	1,636	172	172	172	172
Other non-current assets	11,961	11,617	11,961	11,617	2,769	2,768	2,769	2,768
Derivative financial instruments	1,075	1,566	1,075	1,566	-	-	-	-
<u>Financial liabilities</u>								
Long term borrowings (note 15)	640,177	599,069	666,021	621,736	700,579	745,835	713,278	756,987
Short term borrowings (note 15)	76,820	93,724	76,870	93,819	2,508	50,173	2,508	50,173
Derivative financial instruments	1,424	3,375	1,424	3,375	1,424	2,832	1,424	2,832
Other non-current liabilities	29,159	29,635	29,159	29,635	4,251	4,557	4,251	4,557

Note: Derivative financial instruments consist of forward foreign exchange contracts and interest rate swaps.

The management assessed that the fair values of cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current assets & liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

16. Financial instruments (continued)

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation method:

Level 1: based on quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: based on valuation techniques whereby all inputs having a significant effect on the fair value are observable, either directly or indirectly.

Level 3: based on valuation techniques whereby all inputs having a significant effect on the fair value are not observable market data.

As at 30 June 2014, the Group and the Company held the following financial instruments measured at fair value:

	Group		Company		Fair value hierarchy
	Fair value		Fair value		
	30/6/2014	31/12/2013	30/6/2014	31/12/2013	
		<i>Restated</i>			
Financial assets					
Available for-sale financial assets	1,769	1,636	172	172	Level 3
Derivative financial instruments-hedged accounts	1,075	1,566	-	-	Level 2
Financial liabilities					
Long term borrowings	666,021	621,736	713,278	756,987	Level 2
Short term borrowings	76,870	93,819	2,508	50,173	Level 2
Derivative financial instruments-hedged accounts	1,141	2,234	1,141	2,234	Level 2
Derivative financial instruments-non-hedged accounts	283	1,141	283	598	Level 2
Other non current liabilities (note 22)	23,817	23,416	-	-	Level 3

There were no transfers between level 1 and 2 fair value measurements during the period and no transfers into or out of level 3 fair value measurements during the six-month period ended 30 June 2014.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than a forced liquidation or sale. The following methods and assumptions were used to estimate the fair values:

Level 2 derivative financial instruments (hedged accounts & non-hedged accounts) comprise forward foreign exchange contracts and interest rate swaps. The Group and the Company use a variety of methods and make assumptions that are based on market conditions existing at each reporting date. These forward foreign exchange contracts have been fair valued using forward exchange rates that are quoted in an active market. Interest rate swaps are fair valued using forward interest rates extracted from observable yield curves.

Level 3 available-for-sale financial assets refer mainly to investments in foreign property funds in which the Group owns an insignificant percentage. Their valuation is made based on their financial statements, which present the assets at fair value.

Level 2 long and short term borrowings are evaluated by the Group and the Company based on parameters such as interest rates, specific country risk factors, or price quotations at the reporting date.

Especially for long-term borrowings, quoted market prices or dealer quotes for the specific or similar instruments are used.

Level 3 other non-current liabilities consist of the put option that the Group has granted to non-controlling interest shareholders of its subsidiary in Albania, ANTEA Cement SHA. The put option is valued using a discounted cash flow model. The valuation requires management to make certain assumptions about unobservable inputs to the model. Certain significant unobservable inputs are disclosed in the table below:

	30/06/2014	31/12/2013
Gross margin growth rate	17.7%	14.3%
Discount rate	12.5%	12.5%

In addition to the above, forecast cash flows for the first five years are a significant unobservable input. The management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

An increase in the forecast cash flows or in the gross margin growth rate for cash flows in the subsequent periods would lead to an increase in the fair value of the put option. On the other hand, an increase in the discount rate used to discount the forecast cash flows would lead to a decrease in the fair value of the put option.

The significant unobservable inputs are not interrelated. The fair value of the put option is not significantly sensitive to a reasonable change in the forecast cash flows or the discount rate; however it is sensitive to a reasonable change in the gross margin growth rate, as described in the following table:

Sensitivity analysis of Group's gross margin growth changes:

(all amounts in Euro mil.)

Increase by 2 percentage points in the gross margin growth rate:
Decrease by 2 percentage points in the gross margin growth rate:

Effect on the fair value
+1,9
-1,7

17. Other non-current assets

(all amounts in Euro thousands)

	Group		Company	
	30/6/2014	31/12/2013 <i>Restated</i>	30/6/2014	31/12/2013
Utility deposits	3,380	3,273	2,769	2,768
Excess benefit plan assets	4,029	4,024	-	-
Notes receivable - trade	669	468	-	-
Other non-current assets	3,883	3,852	-	-
	11,961	11,617	2,769	2,768

18. Share capital and premium

2010 Programme

On June 3, 2010 the Company approved the introduction of a new, three-year Stock Option Programme (2010 Programme). In the years 2010, 2011 and 2012, executive members of the Company's Board of Directors and senior executives of the Company and its affiliates in Greece and abroad were granted options, vesting of which is subject to the financial results of the Company and the performance of its ordinary share, to acquire up to 1,000,000 ordinary shares of the Company at a sale price equal to the share's nominal value, that is €4.00 per share.

Under this Programme, the options granted each year have a maturity period of three years and can be exercised after the completion of the three year period. Each option must be exercised within the year following the one in which the final number of options that can be exercised is determined. If the deadline is exceeded, those particular options will irrevocably lapse. All vesting is conditional upon the employees' continued employment throughout the vesting period. The number of options that vest each year will be determined as follows:

- 1) One-third of options granted vest based on the financial results of the Company.
- 2) One-third of options granted vest based on Titan Cement's stock performance relative to three Athens Stock Exchange indices during the three year period.
- 3) One-third of options granted vest based on Titan Cement's stock performance relative to that of ten predefined international cement producing companies during the three year period.

The options granted under the 2010 Programme have been accounted for in terms of the requirements of IFRS 2 "Share based payments".

The fair value of the options granted in 2010, determined using the Monte Carlo Simulation valuation model, was €5.36 per option. The significant inputs used in the application of the valuation model were share price at grant date of €15.90, standard deviation of share price of 39.42%, dividend yield of 2.68% and the rate of the three-year fixed EUR swap interest rate of 2.25%.

During 2010, 267,720 share options were granted and from these share options 13,380 were cancelled. During 2013, 190,746 share options were not vested and cancelled. From the remaining 63,594 options that vested, 3,484 were cancelled, 9,828 had not been exercised and 50,282 were exercised by 75 Group executives, including 4 executive Board members of the Company. The attribution of the respective shares took place with the sale of 50,282 common treasury shares of the Company (over-the-counter transaction) with total purchase cost of €1,766 thousand. These shares represent 0.06% of Company's total shares of the paid up share capital, at a sale price per share equal to the nominal value of each Company share i.e. €4.00 per share, and a total sale price of €201 thousand. The loss caused by this transaction amounted to €1,565 thousand, attributed to the equity holders of the Company.

18. Share capital and premium (continued)

2010 Programme (continued)

During 2011, 301,200 share options were granted and from the total number of share options outstanding, 17,910 share options have been cancelled, while 118,977 share options were not vested and cancelled.

The fair value of the options granted in 2011 was €6.86 per option, determined using the Monte Carlo Simulation valuation model. The significant inputs used in the application of the valuation model were share price at grant date of €17.88, standard deviation of share price of 43.98%, dividend yield of 2.74% and the rate of the three-year fixed EUR swap interest rate of 1.89%.

During the first half of 2014, 136,783 options were vested and from these 1,809 were cancelled. The remaining 134,974 options in addition with 1,703 options, that have been granted in 2010 and vested in 2013, were exercised by 81 Group executives, including 5 executive Board members of the Company. The attribution of the respective shares took place with the sale of 136,677 common treasury shares of the Company (over-the-counter transaction) with total purchase cost of €4,805 thousand. These shares represent 0.16% of Company's total shares of the paid up share capital, at a sale price per share equal to the nominal value of each Company share i.e. €4.00 per share, and a total sale price of €547 thousand. The loss caused by this transaction amounted to €4,258 thousand (30.6.2013: €1,342), attributed to the equity holders of the Company.

During 2012, 376,290 share options were granted and from the total number of share options outstanding, 16,710 share options have been cancelled.

The fair value of the options granted in 2012 was €3.05 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodology were the share price at grant date of €14.72, the volatility of the share price estimated at 37.4%, the dividend yield of 0.7% and the yield of the 3 year EU Benchmark (Deutsche Bund) Government bond yield rate of 0.32%.

2014 Programme

On 20 June 2014, the General Meeting approved the introduction of a new, three-year Stock Option Programme. According to this Programme, the Company's Board of Directors can grant option up to 1,000,000 ordinary shares of the Company at a sale price equal to €10.00 per share. Beneficiaries of the Stock Option Plan are the executive members of the Board of Directors of the Company, the managers and the employees who have the same rank in affiliated companies inside and outside Greece and finally a limited number of the other employees who stand out on a continuous basis for their good performance and have a high potential for advancement.

The vesting period of the stock options which will be granted in 2014, 2015 and 2016 shall be three years. Therefore, the relevant option rights shall become mature in December of 2016, 2017 and 2018 respectively, provided that the beneficiaries are still employees of the Group. After the completion of the three-year vesting period, the final option rights number, which the beneficiaries will be entitled to exercise, shall be determined by the Board of Directors, within the first four months of 2017, 2018 and 2019 and shall depend:

- a) By 50% on the average three year Return on Average Capital Employed (ROACE) compared to the target of each year period, as this will be determined by the Board of Directors before granting the relevant option rights.
- b) By 50% on the overall performance of the Company's common share compared to the average overall performance of the shares of the ten predefined international cement producing companies.

On 30 June 2014, the rights of the Programme had not been granted to the beneficiaries and therefore there was no impact on the interim condensed financial statements of the first half of 2014.

18. Share capital and premium (continued)*(all amounts are shown in Euro thousands unless otherwise stated)*

	Ordinary shares		Preference shares		Share premium €'000	Total	
	Number of shares	€'000	Number of shares	€'000		Number of shares	€'000
Shares issued and fully paid							
Balance at 1 January 2013	77,063,568	308,254	7,568,960	30,276	22,826	84,632,528	361,356
Issue of shares - share option scheme	-	-	-	-	-	-	-
Balance at 30 June 2013	77,063,568	308,254	7,568,960	30,276	22,826	84,632,528	361,356
Balance at 1 January 2014	77,063,568	308,254	7,568,960	30,276	22,826	84,632,528	361,356
Issue of shares - share option scheme	-	-	-	-	-	-	-
Balance at 30 June 2014	77,063,568	308,254	7,568,960	30,276	22,826	84,632,528	361,356

	Ordinary shares		Preference shares		Total	
	Number of shares	€'000	Number of shares	€'000	Number of shares	€'000
Treasury shares						
Balance at 1 January 2013	3,111,697	89,329	5,919	117	3,117,616	89,446
Sale of treasury shares	-43,381	-1,515	-	-	-43,381	-1,515
Balance at 30 June 2013	3,068,316	87,814	5,919	117	3,074,235	87,931
Balance at 1 January 2014	3,061,415	87,563	5,919	117	3,067,334	87,680
Sale of treasury shares	-136,677	-4,805	-	-	-136,677	-4,805
Balance at 30 June 2014	2,924,738	82,758	5,919	117	2,930,657	82,875

In the first half of 2014, the average price of Titan Cement Company S.A. ordinary shares was €22.86 (H1.2013: €13.98) and the trading price of the ordinary shares as at 30 June 2014 was €23.68 (30.6.2013: €13.36).

19. Other reserves

(all amounts in Euro thousands)

Group	Legal reserve	Special reserve	Contingency reserve	Tax exempt reserves under special laws	Revaluation reserve	Actuarial differences reserve	Hedging reserves	Foreign currency translation reserve	Total other reserves
Balance at 1 January 2013	88,299	-6,477	271,892	133,192	53,739	1,432	36,163	-197,213	381,027
Other comprehensive (loss)/income	-	-	-	-	-266	503	1,384	-27,249	-25,628
Non-controlling interest's put option recognition	-	-	-	-	-1,884	-	-	-	-1,884
Transfer from reserves	2,527	-	-	-	-3,459	-	-	-	-932
Balance at 30 June 2013	90,826	-6,477	271,892	133,192	48,130	1,935	37,547	-224,462	352,583
Balance at 1 January 2014	90,826	-6,477	271,892	133,192	43,577	3,304	37,898	-280,913	293,299
Other comprehensive income/(loss)	-	-	-	-	133	-	2,134	-677	1,590
Dividends distributed for ordinary and preferred shares	-	-	-8,463	-	-	-	-	-	-8,463
Deferred tax adjustment due to change in income tax rates	-	-	-	-	-12,067	-	-	-	-12,067
Non-controlling interest's put option recognition	-	-	-	-	-1,281	-	-	-	-1,281
Special reserves from dividends of subsidiaries	-	20,000	-	-	-	-	-	-	20,000
Transfer from reserves	1,788	-	-	-	-3,475	-	-	-	-1,687
Balance at 30 June 2014	92,614	13,523	263,429	133,192	26,887	3,304	40,032	-281,590	291,391

Company	Legal reserve	Special reserve	Contingency reserve	Tax exempt reserves under special laws	Revaluation reserve	Actuarial differences reserve	Hedging reserves	Total other reserves
Balance at 1 January 2013	68,650	16,245	259,998	116,581	2,009	1,139	43,758	508,380
Other comprehensive income	-	-	-	-	-	-	1,075	1,075
Balance at 30 June 2013	68,650	16,245	259,998	116,581	2,009	1,139	44,833	509,455
Balance at 1 January 2014	68,650	16,245	259,998	116,581	2,662	1,621	45,501	511,258
Other comprehensive income	-	-	-	-	-	-	2,002	2,002
Dividends distributed for ordinary and preferred shares	-	-	-8,463	-	-	-	-	-8,463
Special reserves from dividends of subsidiaries	-	20,000	-	-	-	-	-	20,000
Balance at 30 June 2014	68,650	36,245	251,535	116,581	2,662	1,621	47,503	524,797

The Annual General Meeting of Shareholders of the Titan Cement Company S.A., which was held on 20 June 2014, approved the distribution of extraordinary reserves of a total amount of €8,463 thousand corresponding to €0.10 per common and preferred share. Such amount increased by the sum corresponding to treasury shares held by the Company amounts in total to €0.10359 per share.

The above distribution is subject to a 10% withholding tax on behalf of every shareholder. Therefore Shareholders will receive a net amount of €0.09323 per share.

In the statement of other comprehensive income, the exchange differences resulting from the translation of foreign operations in the first six months of 2014 amounted to a loss of €1.9 mil., of which €0.7 mil. are attributable to the shareholders of the Parent Company and €1.3 mil. to the non-controlling interests. The equivalent amount in the first six months of 2013, was a loss of €32.1 mil.. The difference of €30.1 mil. between the two corresponding periods consists mainly of €22.2 mil. related to the Egyptian pound and €7.5 mil. to the Turkish pound.

20. Earnings/(losses) per share

Basic earnings/(losses) per share have been calculated on the total weighted average number of common and preferred shares, excluding the average number of treasury shares. The diluted earnings/(losses) per share are calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of share options. No adjustment is made to net profit/(loss) (numerator).

21. Related party transactions

Transactions with related parties during the six month period ending 30 June 2014 as well as balances with related parties as at 30 June 2014 for the Group and the Company, according to IAS 24 are as follows:

Group

(all amounts in Euro thousands)

	Sales of goods & services	Purchases of goods & services	Receivables	Liabilities
Other interrelated parties	-	700	-	520
Executives and members of the Board	-	2,674	21	-
	-	3,374	21	520

Company

(all amounts in Euro thousands)

	Sales of goods & services	Purchases of goods & services	Receivables	Liabilities
Aeolian Maritime Company	1	-	-	265
Albasem S.A.	1	-	-	-
Interbeton Construction Materials S.A.	12,495	3,058	9,874	892
Intertitan Trading International S.A.	3,449	-	388	-
Transbeton - Domiki S.A.	410	-	603	-
Gournon Quarries S.A.	1	-	585	-
Titan Cement International Trading S.A.	1	-	240	1
Adocim Cimento Beton Sanayi ve Ticaret A.S.	1,802	-	-	-
Antea Cement SHA	418	14	983	-
Beni Suef Cement Co.S.A.E.	3,166	-	715	-
Alexandria Portland Cement Co. S.A.E.	211	-	70	-
Cementara Kosjeric AD	45	-	30	-
Cementi Crotone S.R.L.	220	-	220	-
Essex Cement Company LLC	7,217	19	1,830	-
Titan America LLC	3	-	-	259
Fintitan SRL	2,774	1	2,445	1
Sharrcem SH.P.K.	12	-	-	-
T.C.U.K. Ltd	6,789	19	72	-
Titan Global Finance PLC	-	19,653	-	706,415
Usje Cementarnica AD	7,176	-	4,275	-
Zlatna Panega Cement AD	-	15	-	15
Other subsidiaries	6	-	-	-
Other interrelated parties	-	700	-	520
Executives and members of the Board	-	2,674	21	-
	46,197	26,153	22,351	708,368

21. Related party transactions (continued)

Transactions with related parties during the six month period ending 30 June 2013 as well as balances with related parties as at 31 December 2013 for the Group and the Company, according to IAS 24 are as follows:

Group

(all amounts in Euro thousands)

	Sales of goods & services	Purchases of goods & services	Receivables	Liabilities
Other interrelated parties	-	1,151	-	521
Executives and members of the Board	-	1,599	9	-
	-	2,750	9	521

Company

(all amounts in Euro thousands)

	Sales of goods & services	Purchases of goods & services	Receivables	Liabilities
Aeolian Maritime Company	7	-	-	270
Albasem S.A.	2	-	-	-
Interbeton Construction Materials S.A.	8,277	2,533	5,889	1,012
Intertitan Trading International S.A.	2,790	-	-	-
Transbeton - Domiki S.A.	401	-	254	-
Gournon Quarries S.A.	1	-	586	-
Quarries of Tanagra S.A.	-	-	6	-
Pozolani S.A.	-	17	-	-
Titan Cement International Trading S.A.	3	-	240	-
Adocim Cimento Beton Sanayi ve Ticaret A.S.	549	-	-	-
Cementi Crotone S.R.L.	-	-	88	-
Titan Cement U.K. Ltd	-	-	3	-
Antea Cement SHA	790	-	604	-
Beni Suef Cement Co.S.A.E.	5,364	-	940	-
Alexandria Portland Cement Co. S.A.E	-	-	341	-
Cementara Kosjeric AD	63	-	12	-
Fintitan S.r.l.	3,087	-	2,693	-
Sharrcem SH.P.K	58	-	-	-
T.C.U.K. Ltd	5,449	14	-	-
Titan America LLC	-	-	-	254
Essex Cement Company LLC	8,611	8	1,574	7
Titan Global Finance PLC	-	19,821	-	753,878
Usje Cementarnica AD	3,885	386	74	-
Zlatna Panega Cement AD	2	2	-	-
Other subsidiaries	7	-	-	-
Other interrelated parties	-	1,151	-	521
Executives and members of the Board	-	1,599	9	-
	39,346	25,531	13,313	755,942

22. Contingencies and Commitments

(all amounts in Euro thousands)

Contingent liabilities

	Group		Company	
	30/6/2014	31/12/2013 Restated	30/6/2014	31/12/2013
Guarantees to third parties on behalf of subsidiaries	-	-	728,070	653,418
Bank guarantee letters	43,267	42,368	11,134	10,373
Other	4,316	4,555	2,478	2,478
	47,583	46,923	741,682	666,269

Litigation matters in Egypt

A. Privatization cases

1. In 2011, two former employees of Beni Suef Cement Company S.A.E. (BSCC), a Titan Group company in Egypt, filed an action before the Administrative Court of Cairo, seeking the nullification of the privatization of BSCC which took place in 1999 through the sale of BSCC's shares to Financiere Lafarge after a public auction. Titan Group acquired in 1999 50% and in 2008 the balance of Lafarge's interest in BSCC. Approximately 99.98% in the share capital of BSCC is held today by Alexandria Portland Cement Company S.A., a Titan group company listed in the Egyptian Stock Exchange. The Administrative Court of Cairo issued on 15 February 2014 a first instance judgment which entirely dismissed the request for cancellation of the privatization of BSCC. The Court further judged the re-employment of ex-employees who had left the company in the framework of voluntary redundancy schemes. BSCC and the plaintiffs have already appealed against the judgment of the first instance court. The view of BSCC's lawyers is that the plaintiffs' action is devoid of any legal or factual ground.
2. In June 2013, BSCC was notified of another action filed before the Administrative Court of Cairo seeking as in the above case to cancel the sale of the shares of BSCC to Financiere Lafarge. The hearing scheduled in respect of this case has been repeatedly postponed and to date no judgment has been handed down. The view of BSCC's lawyers is that the action is devoid of any legal or factual ground.
3. In 2012, an ex-employee of Alexandria Portland Cement Company SA (APCC), a Titan Group company in Egypt, brought an action before the Administrative Court of Alexandria against the President of the Republic of Egypt, the Prime Minister, the Minister of Investments, the Minister of Industry, the Governor of Alexandria, the Manager of the Mines and Salinas Project in Alexandria and the Manager of the Mines and Quarries Department in Alexandria seeking the annulment of the sale of the shares of APCC to Blue Circle Cement Group in 1999. APCC was not named defendant in the action. Following a capital market transaction concluded in 2001, Blue Circle Cement Group was acquired by Lafarge Group, which subsequently sold its interest in APCC through two private transactions to Titan Group in 2002 and 2008. The hearing scheduled in respect of this case has been repeatedly postponed and to date no judgment has been handed down. The view of APCC's lawyers is that the action is devoid of any legal and factual ground.
4. In May 2013, a new action was filed by 3 ex-employees of APCC seeking as in the above case the annulment of the sale of the shares of APCC to Blue Circle Cement Group. The action has been raised against the Prime Minister, the Minister of Investment, and the Chairman of the holding company for chemical industries, the President of the Central Auditing Organization, the legal representative of Alexandria Portland Cement Company and the legal representative of Blue Circle industries. The case has been repeatedly adjourned and the next hearing has been scheduled for 14 August 2014. The view of APCC's lawyers is that the action is devoid of any legal and factual ground.

22. Contingencies and Commitments (continued)

B. Other cases

1. An individual residing in the vicinity of the plant of Alexandria Portland Cement Company SA (APCC), a Titan Group company in Egypt has filed a claim before the Administrative Court of Alexandria against the Governor of Alexandria, the Head of El-Agamy District, the Minister of Trading and Industry, the Minister of Environment, the President of Alexandria Environmental Affairs Agency, the President of Industrial Development Authority and APCC, seeking the abolition of the administrative decision of the competent Egyptian authority which issued the operating license for the APCC plant in Alexandria, alleging violations of environmental and related regulation. On 25 May 2014 the court decided to refer this case to the Cairo Administrative Court due to lack of jurisdiction. The view of APCC's Legal Department is that the plant's operating license has been issued lawfully and in full compliance with the relevant Egyptian laws and regulations.

2. In 2007, Beni Suef Cement Company S.A. (BSCC), a Group subsidiary in Egypt, obtained the license for the construction of a second production line at the company's plant through a bidding process run by the Egyptian Trading and Industrial Authority for the amount of EGP 134.5 mil. The Egyptian Industrial Development Authority subsequently raised the value of the license to EGP 251 mil. In October 2008 BSCC filed a case before the Administrative Court against the Minister of Trade and Industry and the chairman of the Industrial Development Authority requesting an order obliging the Industrial Development Authority to grant the expansion license to BSCC for EGP 500. Alternatively, if the court rejects this request, BSCC is requesting the price to be the EGP 134.5 mil offered by BSCC in the bid. The case has been repeatedly adjourned and the next hearing has been scheduled for August 30, 2014. The view of BSCC's lawyers is that the case has a high probability of being won.

3. A non-governmental organization, the Nile Agricultural Organization, has raised a court case against Beni Suef Cement Company S.A. (BSCC), a Group subsidiary in Egypt, claiming that BSCC has illegally occupied the plaintiff's land and is seeking compensation to the amount of EGP 300 mil. The contested land however has been legally allocated to BSCC many years ago by the relevant authority, the New Urban Communities Agency, and since 1988 BSCC has held the licenses for the exploitation of the quarries on this land. The view of BSCC's lawyers is that the case has a high probability of being won.

US- Pennsuco silo roof collapse

The portion of a structure's roof over a concrete silo collapsed at the Group's subsidiary Pennsuco cement plant near Miami, Florida on 17 August 2012, resulting in the fatality of one employee. The Group's own investigation has indicated that the collapse occurred due to internal roof beam failures associated with deficiencies and defects in original design and construction when the three silo structure was built approximately 30 years prior by a contractor when the facility was owned by a company unrelated to Titan Group and its Florida subsidiary, Titan Florida LLC (former Tarmac America LLC). However, the U.S. Department of Labor, Mine Safety and Health Administration ("MSHA") issued an investigation report, finding that the accident was also due to management's failure to detect and correct silo structure roof deficiencies and failures and correspondingly issued two Notices of Violation with penalties totaling USD 108 thousand.

The subsidiary has taken exception to the report in a letter to MSHA, arguing these construction and design deficiencies were not detectable prior to the accident. The deceased's estate has commenced action against multiple parties who have performed construction and/or maintenance work on the silo in the past several years. The deceased's estate has amended their complaint in order to bring a direct action against Titan Florida LLC as a defendant in a wrongful death claim and discovery is continuing. However, it is premature to give an opinion as to the outcome with respect to any actions by the deceased's estate due to Titan Florida's defense rights relating to tort immunity under Florida's workers' compensation laws.

There are no other litigation matters which may have a material impact on the financial position of the Company and the Group.

CO2 emissions

During the period of the severe economic downturn, the Group's available Carbon Dioxide emissions allowances exceeded the Group's production needs. However, recent EU decisions to further curtail CO2 emissions allowances for the cement industry, may lead to shortfalls in the future. On the basis of its current strategic planning the Group intends to manage any potential shortfall by foregoing lower margin sales opportunities, thus capping production at, or below, the level matching available allowances.

22. Contingencies and Commitments (continued)

Put option in Antea

The Group has granted to non controlling interest shareholders, European Bank for Reconstruction and Development (EBRD) and International Finance Corporation (IFC) the option to sell their shares in ANTEA Cement SHA at predetermined conditions. On 30 June 2014 the put option's fair value recorded a liability of €23.8 mil. (31.12.2013: €23.4 mil.) (note 16).

Contingent tax liability

The financial years, referred to in note 13, have not been audited by the tax authorities and therefore the tax obligations of the Company and its subsidiaries for those years have not yet been finalized.

Other than the items referred to in the preceding paragraph, it is not anticipated that any material contingent liabilities will arise.

(all amounts in Euro thousands)

Contingent assets

	Group		Company	
	30/6/2014	31/12/2013 Restated	30/6/2014	31/12/2013
Bank guarantee letters for securing trade receivables	14,080	14,326	9,369	10,117
Other collaterals against trade receivables	4,387	3,782	1,339	1,339
	18,467	18,108	10,708	11,456
Collaterals against other receivables	3,745	3,739	3,745	3,739
	22,212	21,847	14,453	15,195

Commitments

Capital commitments

Capital commitments contracted for at the balance sheet date but not recognized in the financial statements are as follows:

	Group		Company	
	30/6/2014	31/12/2013	30/6/2014	31/12/2013
Property, plant and equipment	9,169	5,181	7,737	3,355

Purchase commitments

(all amounts in Euro thousands)

	Group		Company	
	30/6/2014	31/12/2013	30/6/2014	31/12/2013
Energy supply contracts (Gas, electricity, etc.)	137,993	146,008	-	-

The Group's subsidiaries in Egypt have agreements requiring the purchase of certain minimum quantities of gas for the subsequent years.

Also, the Group's US subsidiaries have entered a contract to purchase raw materials and manufacturing supplies as part of their ongoing operations in Florida. This includes a contract to buy construction aggregates through a multi-year agreement at prevailing market prices.

Operating lease commitments - where a Group company is the lessee

The Group leases motor vehicles, properties and other equipment under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

(all amounts in Euro thousands)

	Group		Company	
	30/6/2014	31/12/2013	30/6/2014	31/12/2013
Not later than 1 years	7,156	7,467	694	641
Later than 1 years and not later than 5 years	19,041	21,388	1,060	928
Beyond 5 years	13,620	12,599	-	-
	39,817	41,454	1,754	1,569

23. Inventories

The increase in Group inventories by €27.1 mil. is mainly due to the increased deliveries of solid fuels and spare parts, while the decline in Company inventories by €5.4 mil. is primarily due to the decrease of clinker inventories.

24. Trade receivables

On 30 June 2014, the subsidiary of the Group Titan America LLC (TALLC) and certain of its subsidiaries entered into a series of Receivables Purchase and Sales Agreements (RPSA) with a third party. Under the terms of the arrangements, TALLC and its subsidiaries do not maintain control over the assets sold and are neither entitled nor obliged to repurchase the sold receivables.

25. Foreign exchange differences

The variance of €5.3 mil. in the account "losses from foreign exchange differences" in the income statement for the period ended 30 June 2014 compared to the six months of the previous year, is mainly due to the valuation of loans (including intercompany loans) in Euro and US dollar, recorded by the Group's subsidiaries that operate in Egypt, US and Albania and have other functional currencies. The volatility arising from foreign exchange rate fluctuations will continue to affect the Group's performance until the full repayment of the respective loans.

26. Reclassifications

In the interim income statement of the Group for the period 1.1-30.6.2013, an amount of €905 thousand was reclassified and transferred from the account "other operating income" to the account "cost of sales", for reasons of consistency with the interim income statement for the period 1.1-30.6.2014.

In the interim income statement of the Company for the period 1.1-30.6.2013, an amount of €155 thousand was reclassified and transferred from the account "other operating income" to the account "cost of sales", for reasons of consistency with the interim income statement for the period 1.1-30.6.2014.

The aforementioned reclassifications were made for presentation purposes and had no impact on prior year equity, non-controlling interests, turnover, earnings before interest, taxes, depreciation and amortization (EBITDA) and earnings after taxes, of the Group and Company.

27. Events after the reporting period

On 10 July 2014, the Group subsidiary Titan Global Finance Plc issued Euro denominated notes with a five year tenure, which are guaranteed by Titan Cement Company S.A. The notes are traded on the regulated market of the Luxembourg Stock Exchange and their nominal value is €300 mil. with an annual coupon of 4.25%. The proceeds from the issue will be used to refinance existing credit facilities of the Group.

28. Principal exchange rates

Balance sheet	30/06/2014	31/12/2013	30/6/2014 vs 31/12/2013
€1 = USD	1.37	1.38	-1.0%
€1 = EGP	9.76	9.58	1.9%
€1 = TRY	2.90	2.96	-2.1%
1USD=EGP	7.15	6.95	2.9%
€1 = RSD	115.79	114.64	1.0%
1USD = JPY	101.36	104.94	-3.4%

Profit and loss	Ave 6M 2014	Ave 6M 2013	Ave 6M 2014 vs 6M 2013
€1 = USD	1.37	1.31	4.4%
€1 = EGP	9.62	8.96	7.4%
€1 = TRY	2.97	2.38	24.7%
1USD=EGP	7.02	6.82	2.9%
€1 = RSD	115.65	111.90	3.4%
1USD = JPY	102.46	95.56	7.2%



TITAN CEMENT COMPANY S.A.
Company's Number in the General Electronic Commercial Registry: 224301000
(former Company's Number in the Register of Societes Anonymes: 6013/06/B/86/90)
22A Halkidos Street - 111 43 Athens

Figures and information for the period of 1 January 2014 until 30 June 2014
According to 4/507/28.4.2009 resolution of Greek Capital Committee

The figures illustrated bellow provide summary information about the financial position of Titan Cement S.A. and its subsidiaries. We advise the reader, before making any investment decision or other transaction concerning the company, to visit the company's web site where the financial statements together with the review report of the external auditor, when required, are presented.

Company's web address: www.titan-cement.com
Board of Directors approval date: July 31, 2014
Name of the auditor: Chris Pelendridis (SOEL R.N. 17831)
Auditing firm: Ernst & Young (HELLAS) Certified Auditors Accountants SA
Type of Auditor's Review Report: Without qualification

CONDENSED STATEMENT OF FINANCIAL POSITION (Amounts in € thousand)				
ASSETS	GROUP		COMPANY	
	30/06/2014	31/12/2013	30/06/2014	31/12/2013
Tangible assets	1,542,001	1,564,945	230,972	232,332
Investment properties	13,214	13,220	13,973	13,973
Intangible assets	408,351	414,028	2,083	1,185
Other non current assets	101,527	91,644	1,147,926	1,246,708
Inventories	248,430	221,376	64,268	69,694
Trade receivables	96,126	112,340	42,173	28,708
Other current assets	65,619	62,045	17,604	17,023
Cash and cash equivalents	226,945	184,257	9,143	8,780
TOTAL ASSETS	2,702,213	2,663,855	1,528,142	1,618,403
SHAREHOLDERS EQUITY AND LIABILITIES				
Share Capital (84,632,528 shares of € 4.00)	338,530	338,530	338,530	338,530
Share Premium	22,826	22,826	22,826	22,826
Share stock options	4,181	3,971	4,181	3,971
Treasury Shares	-82,875	-87,680	-82,875	-87,680
Retained earnings and other reserves	1,116,909	1,138,480	457,463	460,021
Total share capital and reserves (a)	1,399,571	1,416,127	740,125	737,668
Non-controlling interests (b)	120,536	122,683	-	-
Total Equity (c)=(a)+(b)	1,520,107	1,538,810	740,125	737,668
Long-term borrowings	640,177	599,069	700,579	745,835
Provisions and other long-term liabilities	238,073	229,494	25,898	31,807
Short-term borrowings	76,820	93,724	2,508	50,173
Other short-term liabilities	227,036	202,758	59,032	52,920
Total liabilities (d)	1,182,106	1,125,045	788,017	880,735
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES (c)+(d)	2,702,213	2,663,855	1,528,142	1,618,403

CONDENSED STATEMENT OF CHANGES IN EQUITY (Amounts in € thousand)				
Equity balance at beginning of the period (1/1/2014 and 1/1/2013 respectively)	GROUP		COMPANY	
	30/06/2014	30/06/2013	30/06/2014	30/06/2013
Total comprehensive income/(loss) net of tax	4,873	-48,935	10,163	-21,315
Share based payment transactions	210	590	210	590
Sale of treasury shares	547	173	547	173
Dividends distributed to non-controlling interests	-844	-746	-	-
Contingency reserve distributed to shareholders	-8,463	-	-8,463	-
Non-controlling interest's put option recognition	-401	-199	-	-
Deferred tax adjustment due to change in income tax rates on revaluation reserves	-14,625	-	-	-
Equity balance at the end of the period (30/6/2014 and 30/6/2013 respectively)	1,520,107	1,610,824	740,125	756,111

CASH FLOW STATEMENT (Amounts in € thousand)				
Cash flows from operating activities	GROUP		COMPANY	
	1/1-30/6/2014	1/1-30/6/2013	1/1-30/6/2014	1/1-30/6/2013
Profit/(loss) before taxes	6,700	-12,323	2,653	-21,913
Adjustments for:				
Depreciation, amortization and impairment of tangible and intangible assets	53,077	59,175	5,925	6,477
Provisions	37	-2,661	-3,184	110
Exchange differences	1,649	6,415	444	18
Income from participations	-	-	-20,000	-
Interest expense	28,167	30,350	21,865	21,530
Other non cash items	-2,614	4,230	3,296	1,487
Operating profit before changes in working capital	87,016	85,186	10,999	7,709
(Increase)/decrease in inventories	-28,506	-5,195	5,765	2,634
Decrease/(increase) in trade and other receivables	9,651	-16,316	-14,303	-9,429
(Increase)/decrease in operating long-term receivables/payables	-710	-1,071	40	82
Increase in trade & other payables (excluding banks)	19,907	10,402	1,411	9,224
Cash from operations	87,358	73,006	3,912	10,220
Income tax paid	-12,064	-18,606	-966	-593
Net cash flows from operating activities (a)	75,294	54,400	2,946	9,627
Cash flows from investing activities				
Share capital decrease/(increase) in subsidiaries, associates and joint ventures	-	-	98,808	-30,141
Purchase of tangible assets	-28,384	-17,822	-5,356	-4,854
Purchase of intangible assets	-358	-568	-314	-182
Proceeds from the sale of property, plant and equipment	842	974	84	606
Acquisition of non controlling interests	-	-4,000	-	-
Purchases of available-for-sale financial assets	-	-3,040	-	-3,000
Dividends received	-	-	20,000	-
Interest received	1,257	2,229	53	565
Net cash flows (used in)/from investing activities (b)	-26,643	-22,227	113,275	-37,006
Net cash flows after investing activities (a)+(b)	48,651	32,173	116,221	-27,379
Cash flows from financing activities				
Interest paid	-27,354	-21,662	-22,059	-22,353
Sale of treasury shares	547	173	547	173
Dividends paid to shareholders	-	-70	-	-70
Dividends paid to non-controlling interests	-506	-391	-	-
Proceeds from borrowings	196,024	608,865	96,394	173,434
Payments of borrowings	-174,536	-601,359	-190,738	-91,323
Net cash flows (used in)/from financing activities (c)	-5,825	-14,444	-115,856	-59,861
Net increase in cash and cash equivalents (a)+(b)+(c)	42,826	17,729	365	32,482
Cash and cash equivalents at beginning of the period	184,257	283,987	8,780	35,601
Effects of exchange rate changes	-138	-2,380	-2	-27
Cash and cash equivalents at end of the period	226,945	299,336	9,143	68,056

CONDENSED INCOME STATEMENT (Amounts in € thousand)				
Revenue	GROUP		COMPANY	
	1/4-30/6/2014	1/4-30/6/2013	1/4-30/6/2014	1/4-30/6/2013
Cost of sales	319,427	314,695	75,653	68,272
Gross profit before depreciation and amortization	-231,395	-227,785	-61,144	-53,159
Other operating income	88,032	86,910	14,509	15,113
Administrative expenses	1,368	6,301	2,891	2,242
Selling and marketing expenses	-26,149	-23,868	-8,248	-7,865
Profit before interest, taxes, depreciation and amortization	-4,727	-4,360	-35	-52
Depreciation, amortization and impairment of tangibles/ intangibles assets	58,524	64,983	9,117	9,438
Profit before interest and taxes	-26,440	-30,093	-3,411	-3,200
Finance costs	32,084	34,890	5,706	6,238
Share of profit/(loss) of associates	-17,692	-23,404	-11,070	-12,408
Profit/(loss) before taxes	2,004	-326	-	-
Income tax	16,396	11,160	-5,364	-6,170
Profit/(loss) after taxes (a)	-2,479	-3,463	4,465	874
Attributable to:	13,917	7,697	-899	-5,296
Equity holders of the parent	13,919	5,268	-899	-5,296
Non-controlling interests	-2	2,429	-	-
Basic earnings/(losses) per share (in €)	0.1706	0.0646	-0.0111	-0.0649

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (Amounts in € thousand)				
Profit/(loss) after taxes (a)	GROUP		COMPANY	
	1/4-30/6/2014	1/4-30/6/2013	1/4-30/6/2014	1/4-30/6/2013
Other comprehensive income/(loss):	13,917	7,697	-899	-5,296
Exchange differences on translation of foreign operations	-859	-37,317	-	-
Cash flow hedges	664	727	518	664
Net profit/(loss) on available-for-sale financial assets	133	-329	-	-328
Actuarial gains on defined benefit plans	-	824	-	-
Income tax relating to components of other comprehensive income	1,002	-261	1,059	85
Other comprehensive income/(loss) net of tax (b)	940	-36,356	1,577	421
Total comprehensive income/(loss) net of tax (a)+(b)	14,857	-28,659	678	-4,875
Total comprehensive income/(loss) attributable to:				
Equity holders of the parent	15,958	-27,776	678	-4,875
Non-controlling interests	-1,101	-883	-	-

CONDENSED INCOME STATEMENT (Amounts in € thousand)				
Revenue	GROUP		COMPANY	
	1/1-30/6/2014	1/1-30/6/2013	1/1-30/6/2014	1/1-30/6/2013
Cost of sales	571,221	549,931	133,843	118,882
Gross profit before depreciation and amortization	-430,905	-415,820	-111,313	-99,446
Other operating income	140,316	134,111	22,530	19,436
Administrative expenses	5,863	7,322	5,001	3,301
Selling and marketing expenses	-48,019	-44,743	-15,256	-15,203
Profit before interest, taxes, depreciation and amortization	-9,163	-8,436	-66	-76
Depreciation, amortization and impairment of tangibles/ intangibles assets	88,997	88,254	12,209	7,458
Profit before interest and taxes	-53,077	-59,175	-5,925	-6,477
Finance costs	35,920	29,079	6,284	981
Income from participations	-31,250	-40,591	-23,631	-22,894
Share of profit/(loss) of associates	-	-	20,000	-
Profit/(loss) before taxes	2,030	-811	-	-
Income tax	6,700	-12,323	2,653	-21,913
Profit/(loss) after taxes (a)	-2,144	-6,146	5,508	-477
Attributable to:	4,556	-18,469	8,161	-22,390
Equity holders of the parent	2,908	-21,799	8,161	-22,390
Non-controlling interests	1,648	3,330	-	-
Basic earnings/(losses) per share (in €)	0.0356	-0.2674	0.1000	-0.2746

CONDENSED STATEMENT OF COMPREHENSIVE INCOME (Amounts in € thousand)				
Profit/(loss) after taxes (a)	GROUP		COMPANY	
	1/1-30/6/2014	1/1-30/6/2013	1/1-30/6/2014	1/1-30/6/2013
Other comprehensive income/(loss):	4,556	-18,469	8,161	-22,390
Exchange differences on translation of foreign operations	-1,950	-32,087	-	-
Cash flow hedges	1,309	1,427	1,093	1,318
Net profit/(loss) on available-for-sale financial assets	133	-351	-	-328
Actuarial gains on defined benefit plans	-	824	-	-
Income tax relating to components of other comprehensive income	825	-279	909	85
Other comprehensive income/(loss) net of tax (b)	317	-30,466	2,002	1,075
Total comprehensive income/(loss) net of tax (a)+(b)	4,873	-48,935	10,163	-21,315
Total comprehensive income/(loss) attributable to:				
Equity holders of the parent	4,498	-47,427	10,163	-21,315
Non-controlling interests	375	-1,508	-	-

NOTES

- The accounting principles applied in preparing these interim condensed financial statements are the same as those applied for preparing the financial statements on 31.12.2013 except for the adoption of the new or amended standards and interpretations as described in detail in note 2 of the interim condensed financial statements.
- Certain amounts of the previous period do not correspond to the interim condensed consolidated financial statements as at 30.6.2013 and the annual consolidated financial statements as at 31.12.2013 and reflect adjustments due to the application of the new IFRS 11. By applying the new standard, the proportional method of consolidation for the joint ventures, Adocim Cimento Beton Sanayi ve Ticaret AS and Transbeton - Domiki SA, is replaced with the equity method (note 2.2 of the interim condensed financial statements).
- The total number of its own shares that the Company held on 30.6.2014 is 2,930,657 of aggregate value €82,875 thousand and this amount has been deducted from the Shareholders Equity of the Group and the Company.
- The Annual General Meeting of Shareholders of the Titan Cement Company S.A., which was held on 20th June 2014, approved the distribution of extraordinary reserves of a total amount of €8,463 thousand, corresponding to €0.10 per common and preferred share. Such amount increased by the sum corresponding to treasury shares held by the Company amounts in total to €0.10359 per share. The above distribution is subject to a 10% withholding tax on behalf of every shareholder.
- In accordance with the Stock Option Plan instituted pursuant to resolution dated 3.6.2010 of the Annual General Meeting of Shareholders, the Company proceeded in the first half of 2014 to the sale of 136,677 common treasury shares representing 0.16% of its paid up share capital to 81 Titan Group executives, at a sale price per share equal to the nominal value of each Company share i.e. €4.00 per share, and a total sale price of €547 thousand.
- Number of employees at the end of the reporting period: Group 5,265 (30.6.2013: 5,251), Company 802 (30.6.2013: 802).
- Earnings per share have been calculated on the total weighted average number of common and preference shares, excluding the average number of treasury shares.
- Capital expenditure excluding acquisitions and intangible assets for the first six months of 2014 amounted to: Group €28.3 m. (30.6.2013: €17.8 m.), Company €5.4 m. (30.6.2013: €4.9 m.).
- The companies of Titan Group, their respective addresses, the percentage of Group participation in their share capital and their consolidation method are comprehensively presented in note 12 of the interim financial statements.
- The unaudited by the tax authorities fiscal years for the Company and the Group's subsidiaries are presented in detail in the note 13 of the interim financial statements. There are no material provisions accounted for the unaudited by the tax authorities fiscal years as well as for litigation issues both for the Group and the Company.
- Transactions during the period 1.1-30.6.2014 and balances as at 30 June 2014 with related parties, as defined in IAS 24, are as follows:
Amounts in € thousand

	Group	Company
a) Income	-	46,197
b) Expenses	700	23,479
c) Receivables	-	22,330
d) Payables	520	708,368
e) Key management compensations	2,674	2,674
f) Receivables from key management	21	21
- The balance of other provisions (short and long term) on 30.6.2014 amounted to €14.4 m. for the Group (31.12.2013: €14.7 m.) and €2.9 m. for the Company (31.12.2013: €3.5 m.).
- Certain prior period amounts have been reclassified for presentation purposes with no impact on the prior year/period equity, turnover and earnings after tax of the Group and the Company (note 26 of the interim condensed financial statements).
- The US-based associated company Ash Venture LLC, of which the Group owns a 33% share since December 17, 2013, began its commercial activity on January 1, 2014 (note 11 of the condensed interim financial statements).

Athens July 31, 2014

Chairman of the Board of Directors

Chief Executive Officer

Chief Financial Officer

Finance Director Greece

Financial Consolidation Senior Manager

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