TITAN CEMENT COMPANY S.A.
ANNUAL FINANCIAL REPORT
For the year 1.1.2017 -31.12.2017

The Annual Financial Report for the year 1.1.2017- 31.12.2017 has been drawn up in accordance with article 4 of Law 3556/2007 and was approved by the Board of Directors of TITAN CEMENT COMPANY S.A. on March 28, 2018. It can be found on line, at the following address: www.titan.gr

TITAN CEMENT COMPPANY S.A.

GENERAL COMMERCIAL REGISTRY NUMBER : 224301000

REGISTERED ADDRESS: 22A HALKIDOS STREET– 111 43 ATHENS

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Annual Report of the Board of Directors for the year 01.01.2017-31.12.2017

Business model

About TITAN Group

TITAN is an international cement and building materials producer, with a history of more than 110 years. The Group's business activities include the production, transportation and distribution of cement, concrete, aggregates, fly ash, mortars and other building materials.

The Group is headquartered in Athens, Greece and has operations in 14 countries, which are managed under four geographic regions: USA; Greece and Western Europe; Southeastern Europe; and Eastern Mediterranean. The Group also has joint ventures in Turkey and Brazil.

In 2017 TITAN generated a consolidated turnover of €1,505.8 million and EBITDA of €273.4 million. At year-end TITAN employed 5,432 people in total (2016: 5,482).

Governing objective

TITAN aims to grow as a multiregional, vertically integrated cement producer, combining entrepreneurial spirit and operational excellence with respect for people, society and the environment. This objective is translated into four strategic priorities:

- Geographic diversification: Expansion of the Group's business through acquisitions and greenfield developments into attractive new markets
- Vertical integration: Extension of the Group into other product areas in the cement value chain
- Continuous competitive improvement: Implementation of new efficiencies throughout the Group to reduce costs and to compete more effectively
- Focus on human capital and Corporate Social Responsibility: Development of employees and continuous improvement of the Group's good relationships with all internal and external stakeholders.

TITAN Values

TITAN's values stem directly from the principles, beliefs and vision of its founders back in 1902. They are the core elements of TITAN's culture and family spirit, providing the foundations of the Group's operations and growth.

- Integrity
  - Ethical business practices
  - Transparency
  - Open communication
- Know-how
  - Enhancement of knowledge base
  - Proficiency in every function
  - Excellence in core competencies
- Value to the customer
  - Anticipation of customer needs
  - Innovative solutions
  - High quality of products and services
- Delivering results
  - Shareholder value
  - Clear objectives
  - High standards
- Continuous improvement
  - Learning organization
  - Willingness to change
  - Rise to challenges
- Corporate Social Responsibility
  - Safety first
  - Sustainable development
  - Stakeholder engagement

Value creation

TITAN is creating value through its products and services; they serve the need for safe, durable, resilient, affordable and sustainable housing and infrastructure. The related core activities of the Group include the extraction of raw materials and their transformation into building products, the distribution of the products to customers and the transfer of know-how and expertise through collaborations with customers and business partners, local communities and academia.

Main raw materials used include limestone, clay, gypsum, mineral aggregates, energy and water. TITAN also operates systems for recycling, processing and utilizing waste as alternative raw materials and alternative fuels, thereby preserving valuable resources and reducing the carbon footprint.

TITAN's Research & Development activities include the monitoring, integration and application within TITAN Group of the global trends regarding the environmental footprint reduction, with particular focus of CO_2 reduction, both through process improvements as well as through the development of low carbon clinkers. TITAN is engaged in long-term partnerships with scientific institutions, such as the European Cement Research Academy (ECRA) and academia and participates in R&D projects relating to new technologies, methods and materials that can reduce carbon footprint throughout the value chain, in line with the Low Carbon Technology Partnerships Initiative (LCTPi) and the Paris Agreement on climate change (CoP21).

Another focus area is the development of new products, applying for example nanotechnology in cement and clinker, as well as the development of new cement, mortar and concrete recipes to serve our customers' needs.

The economic value created and distributed directly to key stakeholders in 2017 was as follows:

- €281.6 million to employees for salaries, pensions and social benefits, including additional benefits beyond those provided by law
- €942.9 million to local and international suppliers
- €83.8 million in taxes to national and local authorities
- €96.5 million to shareholders and minorities in cash payments

In 2017, capital and operational expenditure related to environmental improvements amounted to €27.5 million, The Group also spent €2.1million in support of community projects.

Financial review

Development of activities and significant financial events

Annual results for 2017 continued to reflect solid fundamental metrics for the TITAN Group, largely owing to the continuing strength of the US market. Consolidated turnover remained stable, at €1,505.8 million, a marginal 0.2% decline compared to 2016. EBITDA reached €273.4 million, a 1.9% decrease. Non-recurring events (staff redundancy programs in Egypt and Greece and hurricane Irma in Florida) had a negative impact on EBITDA of about €17 million, against €6.7 million of such costs in 2016. Moreover, the significant devaluation of the Egyptian Pound in late 2016, as well as the strengthening of the Euro against the USD during 2017, weighed on Group operating results: At stable exchange rates, consolidated turnover would have been higher by €148 million and EBITDA by €18 million.

Net Profit after minorities and the provision for taxes (NPAT) was €42.7 million, compared to €127.4 million in 2016. It should be noted that net profit in 2016 included an €90 million deferred tax credit recognition in the US, associated with previously unrecognized carry-forward tax losses.

Operating free cash flow for the full year 2017 was €118 million, €7 million below 2016 levels. Group net debt at 31.12.207 was €723 million, €62 million higher compared to 31.12.2016.

The Group subsidiary Titan Global Finance PLC (TGF) entered into a €300 million multi-currency revolving credit facility with a syndicate of four Greek and four international banks. The contract was signed on April 2017, in London. The facility, which is guaranteed by Titan Cement S.A., matures in January 2022 and it will be used for refinancing credit facilities and financing general corporate purposes.

The Group subsidiary Titan Global Finance PLC (TGF) issued notes of €250 million nominal amount at par, due in 2024, with a coupon of 2.375% per annum, guaranteed by Titan Cement S.A. The offering was completed on 16 November 2017. The notes are traded on the Global Exchange Market (GEM), the exchange regulated market of the Irish Stock Exchange. The proceeds were used by the Issuer to purchase prior to maturity €126.6 million of its outstanding 4.25% guaranteed notes due in July 2019 pursuant to a tender offer. The remaining proceeds were used for general corporate purposes including the repayment of bank and other commercial debt.

In January 2018, TGF tapped the market for a further €100 million at the same terms thus increasing the total amount of the November 2017 issue to €350 million.

Over the last years the Group has succeeded in diversifying its sources of funding and has consistently reduced its cost of debt.

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

The Board of Directors intends to propose to the Annual General Meeting of shareholders, scheduled for 1st June, 2018, a dividend distribution of €0.05 and a return of capital of €0.50 per issued share. The exact amounts to be distributed per share will be adjusted upwards to include the amounts corresponding to company treasury shares.

The common stock price of the Company closed at €22.90 a share on 31.12.2017, increasing by 2.7% since 31.12.2016. During the same period, the Athens Stock Exchange (ASE) General Index posted a 24.7% increase.

Market Overviews

In 2017, once again, the US market drove the Group's profitability. Demand for building materials continued on its secular growth trend, underpinned by an increasingly broad-based economic recovery, healthy consumer and investor confidence, employment and wage growth, low interest rates, and improving State finances. Titan America was well placed to benefit from the improving markets, on the back of an extensive investment program of about

€240 million undertaken over the course of the previous three years, which improved operational efficiency and expanded ready-mix concrete, aggregates and fly-ash activities.
Results were held back by the temporary disruption to construction activity caused by hurricane Irma, which struck Florida in September 2017, as well as unfavorable weather conditions, especially in the final quarter of the year.

Total turnover in the US for 2017 increased by 9.9% reaching €873.2 million while EBITDA increased by 27.5% to €185.1 million.

In Greece, building activity weakened further in 2017, following the completion of certain major public works projects in the first half of the year. Private building activity remained at extraordinarily low levels, despite increasing demand from the expanding tourism sector. Export volumes remained high, although the strengthening of the Euro against the US Dollar combined with the increased fuel prices, affected profitability margins. Included in results is also a €4 million restructuring charge, as a result of a staff voluntary reduction program which took place in the fourth quarter of the year.

Total turnover in Group region Greece and Western Europe in 2017 reached €248.7 million, posting a 4.8% decline compared to 2016. EBITDA was €18.3 million, versus €36.4 million in 2016, recording a 49.7% decline.

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

Turnover in Southeastern Europe in 2017 increased by 10.5% and reached €225.7 million while EBITDA increased by 1.2% to €56.9 million.

Egypt was severely affected by the sharp devaluation of the Egyptian Pound in late 2016. Cement demand declined by 4.7% compared to 2016. The cost of energy, substantially paid in hard currency, recorded a significant increase, which would have been much higher had the plants not converted to solid fuels and expanded the use of alternative fuels in a timely way. Selling prices increased in local currency but still recorded a substantial decline in Euro-terms, to levels that were insufficient to compensate for the effect of the devaluation and resulting inflation on costs. Furthermore, the implementation of a staff reduction restructuring program in Q3 adversely impacted 2017 results by €6.3 million.

Turnover in the Eastern Mediterranean region in 2017 declined by 36.5% reaching €158.2 million, while EBITDA at €13.2 million posted a 67.8% decline compared to the previous year.

As regards the Group's joint ventures, demand in Brazil in 2017 continued to decline, albeit at a softer pace, while there was an increase in prices in the second half of the year, following the improvement recorded in the country's key macroeconomic fundamentals (GDP, private consumption, inflation etc).

Net results (NPAT) of our Brazil subsidiary attributable to the Group was a €9.5 million loss in 2017.

In Turkey, demand increased, stemming both from public works and projects carried out by public-private partnership schemes. Increased competition however, following the entry into operation of two new plants in the vicinity of Adocim, limited the scope of sales' increases while production costs were affected by higher fuel prices. The devaluation of the Turkish lira, further affected the profitability of the joint venture.

Net profit of our Turkey subsidiary attributable to the Group amounted to €0.5 million in 2017, versus €3.6 million in 2016.

Outlook for 2018

The outlook for the Group in 2018 appears broadly positive, with the US market remaining the main engine of growth and profitability, despite headwinds in Egypt and Greece.

According to the projections of the Portland Cement Association, demand in the US is projected to continue to grow over the period 2018 – 2022. Housing and infrastructure spending in the most important States in Titan's footprint are increasing, driven by healthy fiscal balances and growing populations. Titan is well positioned to grow with the market, with strong positions in expanding metropolitan areas, and further operating leverage available from its existing asset base. Furthermore, shorter-term benefits for the construction segment should follow from the tax reform enacted early in the year.

In Greece, it is anticipated that demand will slip even further than 2017, due to the delay in the commencement of new public works and very weak private building activity, despite the emergence of certain tourism projects. Greek production in 2018 will once again be largely directed towards exports.

In Southeastern Europe, the political reengagement of the European Union, combined with the continuing economic recovery creates expectations for measured growth in the construction sector over time. The Group's plants, which are currently operating well below capacity, are well placed to address market demand.

In Egypt, the cement market continues to face challenges. On the one hand, demand is anticipated to return to growth, as the effects of the devaluation are absorbed, economic growth accelerates and major new infrastructure projects are launched. On the other hand, the existing oversupply is expected to be exacerbated by the imminent market entry of considerable new capacity, impacting plant utilization and creating new headwinds. TITAN Cement Egypt, already one of the most cost-efficient producers in the country, remains focused on further reducing costs and substantially improving prices.

In Turkey, demand should continue growing into 2018, spurred by major public investments and public-private partnership projects.

In Brazil, the improvement witnessed in key macroeconomic indicators and the anticipated stronger economic growth in 2018, are encouraging for the construction sector and create expectations that the market may stabilize and enter the early part of the recovery cycle within the year.

Investments and disposals

Group capital expenditure in 2017 reached €123 million, €28 million lower than 2016 and largely directed towards the expanding of activities in the US.

Parent company financial results

In 2017, turnover at Titan Cement S.A. declined by 10.9% to €234 million while EBITDA stood at €15 million versus €30 million in 2016. Net Profit after Tax (NPAT) for 2017 reached €13 million versus €17 million in 2016 and includes €34 million dividend received from subsidiaries abroad; the corresponding amount in 2016 was €29 million.

Treasury shares

The total number of treasury shares held by the Company on 31st December 2017 was 4,164,719 of which 4,054,246 were common shares and 110,473 were preferred shares. The corresponding nominal value was €12,494,157 representing 4.92% of the share capital of the Company. Voting rights held by the Company represented 5.26% of total voting rights.

Purchase of own shares

In implementation of the decision dated 17th June 2016 of the Annual General Meeting of Shareholders and resolution dated 17th June 2016 of the Board of Directors, the Company purchased in 2017 222,356 own common shares of nominal value €667,068 at a total purchase price of €4,563,765 and 24,959 own preference shares of nominal value €74,877 at a total purchase price of €386,736. The own shares purchased in 2017 represented 0.29% of the share capital of the company.

Sale of treasury stock in the framework of Stock Option Plans

In 2017, under the existing framework of approved Stock Option Plans, the Company carried out off – exchange sales of common treasury shares to TITAN Group executives who exercised their stock options. The corresponding common shares sold were 39,787 of nominal value €119,361, representing 0.05% of the share capital of the Company and their total sales price was €397,870.

Post balance sheet events

In January 2018, Titan Global Finance PLC issued additional guaranteed notes of nominal value €100 million. This was in connection with the reopening of the 2.375% notes of nominal value €250 million issued in November 2017 and raised the total amount of the issue to €350 million notes due in November 2024.

Major transactions between company and related parties

Transactions between the Company and related entities, as these are defined according to IAS 24 were undertaken in line with ordinary market terms.

The amounts of sales and purchases undertaken in 2017, and the balances of payables and receivables as at 31 December 2017 for the Group and the Company, arising from transactions between related parties are presented in Note 32 of the financial statements.

The remuneration of senior executives and members of the Group's Board of Directors for 2017 was at €7.0 million versus €8.2 million during the same period last year.

Going concern disclosure

a. The Board of Directors having taken into account the Company's financial position;
b. the risks facing the Company that could impact on its business model and capital adequacy; and
c. the fact that no material uncertainties are identified to the Company's ability to continue as a going concern in the foreseeable future and in any event over a period of at least twelve months from the date of approval of the Financial Statements

state that they consider it appropriate for the Company to continue to adopt the going concern basis in preparing its Financial Statements and that no material uncertainties are identified to the Company's ability to continue to adopt the going concern basis in preparing its Financial Statements in the foreseeable future and in any event over a period of at least twelve months from the date of approval of the Financial Statements.

Viability statement

The Board of Directors have assessed the prospects of the Company having regard on its current position and the major risks facing the Company over a period of five years, which was considered as appropriate to draw conclusions. The Board of Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment.

Annual report of the board of directors and financial accounts for the fiscal year 2017

The Board of Directors considers that the Annual Report and the Financial Accounts for the fiscal year 2017, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

Non-financial performance review

TITAN Group non-financial performance is presented in more detail in Chapter 7 "Non – Financial Statements".

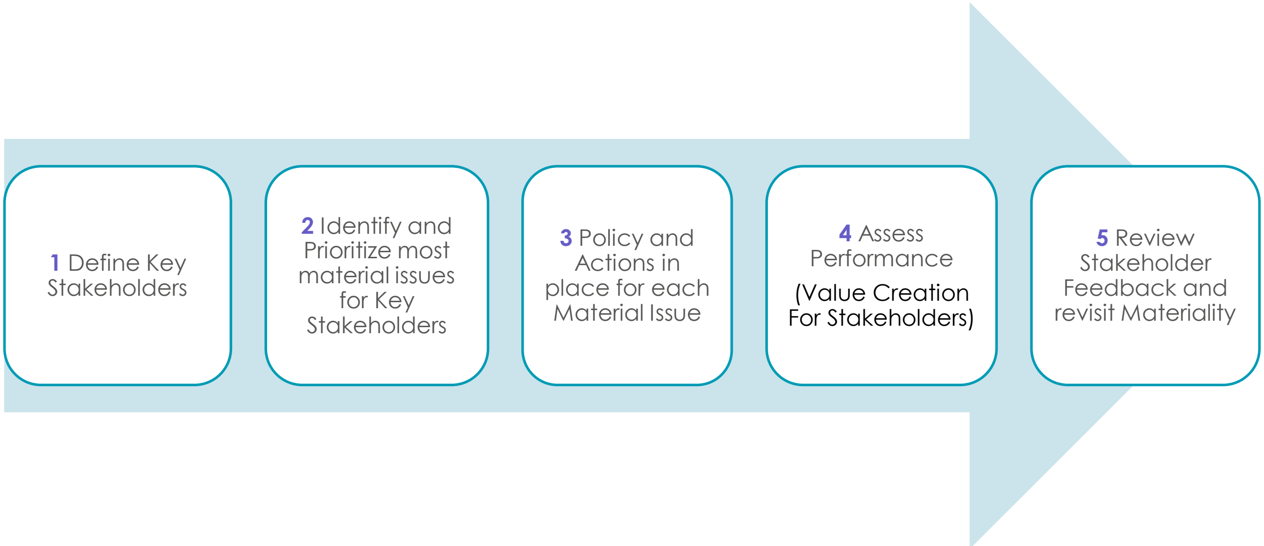
2017 marks the Group's 15th consecutive year of reporting on its non-financial performance and its efforts to engage with key stakeholders in a transparent, open and proactive dialogue.

Stakeholder engagement is a long-term, ongoing process for the Group, enabling mutual understanding, establishing and maintaining good relationships, building consensus on issues of common interest, and activating bilateral and multilateral partnerships to support sustainable solutions at both global and local levels.

Since 2015, when the Group decided to align its sustainability strategy with the UN SDGs 2030, the Group is using the SDGs as a common basis for dialogue and cooperation with its key stakeholders.

Material issues

The non-financial performance review covers all issues that have been identified as material for Group key stakeholders. TITAN has adopted materiality assessments as an on-going process in the implementation of its sustainability strategy. Materiality assessment is a five steps process that combines the outcomes of dialogue with internal stakeholders with the outcomes of desktop research and direct feedback from external stakeholders. The outcomes of this process are used as a basis for aligning TITAN's priorities with stakeholders' needs ensuring the implementation of an inclusive and consistent strategy for the Group's long-term sustainability. The process is run in a of three to five years cycle, with materiality assessments at local level used as an input for the materiality assessment at Group level and vice versa. The key steps of this process at both Group and local level is presented at the diagram below:



The outcomes of materiality assessments every year feed the on-going dialogue with stakeholders enabling mutual understanding, building trust and consensus, and thus collaboration in support of sustainable solutions at all levels.

Although the methods of stakeholder dialogue vary per case, depending on local requirements, the Group CSR Department co-ordinates the collection and analysis of stakeholders' feedback and its incorporation in the materiality assessment at local and at Group level.

In 2017, the completion of materiality assessments in Albania (ANTEA cement plant) and Turkey (Tokat cement plant) and the update of the 2015 materiality assessment outcomes in the US confirmed that the issues identified as material by the Group remain the same, as presented in the table below:

Material issue for TITAN Group and key stakeholders	Selected by TITAN SDGs relevant to Group Material issues	Indicative KPIs
Financial liquidity and access to funding	SDG 8, SDG 17	Cash flow; Cost of debt
Environmental management	SDG6, SDG7, SDG15, SDG17	CO_2 emissions; Dust and air emissions; water and biodiversity
Climate change	SDG7, SDG13, SDG17	CO_2 emissions; Dust and air emissions; water and biodiversity;
Circular economy	SDG12, SDG17	Alternative fuels and raw materials
Health and safety	SDG3, SDG 17	LTIFR; Safety training man-hours
People management and development	SDG4, SDG5, SDG17	Training man-hours per employee category, gender and age group; Titan Leadership Platform
Sustainability of communities	SDG4, SDG9, SDG11, SDG17	Community engagement plans; Internships and partnerships with educational institutions, infrastructure programs and new investments
Governance, transparency and ethics	SDG4, SDG8, SDG17	Group Policies integration, Non-financial performance indicators, Section 7
Social and political risks and instability	SDG8, SDG17	Business model, Corporate governance

Environmental management

TITAN Group has long recognized environmental management as a material issue and has, already since 2005, disclosed measurable qualitative and quantitative targets to monitor progress in respect to environmental performance following the WBCSD Cement Sustainability Initiative "Agenda for Action". Over the last 15 years, TITAN invested more than €220 million to incorporate Best Available Techniques and reach an advanced level of environmental performance. Through upgrading and modernization of all the plants that have been acquired by the Group (new bag filters or hybrid filters, SNCR installation, installation of storage/feeding of alternative fuels, water recycling and waste water treatment facilities etc.), TITAN particularly contributed to the integration of advanced international and industry standards in the new markets it entered. TITAN's ongoing self-improvement efforts in the field of environmental sustainability also resulted in avoiding significant air emissions as presented hereunder:

Avoided emissions/consumption	2003-2017	Equivalent years of 2003 emissions avoided	Estimation for 2003-2020
Dust emissions	46,850 t	12	61,000t
NOx emissions	196,200 t	6.5	262,100 t
SOx emissions	28,770 t	6.5	36,530 t
Water consumption	21.3mill.m^3	3.5	31.7mil. m^3

Note: The methodology for the calculation of avoided emissions is presented in detail in Section 7 "Non-Financial Performance Indicators

Environmental and energy management systems

All Group cement plants have an ISO14001 environmental management system, except those located in USA which have adopted a system that is aligned with local and federal regulatory requirements.

In 2016, Tokat cement plant was certified according to the energy efficiency standard ISO50001, while the Greek cement plants are working on their certification. In addition, TITAN America cement plants are also exploring the implementation of energy efficiency management systems, according to best practices.

Air emissions[1]

Aligning with WBCSD/CSI guidelines and sectoral requirements, TITAN measures and reports on the greenhouse gasses (CO_2) and the main air emissions like dust, NOx and SOx, which are covered, in most cases, with continuous monitoring devices. All other minor air emissions are measured, unless otherwise required, by spot measurements.

The Group's environmental performance on main air emissions is presented in the table below:

Group level (cement operations)		
Air emissions ($g/t_{Clinker}$)	2017	2016
Specific dust emissions	19.9	23.9
Specific NOx emissions	1,340.0	1,702.9
Specific SOx emissions	199.0	205.6

Note: The Group's overall environmental performance is presented in detail in Section 7

[1] For CO_2 emissions see "Climate change"

The continuous improvement recorded for the Group's air emissions stems from the ongoing self-improvement efforts and investments during the past two decades in new technologies.

Biodiversity, quarry rehabilitation & land stewardship

Rehabilitation activities and biodiversity management at quarry sites are a key focus area for TITAN. The results of the Group's ongoing efforts to mitigate the local impacts of the raw materials extraction process are presented in the table below.

Local impact	2017	2016
Number of active quarry sites with high biodiversity values	10	8
Active quarry sites with biodiversity management plans	80%	75%
Active quarry sites with quarry rehabilitation plans	81%	87%
Active quarry sites with ISO 14001 or similar	81%	93%

In 2017, new quarries have been acquired or opened, which led to a temporary reduction of the percentage of sites with rehabilitation plans and also those with ISO 14001, until management plans/systems for the new sites are gradually established. TITAN has developed and implemented rehabilitation plans for most of its quarries over the last 15 years, aiming to protect and preserve the natural capital and life on land (SDG 15). The development of such plans for all remaining sites will continue.

Since 2012, the Group has assessed the status and the value of biodiversity in all its quarries. Ten quarries have been recognized as areas of high biodiversity value and Biodiversity Management Plans (BMPs) are implemented for eight of them (80%). For the remaining, the study for the Leros quarry started in 2017 and is expected to be completed in 2018, whereas the one for Agrinio quarry is planned for the period 2018-19.

In parallel, TITAN chairs the CSI Project Group for the development of a methodology for the Net Impact Assessment on biodiversity in the cement sector, a tool intended to help member companies understand, evaluate and report their net impact on biodiversity, as well as demonstrate positive impact for biodiversity, through the implementation of rehabilitation and management plans at quarry sites

Water management

TITAN has assessed water as a highly material issue, significant for both the business and its key stakeholders. Water-related actions and initiatives have resulted in substantial improvement. Having invested in facilities and systems for the improved water management during the past two decades, TITAN has achieved a significant decrease in the specific water consumption at its cement plants. Continuous improvement plans are in place today for ready-mix plants and aggregate quarries. Since 2010, TITAN has developed and used the Integrated Water Management System (IWMS) to monitor and optimize the water use and to report water data in a consistent way, according to the WBCSD/CSI Water Protocol (published in 2014).

In 2017, the total water withdrawal and consumption quantities at Group level were higher than the previous year, which is mainly attributed to the increased production needs in TITAN America.

Impact on natural resources (water)	2017	2016
Group level (all operations)		
Total water withdrawal, million m^3	35.4	30.5
Total water discharge, million m^3	24.9	21.4
Total water consumption, million m^3	10.5	9.1
Group level (cement operations)		
Specific water consumption, lt/ t cement	273.1	255.1
Percentage of sites with a water recycling system	92%	92%
Group level (aggregates operations)		
Percentage of sites with a water process	32%	28%
Percentage of sites with a water recycling system	83%	80%

Climate change

The main levers for the reduction of the carbon footprint of the Group are energy efficiency, use of alternative fuels and product mix.

In 2017, the specific thermal energy consumption of the Group remained unchanged to 848.2kcal/$kg_{Clinker}$ (2016: 848.0kcal/$kg_{Clinker}$). The use of alternative fuels marginally increased accounting for about 9.1%$_{\text{Thermal basis}}$ of the total thermal energy consumption (2016: 8.6%$_{\text{Thermal basis}}$) including the biomass use that increased to 2.6%$_{\text{Thermal basis}}$ (2016: 2.1%$_{\text{Thermal basis}}$).

The Group's gross and net specific CO_2 emissions, as per the table below, remained at the same levels as in 2016.

Climate Change Group level (cement operations)		
CO_2 emissions (Kg CO_2/t cementitious)	2017	2016
Net specific CO_2 emissions	698.9	699.5
Gross specific CO_2 emissions	715.5	718.0

The avoided net CO_2 emissions between 1990 and 2017 were calculated to about 25.0 million tons CO_2 equivalent to about 3.5 years of 1990 emissions levels. Avoided emissions are estimated to reach 31.9million tons of CO_2 by 2020.

TITAN is accelerating its efforts to improve the Group's CO_2 footprint. The Group Carbon Initiative pushes for the implementation of additional modern energy efficiency systems and increased alternative fuels utilization. Furthermore, novel technologies are being demonstrated and evaluated for implementation, including carbon capture and conversion, low-CO_2 binders, calcined clays and cementitious materials with improved insulation properties.

TITAN has also acknowledged circular economy as a catalyst to climate change and a material issue for the industry, its business partners and society at large. The Group is participating in affiliates that enable circular economy, such as STET, GAEA and Ecorecovery.

Circular economy

In 2017, TITAN increased the use of alternative raw materials to 5.5% of the total materials input for the production of clinker and cement (2016: 5.1%). In Greece and the USA, TITAN continued the implementation of programs to collect ready-mix concrete wastes and use them as alternative raw materials for clinker and block production, as aggregates for pavements, and for other uses.

Similarly, the practice of co-processing alternative fuels in the production of clinker helps conserve non-renewable fossil fuels, allows for energy recovery and minimizes the landfilling of waste, while reducing the net amount of CO_2 emissions. Dried sewage sludge, refinery sludge, tires, RDF and agricultural wastes are alternative fuels used in different Group cement plants. The total consumption of alternative fuels 'as-received' (with moisture) was 202,757 t in 2017 compared to 163,537 t in 2016).

In the USA, TITAN's wholly owned subsidiary ST Equipment & Technology (STET) is a developer and supplier of specialized processing equipment for the beneficiation of fine particle materials, such as fly ash by-products from coal-burning thermal power plants.

Furthermore, in the USA, TITAN provides business solutions for the management of fly ash through its wholly owned subsidiary Separation Technologies LLC (ST), thus minimizing the need, cost and risk associated with landfilling. ST offers branded products that can be used as alternative raw materials in cement and concrete, and as input for energy recovery.

STET develops and promotes the use of waterless, energy-efficient and low-emission technologies. It has committed to the UN Global Compact to replace water intensive mineral processes at a rate of one million t of material input per year by 2018, and aims to increase this rate by 2020 to three million t.

With regards to the waste produced by the Group as part of everyday activities, 80.8% was collected, stored and disposed of through authorized contractors for reuse, recycling or recovery in 2017.

Health and safety

Health and safety are material issues for TITAN and its key stakeholders. The Group is committed to safeguard a healthy and safe working environment for employees and business partners, while urging suppliers and third parties to adopt similar practices.

The management of TITAN, from the Group Executive Committee to field level, is actively engaged in the application of the Group Health and Safety Policy.

Safety conditions and performance of all TITAN sites are assessed each year and the findings are used to trigger local or Group wide efforts, as appropriate. TITAN also runs long-term health and safety programs for the young, helping to nurture a generation which will contribute to a safer and healthier living environment.

In 2017, the Group recorded zero fatalities. Other key performance indicators are presented hereunder:

Health and safety Group level (all operations)		
	2017	2016
Employee and contractors Lost Time Injuries (LTIs)	34	29
Employee Lost Time Injuries Frequency Rate (LTIFR)	2.41	1.92
Contractors Lost Time Injuries Frequency Rate (LTIFR)	0.82	0.73
Near misses reported	1,185	1,304
Training man-hours on health and safety per employee	12.3	12.3

To address emerging issues and improve health and safety performance, the Group designed and applied programs targeting specific risks:

The Group-wide Lock-out Tag-out (LOTO) campaign, which commenced in 2016, has helped to reduce the number of LOTO-related LTIs from nine in 2015 to two in 2016 and one in 2017. The same approach was successfully followed in 2017 to reduce slip-trip-fall LTIs in ready-mix concrete operations.

The new Group-wide health surveillance system for dust, respirable crystalline silica and noise came into force at the beginning of 2017, in order to streamline individual data collection and classification efforts for the business units.

The Group Health, Safety and Environmental (HSE) audit process has been redesigned to include rating of individual findings leading to an aggregate site rating. The audit process also includes Indirect or root causes of the findings, classified and rated according to frequency.

Special emphasis is also placed on serious accident prevention through training. "Training for the prevention of serious accidents", a Group-wide training series examining serious incidents and near misses, commenced in 2016 and is expected to reach completion in 2018. Further root-cause analysis training will be undertaken in 2018, as well as new training in hazard identification.

In 2017, TITAN cement plants in Greece hosted further safety training sessions for engineering students, continuing the – established in 2012 – collaboration with the "Board of European Students of Technology – BEST". So far, more than 1,050 students have participated in this program.

Students up to junior high school level followed the "Safety at Home Program", which continued in 2017, reaching a total of more than 60,000 children. All trainers were TITAN volunteers.

People management and development

TITAN acknowledges that people's talent, skills, personal attributes and creativity affect organizational performance and shape the future growth of the Group.

The Group adopted, as of 2016, a new leadership platform, "Leading the TITAN Way", which describes the key requirements for high performance and leadership and has incorporated it in a new Performance Development Process. In 2017, additional building blocks of the process were rolled out, including specialized training courses and a new performance calibration process, aiming at strengthening employee engagement while promoting meritocracy, equal opportunities and diversity. In 2017, 47% or 2,619 employees of TITAN Group were covered by performance appraisals.

In order to successfully identify and address development needs related to the new leadership platform, TITAN enriched in 2017 its team of experts and created a new Group learning and development function.

In 2017, work started on the design and implementation of a Group Human Resources Management System that will simplify processes and improve employee experience with regards to all personnel matters, while facilitating and harmonizing HR procedures.

Group employment 2017 (end year)			
	Total	**Male**	**Female**
Employees (as of 31 Dec. 2017)	5,432	4,783	649
Employees left	757	661	96
Employees hired	707	584	123

As presented in the table above, employment, as of 31 December 2017, slightly decreased compared to last year's (2016: 5,482). The overall Group employee turnover rate was 14%.

Employee training and development is an on-going effort, encouraging life-long learning, development of skills and reskilling, preparing for the future. More than 80% of Titan employees participated in training programs throughout 2017, with the majority of training man-hours focused on non-managers (administration and labor). The majority of training man-hours implemented in 2017 were dedicated to safety, while an increase was recorded in training for environment, and compliance with the Code of Conduct, and the human rights policy.

TITAN Group training for employees		
	2017	**2016**
Employees trained, %	85%	86%
Average training hours per employee	28	28
Average training hours per employee (females)	37	36
Training investment per employee, €	157,1	226

Sustainability of communities

Engaging with the local communities at the regions where TITAN operates is a standard practice that provides the framework to build trust with local stakeholders and to focus on opportunities to create value for all.

The approach to social engagement across the Group was further discussed and analyzed in consultation with local management teams throughout 2017. The results of this process mark a common approach to social engagement, adapted as needed at local level depending on local conditions.

TITAN Group is striving to develop further its distinctive approach to social engagement, with humbleness and authenticity and it is primarily addressed to the local communities where the Group operates building on the enthusiasm, energy and competences of its people.

Quality education, safety and environment, employment and economic development, infrastructure and waste management are among the material issues TITAN has incorporated in local action plans that are reviewed annually in combination with the results of the consultation with local stakeholders acquired through selective events, like open days, stakeholder forums and performance reports to local stakeholders.

The last two years, increasing efforts have been undertaken to support employment and opportunities for long-term growth at local level, through collaboration with educational institutions and academia. More than 300 partnership agreements were signed in 2017 and resulted in 910 offers for internships throughout the Group; 39 of these internships resulted in new hires.

TITAN Group Employment from the local communities 2017	
Country	**% of Group employment from local community**
Albania	44%
Bulgaria	85%
Egypt	90%
FYROM	26%
Greece	90%
Kosovo	65%
Serbia	91%
Turkey	66%
Group total	**47%**

** Note: Compilation for the Group Employment from the local community not available for the USA*

Building upon the outcomes of its participation to the European Pact for Youth, in 2017, the Group introduced a Quality Internships Guide that provides practical guidance on the design and implementation of internships and apprentices programs, emphasizing providing quality training, and addressing the need to cover skills gaps. Special focus is given to employees' children and people from local communities around TITAN operations.

New initiatives undertaken at local level in 2017 include among others the adoption of a new scholarship program for employees' children in TITAN America, the expansion of collaboration with Teach for All in Bulgaria and the support of stat-ups in Thessaloniki plant, in Greece.

In 2017, the Group donated a total of € 2,083,370 in cash and in kind for community development programs, primarily in the areas of: education, health and safety, environment, poverty alleviation and unemployment.

Donations 2017 by country	
Country	**Donations, €**
Albania	103,076
Bulgaria	124,675
Egypt	502,161
FYROM	98,011
Greece	508,535
Kosovo	258,256
Serbia	133,643
Turkey	113,126
USA	241,887
Group total	**2,083,370**

Governance, transparency and ethics

In 2017, the Group policies launched, or revisited in 2016, were communicated to all employees through all available means (intranet, paper and wall presentations). New training courses were developed and implemented by the Legal and the HR Departments. Participants in the training were human resources, legal, procurement and sales Departments' managers and staff (for more information on the Integration of TITAN Group policies at local level, see related table in Section 7).

In 2017, TITAN reaffirmed its commitment to support the United Nations Global Compact (UNGC) Network and to promote the application of the Ten UNGC Principles within its sphere of influence.

Moreover, since 2007, TITAN is engaged in reasonable assurance of its non-financial performance according to the advanced criteria for Communication on Progress of the UN Global Compact and the guidelines of WBCSD/CSI.

TITAN's long-term commitment to transparency is acknowledged by its stakeholders. In 2017, the Group has been invited to share its experience in disclosing non-financial and diversity information, in accordance with the European Directives 2013/34/EU and 2014/95/EU and the Greek Law 4403/2016 and the international standards followed by TITAN.

In 2017, TITAN participated, in efforts undertaken by OECD and the public authorities in Greece, aiming at raising awareness and sharing best practice in fighting corruption through collaboration and transparency. The Transparency International Corruption Perception Index (CPI) is used annually to review the level of exposure of TITAN operations in bribery and corruption. The CPI 2017 confirms the need for alertness in most of the countries today, while, in a number of cases, it raises concerns regarding corporate behavior which seems to influence all, as in the same period of time the gap of trust is also increasing worldwide (Trust barometer 2017).

TITAN operations exposure per country according to 2017 Transparency International Index (sorted by 'CPI 2017 score)				
Country	**CPI 2017 score**	**CPI 2017 rank**	**CPI 2016 rank**	**Change in rank**
USA	75	16	18	better
Greece	48	59	69	better
Bulgaria	43	71	75	better
Serbia	41	77	72	worse
Turkey	40	81	75	worse
Kosovo	39	85	95	better
Albania	38	91	83	worse
Brazil	37	96	79	worse
FYROM	35	107	90	worse
Egypt	32	117	108	worse

Diversity and equal opportunities

TITAN is committed to providing equal opportunities for all. Gender and age diversity are recorded in both employment (new hires) and management, as well as in people development, as shown in the table here below.

Throughout the Group, the highest rates of women in management were recorded again in 2017 in Serbia (36%), Bulgaria (32%), but also in FYROM (28%).

TITAN supports the development of local communities, offering employment to people from communities around its operations. Especially in the cases of TITAN operations in Serbia and Egypt, the percentage of employees from the local communities reached 90% of total employment.

Diversity in TITAN Group in 2017	
Employment	12% women in employment 10% women from the local communities
New hires	17.5% women 20% over 50 years of age 28.5% under 30 years of age
Management	16% women in total Management 17% women in Senior Management
Training	26% trained women over 50 years of age 15% training man-hours to women 37 average training man-hours per female employee

Note: Total management equals Managers and Senior Managers

Labor rights are also a material issue for all employees, regulators and communities. TITAN Group policies aim to ensure the freedom of association of employees. The Group's induction training program raises awareness of this issue. Employee unions participate in bilateral meetings with the management on a yearly basis, as well as in stakeholder dialogue that addresses important issues within the framework of sustainable development. In cases of operations such as Adocim cement plant in Turkey, where there is no local union, TITAN ensures that the national legislation and collective bargaining agreements are implemented. In 2017, the percentage of unionized employees in the Group decreased by 7%. This was due to the reduction of mostly unionized employees in Egypt.

Union representatives have the right to meet with line management to discuss their concerns, suggest improvements, and negotiate agreements on various issues. Their suggestions on health and safety conditions carry particular weight.

Human Rights

TITAN Group Human Rights policy is underlining the commitment to respect human rights as defined in the Universal Declaration of Human Rights (UNDHR) and the ILO conventions. Aligned with the UN Global Compact Ten Principles and the Guiding Principles for Business and Human Rights, TITAN recognizes as most relevant and material issues in its sphere of influence health and safety, labor rights and the freedom of association, as well as respect for diversity and equal opportunities for all.

Through its participation to the UNGC initiative at both global and local levels, TITAN promotes collaboration and stakeholder dialogue, as well as awareness and competence building, to enhance better understanding and response to human rights issues.

In 2017, TITAN joined efforts with CSR Europe and CSR Hellas for the development and implementation of a new training program for trainers that focuses on the integration of the UN Guiding Principles for Business and Human Rights. Moreover, TITAN is preparing for the implementation of the new EU General Data Protection Regulation that will enter into force on 22 May 2018.

All TITAN Group operations have mechanisms for employees to report grievances. In Greece and in the USA, where 62% of TITAN employees are located, anonymous grievance mechanisms are provided in the form of email and telephone hotlines that enable employees to raise concerns in confidence directly to senior management. Based on the US experience, a Group wide grievance mechanism has been developed and will be rolled out to all countries sequentially.

In 2017, four cases were reported through the Ethics Point in the US operations, two of them being an inquiry and a suggestion and the other two regarding discrimination and violation of policy. All of them were resolved before the end of the year. Two cases, both complaints, were recorded and resolved in Greece.

Value chain management

In 2017, TITAN continued its Group Procurement Transformation program. The total spend on procurement and especially the allocation among both global and local suppliers (community, BU level, or country level) was given particular focus for ensuring the overall business effectiveness, through improved processes, specifications, and quality and risk management. The target is to optimize the number of suppliers, establish and maintain long-term value-added supplier relationships with an emphasis on "total cost" reduction, transparency and the propagation of sustainability practices into the supply chain.

Main Group categories of Solid Fuels, Electricity and Chemicals with an annual budget of €200 million were treated accordingly, resulting not only in substantial savings but also in introducing a more effective strategy scheme and an efficient model of operating with the key stakeholders.

As part of its continuing efforts to enhance the competitive position of each of the businesses in the regions of its operations, TITAN evaluates and promotes practices for the inclusion of sustainability performance requirements of suppliers. The process started in 2017 from the prequalification stage, during selected tenders for procurement of materials at Group level, and the focus was on global suppliers. The effort is to cover all areas of sustainability, including environment, health and safety, as well as human rights and employment rights and conditions. The Group actively seeks out and favors business partners who have also committed to apply the UNGC Ten Principles within their sphere of influence. Supporting local communities in the areas where TITAN plants are located constitutes an integral part of TITAN's corporate philosophy. For local materials and services, the Group seeks to maintain and further improve the collaboration with local suppliers and contractors.

The TITAN Group Purchasing Manual is under amendment, to effectively capture TITAN's needs in covering the sustainability performance criteria in the stages of prequalification and awarding of contracts, beyond the standard conditions of quality of goods and services, environmental legislation aspects, and legal compliance with respect to health and safety.

In order to develop standardized, more efficient and objective methods of evaluating suppliers, Avetta Inc was chosen as the world's leading provider of supply chain risk management solutions for a pilot implementation in TITAN America, with Avetta's platform implemented in both cement plants in the US. The pilot has been successful with a satisfactory degree of acceptance by both internal stakeholders and suppliers. Following the initial success in the US, TITAN plans to evaluate the platform (or an equivalent) for further roll outs in 2018.

Forward looking

In 2017, the Group set its 2020 sustainability targets, based on its ambition to be at par with its peers on the environmental pillar and to have a distinctive approach to social engagement.

In order to support the Group's long-term commitment to the UN SDGs Agenda 2030, TITAN links directly its 2020 targets and priorities with the SDGs that have been identified as the most relevant to the business, as presented in the Table below.

Sustainability Performance 2020 Targets		
KPI	**2020 Target**	**Relevant SDG**
Specific net direct CO_2 emissions (kg/t cementitious product)	20.0% reduction (comp. to 1990 level)	SDG 12 SDG 13 SDG 17
Specific dust particulates (g/t clinker)	92.0% reduction (comp. to 2003* level)	
Specific NOx emissions (g/t clinker)	53.0% reduction (comp. to 2003* level)	
Specific SOx emissions (g/t clinker)	43.0 % reduction (comp. to 2003* level)	
Specific water consumption (lt/t cement)	40.0% reduction (comp. to 2003* level)	SDG 6 SDG 11 SDG 15 SDG 17
Biodiversity and land stewardship		
Active wholly- owned sites with quarry rehabilitation plans	100%	
Active wholly owned sites of biodiversity value with Biodiversity Management Plans	100%	
Energy efficiency Certification of cement plants according to ISO 50001	50% of the Group's total clinker capacity to be covered by an ISO 50001	SDG 7 SDG 17
Zero fatalities Employees, contractors and third parties	0	SDG 3 SDG 17
Lost time injuries frequency rate (LTIFR) Employees	To be in the top quartile of WBCSD/ CSI members' performance	
All Key operations with Community Engagement Plans related to material issues and Group priorities		SDG 3 SDG 4 SDG 9 SDG 11 SDG 17

** 2003, TITAN becomes a member of WBCSD/CSI*

Already positioned among the best performers in the sector, for dust emissions, SOx and NOx emissions, the Group aims to maintain its advanced level of performance and focus on further improving its impact on greenhouse gas emissions. The expected improvement in the CO_2 emissions at Group level will be based on a structured scientific-based methodology ("TITAN CO_2 Initiative") which was developed in 2017 and will be launched in 2018.

Acquiring a more holistic approach to environmental sustainability, TITAN sets the additional target to improve the energy efficiency of its operations and to maintain its top performance in water management and conservation, biodiversity and land stewardship.

TITAN, having already managed to reduce significantly the number of serious and potentially serious injuries, reaffirms its enduring commitment to continue efforts to be in the top quartile of WBCSD/CSI members' performance as for Lost Time Injuries Frequency Rate (LTIFR).

Following the outcomes of materiality assessments in the context of the SDGs 2030, community engagement plans will be revisited and evaluated so as to build on the long-term sustainability of communities.

The Group is currently working on its 2030 sustainability roadmap, in terms of SDG sub-targets, aligned with the Group material issues.

Risks and uncertainties

The Board is responsible for determining the nature and extent of the principal risks that the Group should be willing to take in achieving its strategic objectives. The Board has delegated responsibility for the monitoring of the effectiveness the Group's risk management and internal control systems to the Audit Committee. Such systems are designed to manage rather than eliminate the risks involved in aiming to achieve business objectives.

The Board and the Audit Committee receive on a regular basis reports from management on the key risks to the business and the steps taken to manage/mitigate such risks and consider whether the significant risks faced by the Group are being properly identified, evaluated and managed.

Risk management is built into the daily operations of TITAN. Management identify risks as part of their day-to- day activities. They are also required to carry out a robust assessment of all risks which could have an impact on the current or future operation of their business.

Accountability and clear division of roles and responsibilities throughout the organization is part of TITAN's risk management. As a result, risks can be quickly identified from multiple sources, ensuring quick and effective response.

Business units and various oversight functions such as Group Finance, Group HR, Group IT, Group Procurement Group Legal and Group Sustainability are responsible for setting policies and ensuring that they are implemented throughout the Group. In parallel, the ethics and compliance programs implemented throughout TITAN's operations, ensure that the Group's principles and values are integrated in the day-to-day operations and the risk management culture is reinforced across the Group.

The effectiveness of the systems and policies implemented at business unit and Group level are systematically reviewed by management, including in terms of compliance with relevant standards of the Group. Whenever weaknesses are identified, corrective measures are taken.

Group Internal Audit reports on the effectiveness of the risk management and internal control frameworks to the Audit Committee on a regular basis.

In 2017 the Board carried out a thorough assessment of the principal risks facing the Group, including those that would threaten the Company's business model, future performance, solvency or liquidity.

During 2017, the Board regularly monitored Titan's risk management and internal control systems and reviewed their effectiveness. Monitoring and review covered all material controls, including financial, operational and compliance controls.

Principal Risks

This section describes the principal risks and uncertainties that could affect the Group's business.

Strategic and operational risks

Industry cyclicality- Local market conditions

The Group's operating and financial performance is influenced by general economic conditions and the level of residential, commercial and infrastructure construction activity in the countries in which it operates, particularly in the United States, S.E. Europe and Eastern Mediterranean.

The level of construction activity in local and national markets is inherently cyclical and is affected by many factors including global and national economic circumstances, allocation of government funding for public infrastructure projects, weather conditions and swings in fuel and raw material prices.

TITAN's market and product diversification strategy, its industrial presence across 10 countries and its commitment to ongoing cost control, strong cash generation and disciplined financial management, all contribute to the mitigation of the volatility associated with cyclicality and local market conditions.

Political and economic uncertainty

The Group operates and may seek new opportunities in countries and regions with differing and at times fast changing economic, social and political conditions. These conditions could include political unrest, civil disturbance, currency devaluation and other forms of instability, and may result in sudden changes to the operating and regulatory environment. Changes in these conditions may adversely affect the Group's business, results of operation, financial performance and/ or prospects.

The annual budgeting and strategic review process along with the regular monitoring of financial results and forecasts, help track political and economic events which may create uncertainties regarding the financial performance. Where political tensions are heightened, mitigation measures are in place to provide maximum protection of TITAN's people and assets.

Climate change and greenhouse gas emissions

Changes in legislation and public policies relating to climate change could increase capital expenditure and reduce future revenue and earnings. Particularly in EU markets, these laws and regulations may give rise to significant compliance costs, limitations on local production being exported and substitution of traditional binders and products.

The Group closely monitors relevant regulatory developments and takes proactive measures to mitigate potential negative consequences. At the same time TITAN continues its efforts to reduce its carbon footprint. Other mitigation measures include the use of alternative raw materials and alternative fuels, fuel efficiency, reduction of thermal energy consumption, development of new products and continuous innovation across the value chain.

(For more details on TITAN's climate mitigation strategy please refer to our website: http://www.titan-cement.com/UserFiles/File/csr/145211_TITAN_Group_Climate_Mitigation_Strategy.pdf.

Production cost

Thermal energy, electricity and raw materials constitute the most important elements of the Group's cost base. The fluctuation in the price of fossil fuels poses a risk which affects production cost. In order to reduce costs and also curtail its environmental footprint, the Group is investing in low energy-requirement equipment and in the use of alternative fuels.

Ensuring access to the required quality and quantity of raw materials is an additional priority, which is taken into account when planning a new investment. With regard to existing facilities, care is taken to secure the adequacy of supply of raw materials during their entire lifetime.

The Group is investing 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 and monitors the substitution of natural raw materials by alternative raw materials.

Health and safety

Ensuring health and safety and preventing accidents at work is a priority for TITAN. Excellence in the area of health and safety is embedded in all TITAN operations and activities. The Group has implemented detailed policies and procedures promoting Health and Safety including the coverage by an adequate number of safety engineers of all production units. Particular emphasis is placed on training and raising safety awareness and on strict application of safety systems and processes.

TITAN's Group Health and Safety Policy provides assessment of all incidents, proactive planning, setting of specific targets, safety training and monitoring of progress.

In parallel with all the other preventive measures, Titan's production and construction sites are regularly audited by the Group's safety specialists. (For more details on Health and Safety please refer to our website: http://www.titan-cement.com/en/corporate-social-responsibility/care-for-our-people/occupational-health-and-safety/.

Risks related to the environment

The Group is subject to stringent and evolving laws, regulations, standards and best practices with respect to the environment, relating to, amongst other things, climate change, noise, air, water and soil emissions, as well as waste disposal. With a view to continuous improvement of the environmental impact of its operations, TITAN applies in all its plants management systems to monitor and report their environmental impact. The Group's environmental management provides targets for reduction of air emissions, protection of biodiversity, water management and recycling and quarry rehabilitation.

Despite the Group's policy and efforts to comply with all applicable environmental laws, due to the nature of our business, the risk of potential legal proceedings concerning environmental matters cannot be safely excluded.

(For more details on the Group's environmental management please refer to our website: http://www.titan-cement.com/UserFiles/File/csr/144931_Group_Environmental_policy.pdf)

Risks arising from natural disasters

The Group operates in countries and regions such as Greece, Egypt, Turkey and the USA which are exposed to natural hazards such as earthquakes, hurricanes and sandstorms.

Among the measures adopted by the Group to mitigate the disastrous effects of these phenomena, is the adoption of stricter designing standards for the Group's plants 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.

Financial risks

The Group, due to the nature of its business and its geographical positioning, is exposed to financial risks associated with foreign currency, interest rates, liquidity and leverage, as well as counterparties. Financial risks are managed by Group Finance and Treasury.

The Group does not engage in speculative transactions or transactions which are not related to its commercial and business activities.

Foreign currency risks

Group exposure in foreign currency derives from existing or expected cash flows and from acquisitions/investments denominated in currencies other than the euro. The Group's net foreign currency transaction risk mainly arises from USD, EGP, RSD, LEK, GBP, BRL and TRY.

Natural hedges (equity invested in long tern fixed assets and borrowings in the same currency as the activities that are being financed), currency swaps and forward foreign currency contracts are used to manage currency exposures.

(For further details please refer to Note 33 on Financial Statements)

Interest rate risks

The Group's exposure to changes of interest rates and increased borrowing costs are managed through employing a mix of fixed and floating rate debt and interest rate derivatives, where appropriate. The ratio of fixed to floating rates of the Group's borrowings is decided on the basis of market conditions, Group strategy and financing requirements.

As at 31 December 2017, the Group's ratio of fixed to floating interest rates, taking into account outstanding cross currency swaps and interest rate swaps, stood at 82%/18% (31 December 2016: 62%/38%).

(For further details please refer to Note 33 on Financial Statements)

Liquidity and leverage risks

In order to manage liquidity risks and to ensure the fulfilment of its financial obligations, the Group, maintains sufficient cash and other liquid assets, as well as extensive committed credit lines with several international banks, which complement its operating cash flows.

The Group's financial position allows it to have access to the international financial markets and raise needed funds.

In May 2017, Standard and Poor's, acknowledging the strong liquidity of the Group and the improvement in Group results and prospects, upgraded TITAN's credit rating to BB+ with a stable outlook.

(For further details please refer to Note 33 on Financial Statements)

Counterparty risks

Counterparty risk relating to financial institutions' inability to meet their obligations towards the Group, is mitigated by pre-set limits on the degree of exposure to each individual financial institution. As at 31 December 2017, the majority of Group liquidity was held with investment grade financial institutions. Similarly, the Group has entered into derivative transactions only with investment grade financial institutions.

The Group is also exposed to counterparty risks relating to customer receivables. Customer receivables primarily derive from a large, widespread customer base. The financial status of customers is constantly monitored at business unit level and, where it is deemed necessary, additional security is requested to cover credit exposure. As at 31 December 2017, all outstanding doubtful receivables were adequately covered by relevant provisions.

(For further details please refer to Note 33 on Financial Statements)

Corporate Governance Statement

This Corporate Governance Statement constitutes a special part of the Board of Directors' Annual Report pursuant to the provisions of article 43bb of Law 2190/20 as it is now in force.

TITAN Cement Company S.A. (the Company), by virtue of its Board of Directors' resolution dated 16 December 2010, has voluntarily adopted the UK Corporate Governance Code (the Code). A copy of the Code (April 2016 version), can be found on the website of the UK Financial Reporting Council (https://www.frc.org.uk/Our-Work/Publications/Corporate-Governance/UK-Corporate-Governance-Code-2014.pdf). A Greek translation of the Code can be found on the Company's website (http://www.titan-cement.com), at the following address: http://www.titan-cement.com/UserFiles/File/omilos/190118_Code-company-government.pdf.

The Company has complied throughout 2017 with the provisions of the Code except in the cases listed below under the paragraph: "Deviations from the Corporate Governance Code"; for any deviation from a particular provision an explanation is included.

The Company, in addition to the provisions of the Code, has complied throughout 2017 with all relevant provisions of the Greek law (namely, Law 2190/1920 as it is now in force and Law 3016/2002).

Deviations from the Corporate Governance Code

1. Board evaluation by external facilitator (Provision B.6.2 of the Code)

The Board of Directors, to date, has not assigned the evaluation of its performance to external consultants, because it holds the view that the existing procedure for the evaluation of the Board's performance by its members, including the self-assessment of each member's individual performance, has proven to be both effective and efficient. More specifically, the Board of Directors believes that the anonymous self-assessment process allows its members to answer openly and identify without any reservations the weaknesses and malfunctions that they see and to suggest the adoption of measures for the improvement of the performance of the Board of Directors and that of its members. Despite the aforesaid, the Board of Directors has decided, starting from the term in office of the current Board, to appoint once every three years an external consultant to conduct an evaluation of its performance. Given that the Board of Directors was elected in June 2016, when three new independent directors joined the Board, the Board decided to have the Board performance evaluation, externally facilitated, during the last year of the Board's term, namely in 2018.

2. The existing performance-related remuneration scheme for executive directors does not include provisions that would enable the Company to recover sums paid or to withhold the payment of any such sums. (Provision D.1.1 of the Code).

The Company's view is that this is not necessary, as any performance related sums are paid following vigorous assessment of each executive director's individual performance and in no event may exceed the fixed upper limits set and disclosed in relation to their annual fixed remuneration.

Furthermore, although the existing share option schemes require executive directors to hold a minimum number of shares based on their hierarchical level in Titan Group after vesting and exercising the options, they do not include a requirement to hold shares for a period after leaving the Titan Group.

This has not been deemed necessary given that a. four out of seven executive directors belong to the core shareholders of the Company, whilst the other executive directors have been employed or served as senior officers in the Group for many years and b. all the relevant schemes that the Company has implemented over time provide rights with caution and sparingly and the schemes provide a long (three year) maturity period and other strict requirements in relation to the vesting of the options.

Board of Directors

Resumes of Directors

EFSTRATIOS - GEORGIOS ARAPOGLOU

CHAIRMAN

Non-executive Director since 17 June 2016

Independent, non-executive Director from 18.5.2010 until 17.6.2016 (2 terms)

Member of the Nomination and Corporate Governance Committee

Born in 1951 in Alexandria- Egypt, Mr. Arapoglou has held a number of senior positions in international investment banks in London (1977-1991) and management positions in Greek banks and subsidiaries of international banks in Greece (1991-2000). He has served as Managing Director and Global Head of the Banks and Securities Industry of Citigroup in London (1999-2004) and Chairman and Managing Director of the National Bank of Greece (2004-2009). He was elected to the position of Chairman of the Hellenic Bank Association (2005-2009) and has served as Managing Director of commercial banking and executive member of the Board of Directors of the investment group EFG – Hermes Holding SAE (2010-2013).

He is serving as Chairman and non-executive director of the Board of Directors of Tsakos Energy Navigation (TEN) LIMITED, a company listed on the New York Stock Exchange, as non-executive director of EFG Hermes Holding SAE, listed on the stock exchanges of Cairo and London, and as non-executive director of Credit Libanais SAL and of Bank Alfalah, listed on the Stock Exchange of Karachi, representing the International Finance Corporation (IFC) on the Bank's Board.

He holds degrees in Mathematics, Naval Architecture and Business Administration from Greek and British universities.

NELLOS CANELLOPOULOS

VICE CHAIRMAN

Executive Director since 24 June 1992

Born in 1964 in Athens –Greece, Mr. Canellopoulos held from 1996 to 2016 the position of External Relations Director of TITAN Group.

He had previously served in the Sales Division of TITAN Group (1990-1996) and in Ionia S.A. (1989 and 1990).

Mr. Canellopoulos is the Chairman of the Paul and Alexandra Canellopoulos Foundation.

He is also serving as Chairman of the Board of Directors of the Hellenic Cement Industry Association and of the N. Canellopoulos C. Adamantiadis S.A.

DIMITRI PAPALEXOPOULOS

CHIEF EXECUTIVE OFFICER

Executive Director since 24June 1992

Chief Executive Officer since 1996

Born in 1962 in Athens- Greece, Mr. Papalexopoulos started his career as a business consultant of McKinsey & Company Inc. in USA and Germany. Subsequently, he joined TITAN in 1989.

He is Vice-Chairman of the Board of the Hellenic Federation of Enterprises (SEV), while he is a member of the Board of the Foundation for Economic and Industrial Research (IOBE), the Hellenic Foundation for European and Foreign Policy (ELIAMEP) and the European Round Table for Industrialists (ERT).

He holds an MSc in Electrical Engineering from the Swiss Federal Institute of Technology (ETHZ-1985) and an MBA from Harvard Business School (1987).

MICHAEL COLAKIDES

TITAN Group CFO

Executive Director since 12 January 2016

TITAN Group CFO and Senior Strategic Advisor since 2014.

Born in 1954 in Nicosia-Cyprus, Mr. Colakides started his career at Citibank Greece as Head of Corporate Finance and Local Corporate Banking (1979 – 1993). In 1993 he was appointed executive Vice Chairman at the National Bank of Greece and Vice Chairman at ETEBA Bank S.A.

From 1994 to 2000, he served as CFO of TITAN Group and was also responsible for a number of acquisitions in Southeastern Europe and the US. He also served as an executive director of the Board of the Company (1998-2001).

From 2000 to 2007, he served as Vice Chairman and Managing Director of Piraeus Bank S.A. overseeing the domestic Wholesale and Retail Banking business as well as the group's International network and activities. From 2007 to 2013 he was Deputy Chief Executive Officer – Group Risk Executive of EFG Eurobank Ergasias S.A.

He is a member of the Board of Directors of EUROBANK CYPRUS Ltd.

He holds a BSc in Economics from the London School of Economics and an MBA from the London Business School.

DOROS CONSTANTINOU

Independent Non-Executive Director since 14 June 2013 (2nd term)

Senior Independent Director

Chairman of the Audit Committee

Born in 1950 in Larnaka – Cyprus, Mr. Constantinou started his career in Price-Waterhouse (1975-1985). Thereafter, he joined the management team of Hellenic Bottling Company (3E), where he was appointed as Finance Director of the Industrial Division of the Group (1992-1995) and later as Deputy Chief Financial Officer of the Group (1995-1996) and Chief Financial Officer (1996-2000).

He served as Managing Director in Frigoglass S.A.I.C. from 2001 to 2003 and as Managing Director in Coca-Cola Hellenic Group from 2003 to 2011.

He studied economics in the University of Piraeus, from which he graduated in 1974, specializing in Business Administration.

HIRO ATHANASSIOU

Independent, Non-Executive Director since 17 June 2016 (1st term)

Chairman of the Remuneration Committee

Member of the Nomination and Corporate Governance Committee

Born in 1960 in Athens - Greece, Mrs Athanassiou has served as Executive Vice President and Chrairman of Unilever Greece and Cyprus from December 2013 till December 2017. Before this, she was member of Unilever Food Solutions Global Executive Board, as Senior Vice President responsible for Latin America, South &Eastern Europe, Turkey and Russia. During her 33 years in U/L, she has served in various roles in Marketing, Sales Development and General Management, in Greece and abroad.

She served as a non- executive member of the Board of Directors of the Piraeus Bank, as director of the Board of the Hellenic-Dutch Assosiation and member of various professional boards and trade associations (Hellenic Management Association, Hellenic Institute of Marketing, Women's Organisation of Managers and Enterpreneurs, Association of Chief Executive Officers).

She is currently member of the board of Directors of the Hellenic Federation of Enterprises (SEV), the Foundation for Economic and industrial Research (IOVE), the Alumni of The American College of Greece (ACG), and mentor at the Orange Grove of the Dutch Embassy.

She holds an MSc from the Department of Economics from London School of Economics and Political Science, and a BA (Hons) in Marketing and Management from Deree College (ACG).

TAKIS-PANAGIOTIS CANELLOPOULOS

Executive Director since 10 May 2007

Born in 1968 in Athens- Greece, Mr. Canellopoulos was Investor Relations Director of TITAN Group from 2001 to May 2016

From 1995 to 2001, he worked in various positions in the Finance Department of TITAN Group. Previously he had worked as a financial analyst in AIG and in the Financing Division of EFG Eurobank.

He is a member of the Board of Directors of Canellopoulos Adamantiadis S.A. and Grivalia Properties REIC.

He is also a member of the Board of Directors of the Union of Listed Companies (ENEISET).

He studied Economics (BA) at Brown University in USA and Business Administration (MBA) at the New York University / Stern School of Business in USA.

ALEXANDER MACRIDIS

Independent, Non-Executive Director since 17 June 2016 (1st term)

Member of the Remuneration Committee

Born in 1962 in Athens- Greece, Mr. Macridis is the Chairman and CEO of Chryssafidis S.A., a construction materials distribution company founded in 1882 and operating in the Balkans and Africa.

He is a member of the Board of Aegean Airlines, IOBE, The American College of Greece and Alba. He is currently the General Secretary of the Federation of Greek Industries (SEV) and serves on the Yale President's Council on International Activities.

He holds a BA in Economics and Political Science from Yale College, a JD from Yale Law School and an MBA from Harvard Business School.

DOMNA MIRASYESI-BERNITSA

Independent, Non-Executive Director since 14 June 2013 (2nd term)

Chairman of the Nomination and Corporate Governance Committee

Born in 1960 in Athens- Greece, Mrs. Mirasyesi-Bernitsa is a qualified lawyer, member of the Athens Bar Association. She is also a Partner at Bernitsas Law Firm.

She has worked as a legal advisor at the Special Legal Service of the Ministry for Foreign Affairs (1986-1987) and at the Department of Political Science and Public Administration of the University of Athens (1985-1990). She has also served as a member of the Board of Directors of St. Catherine's British School (2009-2017).

She holds a bachelor's degree from the Law School of the UNIVERSITY OF ATHENS and has obtained a master's degree (LLM) in European Law from the London School of Economics.

IOANNA PAPADOPOULOU

Independent, Non-Executive Director since 17 June 2016 (1st term)

Member of the Audit Committee.

Born in 1952 in Athens- Greece, Mrs. Papadopoulou is the Chairman and CEO of E.J. Papadopoulos S.A., Biscuit & Food Products Manufacturing Company, which was founded in 1922. She also holds the position of Chairman and Managing Director of Greek Food Products S.A. and IKE Akinita S.A.

She studied Food Chemistry in England.

ALEXANDRA PAPALEXOPOULOU- BENOPOULOU

Executive Director since 23 May 1995

Group Strategic Planning Director since 1997

Born in 1966 in Athens- Greece, Mrs. Papalexopoulou- Benopoulou worked from 1992 to 1997 as a senior officer in the Titan Group Exports Division. Previously, she had worked for the OECD and the consultancy firm BOOZ, Allen & Hamilton in Paris.

She has served as a member of the Board of Directors of the National Bank of Greece from 2010 until July 2015, of Frigoglass from 2003 to February 2015 and of Emporiki Bank from 2007 to 2009.

She is a member of the Board of Directors of Coca-Cola HSC AG, of the Paul and Alexandra Canellopoulos Foundation and of ALBA Graduate Business School. She is also serving as trustee in The American College of Greece.

She studied Economics at the Swarthmore College, USA, and Business Administration (MBA) at INSEAD, Fontainebleau, France.

PETROS SABATACAKIS

Independent, Non-Executive Director since 2010 (3rd term)

Member of the Remuneration Committee.

Born in 1946 in Athens- Greece, Mr. Sabatacakis held from 1999 to 2004 the position of Chief Risk Manager in Citigroup Inc. He was also a member of the Management Committee and Director of Citicorp and Citibank, N.A. From 1992 to 1997, he was in charge of the financial services subsidiaries of the American International Group, its treasury operations, as well as the market and credit risk activities. He was a member of the executive committee and partner of C.V. STARR. He has also worked at Chemical Bank (now J.P. Morgan Chase).

He has served as Chairman of Plan International and Childreach International (Non-profit Organization), as trustee of the Athens College in Greece, and as member of the Board of Directors of the Gennadius Library.

He has earned three degrees from Columbia University: a bachelor's degree (BSc), a master's degree in Business Administration (MBA) and a PhD in Economics.

PLUTARCHOS SAKELLARIS

Independent, Non-Executive Director since 14 June 2013 (2nd term)

Member of the Audit Committee.

Born in 1964 in Thessaloniki - Greece, Mr. Sakellaris is Professor of Economics and Finance at Athens University of Economics and Business. He was Vice President of the European Investment Bank (2008-2012). Prior to joining the EIB, he held the position of the Chairman of the Council of Economic Advisers at the Greek Ministry of Economy and Finance and was representing Greece in the Economic and Financial Committee of the European Union and acted as Deputy to the Finance Minister at the Eurogroup and ECOFIN Councils, as well as Alternate Governor for Greece at the World Bank. He has also been a member of the Board of Directors of the National Bank of Greece and of the Greek Public Debt Management Agency.

He has taught at the Department of Economics at the University of Maryland, USA and other Universities and he has worked as Economist at the Federal Reserve Board and as Visiting Expert at the European Central Bank (ECB).

He serves as non- executive director on the Board of Hellas Capital Leasing S.A and Credit M S.A.

He graduated from Brandels University, in USA (BA) in Economics and Computer Science and holds a PhD in Economics from Yale University.

EFTHYMIOS VIDALIS

Executive Director since 15 June 2011

Group's advisor on matters of Strategy and Sustainable Development

From 2004 to 15.06.2011 he had served as an Independent Non-Executive director.

Born in 1954 in Washington D.C. –USA., Mr. Vidalis worked for Owens Corning in USA from 1981 until 1998 and from 1994 to 1998 he served as Chairman of the global activities of Synthetic Materials (Composites) and Insulation Materials consecutively.

He was the Chief Executive Director (2001-2011) and Chief Operating Officer (COO) (1998-2001) of S&B INDUSTRIAL MINERALS S.A and a member of the company's Board of Directors for 15 years.

He is a member of the Board of Directors of ALPHA BANK and of Future Pipe Industries in Dubai.

He has served as Vice Chairman of the Hellenic Federation of Enterprises (SEV) from 2010 until 2014, as General Secretary of SEV from 2014 until June 2016 and as Chairman of SEV's Committee for Sustainable Development from 2008 until June 2016. From 2005 to 2009, he served as Chairman of the Greek Mining Enterprises Association (SME).

He studied Political Sciences (BA) and Business Administration (MBA) at Harvard University.

BILL ZARKALIS

Executive Director since 14 June 2013

Director USA Region

Born in 1961 in Athens- Greece, Mr. Zarkalis has served as Chief Financial Officer (CFO) of the TITAN Group from 2010 until May 2014 and as Executive Director for Business Development and Strategic Planning from 2008 until 2010.

For 18 years, he held a number of global business leadership positions in USA and Switzerland with the Dow Chemical Co. Among others, he served as Vice President of Dow Automotive, Business Director for Specialty Plastics & Elastomers, Business Director for Synthetic Latex, etc.

He holds a bachelor's degree in Chemical Engineering from the National Technical University of Athens (1985) and a master's degree (MSc) from the Pennsylvania State University in USA (1987).

Composition and Operation of the Board of Directors

The role and competences of the Board

The Board of Directors is the Company's supreme administrative body. The Board of Directors' main role and duty is to determine the Group's long term objectives, strategy and risk appetite; provide entrepreneurial leadership; set the Company's values and standards; ensure the establishment and operation of effective internal control and risk management systems; monitor and resolve any conflicts of interest of members of the Board of Directors and senior officers vis-à-vis the interests of the Company; review management performance; determine the remuneration of Directors and senior executives; and ensure satisfactory dialogue with shareholders.

The Board of Directors is exclusively responsible for taking decisions on important matters such as: the approval of the Company's annual, 6month and interim financial statements before they are published; the approval of the annual budget; the approval of increases of the Company's share capital in the specific cases permitted by the law and after the granting of relevant authorization by the General Meeting; the approval of issuing corporate bonds, a power exercisable concurrently with the power of the General Meeting and subject to the provisions of Articles 8 and 9 of Law 3156/2003; convening the General Meeting of Shareholders; making recommendations on items of the agenda at the General Meeting; preparing the Annual Report and the other reports required by the applicable legislation and the Code; appointing the Company's legal representatives and special representatives and agents; appointing the Company's internal auditors.

Based on the Company's Articles of Association and excluding the above mentioned cases where the Board is required to act collectively as a body, the Board may delegate part of its administration and representation powers to the Executive Committee, the scope of tasks and responsibilities of whom are stated herein below, or to one or more board members, managers or employees of the Company or to third parties,

The Company maintains appropriate insurance cover in respect of legal action against its directors.

Composition of the Board of Directors

Regarding the composition of the Board, the following rules are taken into account:

A. The maximum number of directors on the Board is fifteen (15);
B. The roles of Chairman and CEO should not be exercised by the same person;
C. Excluding the Chairman, at least one-half of all directors should be independent;
D. Independent directors should not serve for more than nine years on the Board;
E. Should the Chairman not meet on appointment the independence criteria of the UK Corporate Governance Code, there should be an independent Vice-Chairman;
F. Independent directors should undertake that they will have sufficient time to fulfill their duties.

The current Board consists of 15 directors, all of whom were elected by the Annual General Meeting of Shareholders on 17 June 2016, for a three-year term expiring at the Annual General Meeting of 2019.

In conformity with the above rules, the roles of Chairman and CEO of TITAN are not exercised by the same person and a clear division of the responsibilities of the two roles is expressly set out in the Company's Internal Regulation and has been set out in writing and agreed by the board.

At Titan no individual has unfettered powers of decision.

The majority of directors, namely 8 out of 15, including the Chairman, are non-executive directors and seven of them are independent directors.

The Chairman, Mr. Arapoglou although he met too, when he was elected and until today, all the independence criteria set out in the UK Corporate Governance Code as well as the additional independence requirement which has been set by the Company, according to which, independent directors must not hold more than 0.1% of the share capital of the Company, pursuant to the Greek corporate governance Law 3016/2002 providing that the Chairman has a "dependency relationship" with the Company, he could not be elected as independent. Other than this, Mr. Arapoglou meets all the independence requirements of the Greek law too.

The eight non-executive members of the Board of Directors are: Mr. Efstratios – Georgios Arapoglou, Mrs. Hiro Athanassiou, Mr. Doros Constantinou, Mr. Alexander Macridis, Mrs. Domna Mirasyesi-Bernitsa, Mrs. Ioanna Papadopoulou, Mr. Plutarchos Sakellaris and Mr. Petros Sabatacakis.

7 out of 15 directors on the Board, namely Mr. Nellos Canellopoulos, Mr. Dimitri Papalexopoulos, Mr. Michael Colakides, Mrs. Alexandra Papalexopoulou-Benopoulou, Mr. Takis- Panagiotis Canellopoulos, Mr. Efthymios Vidalis and Mr. Bill Zarkalis are executive directors.

Independent directors

The General Meeting of 17 June 2016, following relevant recommendation of the Nomination and Corporate Governance Committee and, thereafter, of the Board, elected seven (7) directors, namely Mrs. Hiro Athanassiou, Mr. Doros Constantinou, Mrs. Domna Mirasyesi- Bernitsa, Mr. Alexander Macridis, Mrs. Ioanna Papadopoulou, Mr. Plutarchos Sakellaris and Mr. Petros Sabatacakis as independent directors.

The independent non-executive directors meet all the independence requirements stipulated in Greek corporate governance Law 3016/2002 and in the UK Corporate Governance Code. They also meet the additional independence requirement which has been set by the Company, according to which, independent directors must not hold more than 0.1% of the share capital of the Company.

In total, the independence criteria followed by the Company are stated below. They can be also found on the Company's website http://www.titan-cement.com at the following address: http://www.titan-cement.com/en/titan-group/corporate-governance/board-of-directors

On the basis of the above, the independent non-executive directors of the Company:

1. Should be independent in character and judgment and free from circumstances which are likely to affect their independence.

2. Should not hold directly or indirectly more than 0.1% stake in the Company's share capital and have no dependence relationship with the Company or its affiliates.

3. Should have not served as Chairman or Chief Executive Officer (CEO) or executive director or officer or employee in the Company or the Group within the last five years.

4. Should not have, or should not have had within the last three years any material business or employment relationship, directly or indirectly, with the Company.

5. Should not receive, or should have not received any additional remuneration from the Company apart from a director's fee for participating in the Board.

6. Should not participate in the Company's share option or performance related pay scheme, nor should they be members of the Company's pension scheme.

7. Should not have close family ties with any of the Company's advisers, directors or senior employees.

8. Should not hold cross- directorships and also should not have significant ties with other directors through involvement in other companies or bodies.

9. Should not represent a significant shareholder.

10. Should have not served on the Board for more than nine years from the date of their first election.

Independent non-executive directors meet, once a year under the Senior Independent Director, without the presence of the Chairman and the executive directors, in order to evaluate the performance of the Chairman. They also hold meetings at least once annually under the Chairman, without the presence of the executive directors.

Such separate meetings of the independent and of the non-executive directors were held on 14 December 2017. The first was led by the Senior Independent Director and the second by the Chairman.

The role of non-executive directors

As already mentioned, the majority of the Board of Directors, namely eight (8) members out of fifteen (15), are non-executive directors.

Their role is to constructively challenge and help develop proposals on strategy, scrutinize the performance of the management in meeting agreed goals and objectives and monitor the reporting of performance.

Non- executive directors should satisfy themselves on the integrity of the financial information provided by the Company and also that the existing financial controls and systems of risk management are robust and defensible. They are also responsible for determining the levels of remuneration of the executive directors and have a prime role in appointing and where necessary removing of executive directors and in succession planning.

The Board has determined pursuant to provision B.1.1. of the UK Corporate Governance Code that all non-executive Directors, namely Mr. Efsratios- Georgios Arapoglou, Mrs. Hiro Athanassiou, Mr. Doros Constantinou, Mr. Alexander Macridis, Mrs. Domna Mirasyesi-Bernitsa, Mrs. Ioanna Papadopoulou, Mr. Plutarchos Sakellaris, Mr. Petros Sabatacakis are independent in character and judgement and there are no relationships or circumstances which are likely to affect their judgement.

Executive Directors

The seven (7) executive directors on the Board have the executive responsibility for the running of Titan Group's business. Six of them, including the CEO, come from the shareholding core or senior management of the Company and provide their services pursuant to employment agreements with the Company.

In this context, Mr. Dimitri Papalexopoulos is the Group CEO, Mr. Michael Colakides is the Group CFO, Mr. Bill Zarkalis, is the USA Region Director and Mrs. Alexandra Papalexopoulou- Benopoulou is the Group Strategic Planning Director. Mr. Nellos Canellopoulos, currently serving as Vice-President on the Board, has served Titan from various positions, including the position of the External Relations Director and, likewise, Mr. Takis- Panagiotis Canellopoulos has been Titan's Investor Relations Director for many years.

Finally, Mr Efthymios Vidalis has been providing consulting and advice to Titan Group, on matters of strategy and sustainable development for more than 6 years.

Chairman

Mr. Efstratios-Georgios Arapoglou, non- executive director, was elected by the Board on 17.6.2016 as its Chairman. Mr. Arapoglou who had already served on the Board during 2013-2016 as Vice-Chairman and Senior Independent Director, has a long and distinguished career in commercial and investment banking in the US, the UK, Egypt, Turkey and Greece.

As already mentioned, the Chairman met on appointment, and still meets today, all the independence criteria set out in provision B.1.1. of the Code as well as the additional independence requirement set by the Company and all independence requirements provided by Greek Law 3016/2002 except the one providing that the Chairman of the Board has a dependency relationship with the Company and, therefore, cannot be considered as independent.

The Chairman is responsible for Board leadership and for ensuring the Board's effectiveness on all aspects of its role. He is responsible for promoting a culture of openness and debate by facilitating the effective contribution of non- executive directors in particular and ensuring constructive relations between executive and non- executive directors. He is also responsible for ensuring that non-executive directors are kept fully updated so that they can effectively perform their monitoring and decision-making role.

The Chairman is also responsible for facilitating effective communication with shareholders.

The Chairman presides the Board meetings and is responsible for setting the Board's agenda and ensuring that adequate time is available for discussion of all agenda items, in particular strategic issues. He is also responsible for ensuring that the directors receive accurate, timely and clear information.

Senior independent director

The Board appointed on 17.6.2016 Mr. Doros Constantinou, as Senior Independent Director. In this capacity, Mr. Constantinou has a duty, when required, to assist the Chairman with his tasks and serve as an intermediary for the other directors when necessary.

The Senior Independent Director is available to shareholders, if they have concerns, which contact with the Chairman, the Managing Director or other executive directors has failed to resolve, or for which such contact is inappropriate.

Company Secretary

The Company Secretary is appointed by the Board.

The Company Secretary's responsibilities include ensuring good information flows within the Board and its committees and between senior management and non- executive directors, and advising the Board on all governance matters.

The Company Secretary is responsible to the board for ensuring legal and governance compliance of board procedures. All directors have access to her advice and services. The Company Secretary, when acting in her capacity, reports directly to the Board. Mrs. Eleni Papapanou, lawyer, Head Counsel, is serving since 2006 as Company Secretary.

Board meetings

Directors meet as often as required to enable them to effectively discharge their duties and responsibilities.

In order to ensure maximum attendance, the Board sets by the end of November the dates of the Board meetings for the following year.

Board decisions are taken with absolute majority provided that more than one half of the directors are present or duly represented at the meeting and at least three of them are physically present.

A director who is unable to attend a meeting is entitled to appoint another director as his proxy to vote in respect of her/him.

Each director can be appointed and vote as proxy of only one other director.

Independent directors may only be represented by other independent directors or by the Chairman

Senior Group or Company officers are allowed to attend Board meetings, following invitation by the Chairman, when issues within their remit are being discussed.

The Board's agenda is set by the Chairman and is sent to the directors in good time ahead of the meeting, along with all required information and supporting documents.

The minutes of the previous meeting are signed at each subsequent meeting. Those minutes are kept by the Company Secretary and record summaries of the views of members of the Board of Directors, the discussions which took place and any decisions taken.

Nomination of board candidates

The Nomination and Corporate Governance Committee is responsible for leading the process for the search of Board candidates, on merit, against objective criteria and with due regard for the benefits of diversity on the Board and for making relevant recommendations to the Board.

The Committee evaluates the balance of skills, experience, independence and knowledge on the board and, in light of this evaluation, prepare a description of the role and capabilities required for a particular candidate nomination. It also considers the need for progressive refreshing of the Board.

The Committee is responsible for ensuring that the selected Board candidates will have sufficient time to fulfill their duties. To this end, the nomination letters set out the expected time commitment of each nominated candidate.

In discharging its duties, the Committee is entitled, where it deems it necessary, to use the services of external search consultants or open advertising.

Board diversity

TITAN recognizes the importance of diversity at the Board and all levels of the Group, in particular in relation to gender but also in relation to other aspects such as educational and professional background, age, place of domicile, residence), nationality, etc. The Company through its Human Rights Policy promotes diversity across the operations of TITAN Group and supports the recruitment and development of talented employees, solely on the basis of their value and regardless of their gender or ethnic background. Likewise, the Board promotes diversity in its composition as well as in the composition of the Board committees through the nomination of more women as well as of directors of different age and of different educational and professional background. As a result, as of 2016 the number of women on the Board was doubled from 2 to 4. Moreover, one out of the three members of the Audit and the Remuneration Committee and two out of the three members of the Nomination and Corporate Governance Committee are female. Diversity on Board level has also been promoted through a balanced mixture of academic and professional skills. More specifically, the Board includes directors coming from the banking sector, the corporate/business sector, legal and audit services as well as from the academic community. As far as residence is concerned, two board members reside in USA and two in Cyprus.

During its annual evaluation the Board has considered diversity as part of its performance and effectiveness review.

Obligations of directors

On joining the Board, all directors receive formal induction. Moreover, throughout their term in office, the Chairman ensures that they constantly expand their skills in areas of importance to the Company and their knowledge of the Company.

The directors are obliged to attend the scheduled Board and Committee meetings and to allocate the time required to effectively discharge their duties. To this end, before their election, they have a duty to inform the Board of Directors about their other important professional commitments and directorships with a broad indication of the time involved. Subsequently, they are obliged to inform the Board of any relevant changes.

The executive directors, who offer their services to the Company on the basis of an employment relationship or a contract for the provision of services, are not allowed to serve on the Board of more than two other listed companies.

The independent non-executive directors are obliged to disclose to the Board any factual information that could result in a change of their status as independent directors.

All directors are obliged to refrain from any transaction on their own account or for the account of a third party relating to shares or debt securities of the Company during a closed period of 30 calendar days before the announcement of the interim and year -end financial reports of the Company.

Conflict of interests

All directors are obliged to immediately disclose to the Board whether they have personal interests that conflict, or could potentially conflict with the interests of the Company or its affiliates. Given their access to privileged and inside information, directors are prohibited to refrain from using such information on their own account or for the account of third parties to directly or indirectly purchase or sell shares or debt securities of the Company and/ or any other company of the Titan Group. They must also not disclose that information to other persons or induce third parties to purchase or sell shares in the Company or its affiliates, which are traded on a regulated market, based on the aforesaid privileged information to which they have access.

Furthermore, directors, during their term of office, must not serve as directors on the Boards, or as officers or employees of business entities that are competitors to the Company or the Group's companies, and generally they must abstain from any actions, either when acting on their behalf or on behalf of third parties, that fall under any the Company's objectives, without the approval of the General Meeting of Shareholders. In any of the above events, they are obliged to inform immediately the Chairman of the Board of Directors and resign from the Company's Board of Directors.

Board Committees

The Board Committees have been set up by the Board and are comprised entirely of independent, non-executive members with the exception of the Nomination and Corporate Governance Committee, one member of which is the Chairman (non-executive director).

The Board Committees are entitled to retain the services of specialists and of technical, financial, legal or other consultants.

Audit Committee

Chairman: Doros Constantinou, independent, non-executive director

Members:

- Plutarchos Sakellaris, independent, non-executive director
- Ioanna Papadopoulou, independent, non-executive director

Alternate members:

- Alexander Macridis, independent, non-executive director
- Petros Sabatacakis, independent, non-executive director

The Audit Committee consists exclusively of independent directors two of whom have extensive, recent and relevant financial experience. Further, the Audit Committee, as a whole, has competence relevant to the industrial sector.

All Audit Committee members (regular and alternate) were elected by the General Meeting of Shareholders on 17 June 2016.

The main role and responsibilities of the Audit Committee include:

monitoring the integrity of the financial statements of the Company and of any formal announcement relating to the Company's financial performance;

monitoring the Company's internal financial controls;

monitoring the Company's internal control and risk management systems;

monitoring and reviewing of the effectiveness of the Company's internal audit function;

monitoring and reviewing the effectiveness of the statutory audit process and the external auditor's independence and objectivity;

making recommendations to the Board, for it to submit to the shareholders for their approval in general meeting, in relation to the appointment, re-appointment or removal of the external auditor and to approve the remuneration and terms of appointment of the external auditor;

developing and implementing a policy on the engagement of the external auditor to supply non-audit services and reporting to the Board;

reporting to the Board on how the Committee has discharged its duties;

monitoring and reviewing the existing confidential reporting procedure through which the employees raise concerns about possible improprieties and infringements of the Company's Code of Conduct and ensuring that arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow- up action.

The Audit Committee's duties and competences and its internal regulation have been posted to the Company's website (http://www.titan-cement.com/en/) at the link: http://www.titan-cement.com/en/titan-group/corporate-governance/board-of-directors-committees/audit-committee/

The Audit Committee holds at least four scheduled meetings every year. It also holds unscheduled meetings whenever this is considered necessary.

Description of the work of the Audit Committee in 2017

During 2017, in discharging its duties, the Audit Committee held seven meetings on March 20, March 22, May 9, July 26, September 27, October 30 and November 20,2107.

The Committee reviewed the 2016 Annual Report, the half year report and any formal announcement relating to the Company's financial performance and has recommended to the Board to approve them.

In 2017, the Audit Committee monitored the Company's internal control and risk management systems as well as the effectiveness of the Company's internal audit function. The Committee has received and approved the Internal Audit Plan for the year 2017. During the year, the Committee received all internal Audit Reports outlining the principal findings and management's responses thereto. The Committee had regular meetings with the Director of Internal Audit to discuss functional and organizational issues. Three-month progress reports with reference to the most important audit findings as well as the annual internal audit schedule were also submitted to the Committee during the course of the year.

During the course of the year, the Audit Committee has regularly reported to the Board on how it has discharged its duties.

External Auditors

In 2017, the Audit Committee held two separate meetings on March 20 and on July 26 with the external auditors without any executive directors or other Company employees present. The Audit Committee, on behalf of the Board, has assessed the effectiveness of the external audit process. The Committee has considered the experience and knowledge of the PwC audit team and concluded that the audit process applied by the external auditors was effective. The Committee also monitored the objectivity and independence of the external auditors.

Given that PwC have been the Group's external auditors only since 2015 and that the level of satisfaction with their audit services is high, the Audit Committee recommended the re-appointment of PwC as external auditors for the financial year 2017 (3rd consecutive year).

After unanimous acceptance by the Board of the Audit Committee's recommendation, the reappointment of PwC as external auditors for the financial year 2017 was also unanimously approved by the Annual General Meeting on May 12, 2017.

Likewise, the Annual General Meeting unanimously approved the following remuneration of PwC during financial year 2017:

- For the statutory audit of the Company's financial statements, up to the amount of €115,000 plus VAT;

- For the statutory audit of consolidated financial statements, up to the amount of €120,000, plus VAT;

During 2017, following relevant approval by the Audit Committee and by the respective Annual General Meetings of the Group subsidiaries, PwC was appointed as external auditor of 45 Group subsidiaries worldwide. PwC also undertook the tax compliance audit of the Company and its subsidiaries in Greece. The total fees of PwC for the above services, under the exchange rates prevailing at the time of their appointment, were estimated to amount to €1,250,000. The total fees finally paid to PwC for the above services in 2017, calculated as above, amounted to €1,247,000 (€1,196,000 in 2016).

Provision of audit related and non- audit services by the external auditors:

In 2017, following prior approval by the Audit Committee, PwC provided to the Group the following additional services:

Audit related services:

Assurance letter prior to the issuance of the €250 million notes in November 2017 by Titan Global Finance Plc. The fees paid to PwC for providing this service was €95,000.

Non- audit services:

a. Assistance to our subsidiary Separation Technologies Canada Ltd with local tax compliance and non -residence certification. The fees paid to PwC for these services amounted to €15,852;
b. Advisory services to our subsidiary Iapetos Limited. The fees paid to PwC for these services amounted to €17,500; and
c. Advisory and quality assurance services in the context of Phase I of the Group IT transformation program (unITe). The fees paid to PwC for these services amounted to €200,000; The Committee is satisfied that PWC's knowledge of the Group as well as its technical expertise from similar implementation initiatives was an important factor in choosing them to provide the above non audit services.
d. License to our subsidiary Titan America LLC for an online accounting research tool for accounting pronouncements by various Authoritative Bodies. The fees paid to PwC for this service amounted to €976.

In view of the above, the total fees paid in 2017 to PwC for non- audit services amounted to €234,328 (€82,350 in 2016), representing in total 18,79% of PwC's total fees for the statutory audit for the Company and the Group subsidiaries.

The Committee satisfies itself that the above fees paid to PwC for non- audit services are within the limits set by the Audit Committee and did not compromise the independence or integrity of the external auditors.

The independence of the external auditors has also been confirmed by the external auditors in a letter addressed to the Audit Committee.

The key areas of focus of the Committee in 2018 will continue to be on risk management and particularly on monitoring progress in respect of the formalization of the Group's risk management framework and on all material internal controls that could affect the Group's business.

Remuneration Committee

Chairman: Hiro Athanassiou, independent, non-executive Board member

Members: Alexander Macridis, independent, non-executive Board member

Petros Sabatacakis, independent, non-executive Board member

The Remuneration Committee consists exclusively of independent members of the Board of Directors.

The members of the Committee were appointed by the Board on 17 June 2016.

The main tasks of the Remuneration Committee is to recommend the levels of the annual remuneration of executive directors and of senior Group officers on the basis of their performance and importance of position and to review on a regular basis the remuneration policy followed by the Company based on the market trends with regard to the pay rates and the human resources management. The Committee also recommends the levels of remuneration of non-executive directors on the basis of their time commitment and responsibilities.

Over the course of the year, the Remuneration Committee held one meeting on April 20, 2017. The main subject of the meeting was to make a recommendation regarding the total remuneration (annual salary, bonus, stock grant and retirement fund contributions) during 2017 of the Chief Executive Director and the other executive members of the Board as well as of the senior Group officers including the Group Internal Audit Director.

The Remuneration Committee also recommended the level of the annual remuneration of the Chairman and of the other non- executive directors for the year 2017, on the basis of their performance, the time commitment and the responsibilities of their role.

The above recommendations of the Remuneration Committee were subsequently approved by the Board. The recommendations of the Remuneration Committee on the level of remuneration of the Board members (executive and non-executive directors) for their participation in the Board and the Board committees in 2017 was subsequently submitted for approval to the Annual General Meeting.

The Remuneration Committee's duties and competences and its internal regulation have been posted to the Company's website http://www.titan-cement.com/en/ at the link: http://www.titan-cement.com/en/titan-group/corporate-governance/board-of-directors-committees/remuneration-committee/

Nomination and Corporate Governance Committee

Chairman: Domna Mirasyesi- Bernitsa, independent, non-executive Board member

Members: Efstratios-Georgios Arapoglou, non-executive Board member

Hiro Athanassiou, independent, non-executive Board member

The Nomination and Corporate Governance Committee consists of three non-executive directors of the Board, two of whom are independent. The Chairman of the Board, who is a non-executive director, is the third member of the Committee. The present members of the Committee were appointed by the Board on 17 June 2016 to serve for three years.

All members of the Committee have extensive experience in business administration and corporate governance.

The main task of this Committee is:

to lead the process for new Board appointments and making relevant recommendations to the Board;

to ensure that adequate plans are in place for orderly succession both on Board and senior management level;

to evaluate the balance of skills, experience, independence and knowledge on the Board and to ensure its progressive and appropriate refreshment; and

to review and monitor the corporate governance policies applies by the Board.

In 2017 the Committee held one meeting on March 23, with the following agenda:

a. Performance evaluation of the Board and its Committees in 2016 on the basis of the annual assessment questionnaire and submission of report to the Board;
b. Review of the contents of the Corporate Governance Statement that was part of the Annual Corporate Governance Report for the year 2016; and
c. Review of the existing plans for the orderly succession of the Chairman, the Managing Director and the senior officers of the Company.

The Nomination and Corporate Governance Committee's duties and competences and its internal regulation have been posted on the Company's website http://www.titan-cement.com/en/ at the following address: http://www.titan-cement.com/en/titan-group/corporate-governance/board-of-directors-committees/nomination-and-corporate-governance-committee/

Other committees with Board members' participation

In addition to the above three Committees of the Board of Directors, the Board has established the following Committees which consist of executive directors and relevant senior officers of the Company

Executive Committee

Chairman: Dimitri Papalexopoulos, Chief Executive Officer

Members: Michael Colakides, Executive Director, Group Chief Financial Officer

Bill Zarkalis, Executive Director, USA Region Director

Alexandra Papalexopoulou- Benopoulou, Executive Director, Group Strategic Planning Director

Sokratis Baltzis, Egypt and Group Trading Director

Konstantinos Derdemezis, Albania, FYROM, Serbia and Kosovo Director

John Kollas, Group Human Resources Director

Christos Panagopoulos, Turkey and Bulgaria Director

Yanni Paniaras, Greek Region and Group Corporate Affairs Director

Fokion Tasoulas, Group Engineering and Technology Director

The day-to-day management has been delegated by the Board to the Executive Committee.

Within this context, the Executive Committee, chaired by the Group CEO, is the senior management body on all aspects of the Group's strategy and operations. The Executive Committee invites the appropriate functional heads according to the agenda topics.

The Executive Committee's duties and competences and its internal regulation have been posted to the Company's website http://www.titan-cement.com/en/ at the link: http://www.titan-cement.com/en/titan-group/corporate-governance/other-committees/executive-committee/

Sustainability Committee

CHAIRMAN: Dimitri Papalexopoulos, Chief Executive Officer

Members: Nellos Canellopoulos, Vice Chairman, Executive Director

Takis-Panagiotis Canellopoulos, Executive Director

Efthymios Vidalis, Executive Director

Fokion Tasoulas, Group Engineering &Technology Director

John Kollas, Group Human Resources Director

Convener: Yanni Paniaras, Greek Region and Group Corporate Affairs Director

The purpose of this Committee is to strengthen and support management's long term approach to the triple bottom line, covering economic, environmental and social sustainability and to provide strategic direction on sustainability and corporate affairs issues to the Executive Committee.

The Sustainability Committee's duties and competences and its internal regulation have been posted to the Company's website http://www.titan-cement.com/en/ at the link: http://www.titan-cement.com/en/titan-group/corporate-governance/other-committees/sustainability-committee/

Advisory Council

CHAIRMAN: Andreas Canellopoulos, Ex Chairman

MEMBERS: Nellos Canellopoulos, Vice Chairman, Executive Director

Takis-Panagiotis Canellopoulos, Executive Director

Efthymios Vidalis, Executive Director

Michael Sigalas, ex Executive Director, ex Regional Director

The Board has established this new body in order to provide a longer-term shareholder view. The Advisory Council provides advice to the Executive Committee and the managing Director (Group CEO) on major strategic initiatives, senior appointments and issues of special interest to shareholders.

The Advisory Council's duties and competences have been posted to the Company's website http://www.titan-cement.com/en/ at the link: http://www.titan-cement.com/en/titan-group/corporate-governance/other-committees/advisory-council/

Individual attendance by directors at board, committee and general meetings in 2017

In 2017, the Board held six (6) scheduled meetings on March 22, May 10, May 12, July 27, November 1 and December 14.

Below is a table showing which members attended these meetings of the Board and its Committees, as well as the Annual General Meeting of Shareholders held in 2017:

	Board	Committees	AGM
EFSTRATIOS-GEORGIOS ARAPOGLOU	6/6	1/1	1/1
NELLOS CANELLOPOULOS	6/6	-	1/1
DIMITRI PAPALEXOPOULOS	6/6	-	1/1
MICHAEL COLAKIDES	6/6	-	1/1
DOROS CONSTANTINOU	5/6	6/6	-
HIRO ATHANASIOU	5/6	2/2	1/1
TAKIS-PANAGIOTIS CANELLOPOULOS	6/6	-	1/1
ALEXANDER MACRIDIS	4/6	1/1	-
DOMNA MIRASYESI - BERNITSA	6/6	1/1	1/1
IOANNA PAPADOPOULOU	4/6	3/6	-
ALEXANDRA PAPALEXOPOULOU-BENOPOULOU	6/6	-	1/1
PLOUTARCHOS SAKELLARIS	6/6	6/6	1/1
PETROS SABATACAKIS	5/6	1/1	-
EFTHYMIOS VIDALIS	6/6	-	1/1
BILL ZARKALIS	5/6	-	-

Remuneration of directors for their participation in the Board and its committees in 2017

The Annual General Meeting held on 12 May 2017, following the recommendation of the Board and the Remuneration Committee decided to maintain the same annual remuneration for the members of the Board as in 2016. Only the members of Audit Committee, given their increased tasks and time required in order to discharge their duties, were offered a 20% increase on the remuneration paid to them in 2016.

More specifically, the pre- approved remuneration for 2017 was:

- gross remuneration of €30,000 (€30,000 in 2016) to each director;

- gross remuneration of €80,000 (€65,000 in 2016) to the 3 members of the Audit Committee, i.e. €30,000 gross (€25,000 in 2016) to the Chairman and €25,000 gross (€20,000 in 2016) to each member;

- gross remuneration of €32,500 (€ 32,500 in 2016) to the three members of the Remuneration Committee, i.e. €12,500 gross (€12,500 in 2016) to the Chairman and €10,000 gross (€10,000 in 2016) for each member; and

- gross remuneration of €32,500 (€32,500 in 2016) to the 3 members of the Nomination and Corporate Governance Committee, i.e. €12,500 gross (€12,500 in 2016) to the Chairman and €10,000 gross (€10,000 in 2016) for each member.

The total above pre- approved amount was €595,000 (€580,000 in 2016)

The AGM of 12 May 2017 also pre-approved the Chairman's annual gross remuneration for the year 2017, amounting to €168,000 (€84,000 for the semester June 2016- December 2016) and Mr. Efthymios Vidalis' annual gross remuneration amounting to €135,000 (€ 135,000 in 2016).

Pursuant to article 24 section 2 of Law 2190/1920, all aforementioned payments will be submitted for final approval to the Annual General Meeting for the financial year 2017 which will be held within the first semester of 2018.

Remuneration of executive directors during 2017

In 2017, the gross sums paid to the 6 executive directors who provided their services on the basis of employment contracts, for fixed and performance related remuneration amounted to the gross amount of €3,670,165 (€3,987,357 in 2016).

In 2017, the additional amount of €1,041,521 (€918,478 in 2016) was paid as pension contribution for the six above executive directors.

The executive directors who were released to serve as non-executive directors in other companies and to retain their relevant earnings, received in 2017 remuneration as follows:

Mrs. Alexandra Papalexopoulou received gross remuneration of €92,000 for serving on the board of Coca-Cola HBC AG;

Mr. Takis-Panagiotis Canellopoulos, received gross remuneration of €10,000 for serving on the board of "Grivalia Properties REIC"; and

Mr. Efthimios Vidalis, received gross remuneration of € 86,250 for serving on the board of Alpha Bank.

Mr. Michael Colakides, received gross remuneration of €15,000 for serving on the board of Eurobank Cyprus LTD.

Remuneration policy for executive directors and senior officers

The level of remuneration of the executive directors and senior officers are decided by the Board following relevant recommendation of the Remuneration Committee.

Such remuneration consists of a fixed part, i.e. the salary, which is determined on the basis of the applicable salaries system and the annual performance assessment, and of a variable part, which is linked with the achievement of individual and corporate goals. The corporate goals are linked with performance in terms of financial ratios (EBITDA and ROACE) at Group level and at Region level, as well as with performance in other areas, such as the safety at work. The individual goals are personal and they are linked with the position that each officer serves.

Annual bonus awards vary depending on the importance of the position of the executive director / senior officer, but in no event may the bonus exceed:

A. 100% of the fixed annual remuneration (i.e. salary), when the targets set have been fully met; or,
B. 130% of the fixed annual remuneration (i.e. salary), if the officer has over-performed on the targets set.

The assessment of the performance of the executive directors and senior executives is carried out by the Chief Executive Officer and the assessment of the performance of the Managing Director is carried out by the Board of Directors.

The executive directors do not participate in discussions relating to the determination of their individual remuneration.

The Group Human Resources Department provides on a yearly basis to the Remuneration Committee data from the labor market, so that the remuneration level and/or the plans for variable compensation are adjusted accordingly. The main aim is to attract and keep high-caliber professionals who with their knowledge, skills and integrity will add value to the Company.

Executive directors and senior officers of the Group are granted long-term incentives through stock option schemes which are linked to Group performance, are approved by the General Meeting of Shareholders, have a three-year maturity period and are subject to specific vesting requirements i.e. achievement of certain targets.

Executive directors and senior officers also benefit from pension-savings plans and other additional voluntary allowances, which, may at any time be recalled or amended at the Company's discretion.

The Company offers to the executive directors who have an employment relationship with the Company, additional rights under pension and benefit plans based on the applicable practices in the relevant markets where the Company is operating, which may at any time be recalled or amended at the Company's discretion.

Stock option plans for executive directors and senior officers

Aiming to align the long-term personal goals of its senior executives with the interests of the Company and its shareholders, the Company has adopted and implements since 2000 stock option plans. All relevant plans (2000, 2004, 2007, 2010, 2014 and 2017 Plans) have been approved by the General Meeting of Shareholders, they all provide for a three-year maturity period and the beneficiaries of all plans were solely executive directors and senior Group officers. Non-executive directors have never participated in such plans.

In total, to date under the aforesaid Plans 1,318,369 ordinary shares have been acquired by approximately 120 beneficiaries (executive directors and senior Group officers), representing 1.55 % of the Company's paid capital.

It is also worth mentioning that under Plans 2014 and 2017 that are running today, the exercise price is €10 per share while under previous Plans 2004, 2007 and 2010 the exercise price was €4 per share.

Both 2014 and 2017 Plans, as did the previous ones, favor the long-term holding of a significant number of Company shares by the executive directors and the Group officers; in line with the above principle the Plans' beneficiaries are encouraged to maintain a reasonable value (corresponding to a percentage of their Annual Base Salary) in Company shares depending on their hierarchical rank; non – compliance with the above principle, can be considered as an unfavorable factor for the determination of future grants.

Both 2014 and 2017 Plans were designed to prevent high-risk behaviors by the executive directors and the senior officers of the Company, which might impact negatively the Company's share price. For this reason, they have an attractive strike price in relation to the exchange price of the Company's share at the time that they are granted.

A detailed description of the Plans is available on the Company's website http://www.titan-cement.com/ link: http://ir.titan.gr/en/stock-option-plan

Internal controls and risk management systems in relation to the financial statements

The key elements of the system of internal controls utilized in order to avoid errors in the preparation of the financial statements and to provide reliable financial information are the following:

The assurance mechanism regarding the integrity of the Group's financial statements consists of a combination of the embedded risk management processes, the applied financial control activities, the relevant information technology utilized, and the financial information prepared, communicated and monitored.

Each month the Group's subsidiaries submit financial and non-financial data to the Group's consolidation department and provide explanatory information where necessary.

In consolidating the financial results and statements, the Group utilizes specialized consolidation software and specialized software for reconciling intercompany transactions. These tools come with built-in control mechanisms and they have been parameterized in accordance with the Group needs. Finally, the above tools use best-practices regarding the consolidation process, which the Group has to a large extent adopted.

The Group's management reviews on a monthly basis the consolidated financial statements and the Group's Management Information (MI) – both sets of information being prepared in accordance with IFRS and in a manner that facilitates their understanding.

The monthly monitoring of the financial statements and Group MI and their analysis carried-out by the relevant departments, are key elements of the controlling mechanism regarding the quality and integrity of financial results.

The Group's external auditors review the mid-year financial statements of the Company, the Group and its material subsidiaries and audit the full-year financial statements of the aforementioned. In addition, the Group's external auditors inform the Audit Committee about the outcome of their reviews and audits.

The Audit Committee, during its quarterly, meetings prior to the financial reporting, is informed by the Group CFO and the other competent Group officers about the performance of the Group, monitors the Company and consolidated accounts and the financial reporting process and reports accordingly to the Board. During these meetings, the Audit Committee is also informed on the management of the financial risks and monitors the effectiveness of the risk management system.

The approval of the financial statements (Company and Consolidated) by the Board, is made after relevant recommendation of the Audit Committee.

Internal Audit

Internal audit is carried out by the Group Internal Audit, which is an independent department with its own written regulation, reporting directly to the Board of Directors' Audit Committee.

Internal audit consists of 17 executives who have the necessary training and experience to duly carry out their work.

Internal Audit's primary role is to evaluate the internal controls that have been put in place for all Group functions in terms of their adequacy and effectiveness. Internal Audit's functions also include:

- monitoring implementation and compliance with the Company's Internal Regulation, Code of Conduct, Articles of Association and applicable laws in all jurisdictions in which the Group operates;
- reporting to the Board of Directors any conflict of interest situations relating to the members of the Board of Directors or the Company's executives towards the Company's interests, as such situations may be identified in the frames of the internal audit;
- monitoring the relationship and transactions of the Company with the related parties, as defined in the International Accounting Standard 24, as well the audit of the Company's dealings with companies with a higher than 10% participation in their capital by members of the Board of Directors or shareholders of the Company with more than 10%.

During year 2017, Internal Audit conducted 39 audits. 23 audits were scheduled, 3 were special and 13 were follow up audits. All audit reports were sent to the Audit Committee.

Three-month progress reports with reference to the most important audit findings were also submitted to the Audit Committee.

During the year 2016, the Audit Committee held regular private meetings with the Group's Internal Audit Director to discuss functional and organizational issues. All information requested was provided and briefings were given about the audit systems currently in place, their effectiveness and the progress of audits. Following a report from the Audit Committee, the Board of Directors approved the audit schedule for 2017 and specified the functions and points on which internal audit must focus.

Information required by Article 10(1) of European Parliament and Council Directive 2004/25/EC

The information required by Article 10(1) of European Parliament and Council Directive 2004/25/EC is contained, pursuant to Article 4 (7) of Law 3556/2007, in the Explanatory Report, which is part of the Board of Directors' Annual Report and is set out above.

General Meetings and Shareholder Rights

The General Meeting's Powers and Modus operandi

According to Article 12 of the Company's Articles of Association, the General Meeting of Shareholders is the Company's supreme body and is entitled to decide on all corporate affairs.

The General Meeting is the sole body competent to decide on:

a. Amendments of the Articles of Association, with the exception of certain cases where, as provided by the Codified Law 2190/1920, the amendment is decided by the Board.
b. Increases or reductions in the share capital of the Company, with the rare exception of specific cases where, as provided by the Codified Law 2190/1920 or the Articles of Association or the provisions of other Laws, such decision is taken by the Board.
c. The distribution of annual profits, save for the case referred to in Article 34(2)(f) of Codified Law 2190/1920.
d. The election of members and stand-in members of the Board of Directors, apart from the cases cited in Article 25 of the Articles of Association, relating to the election by the Board of new members to replace members who have resigned, passed away or have lost their capacity for any reason, for the remainder of the relevant term in office and provided that are no stand-in members elected by the General Meeting to replace them.
e. The approval of the annual financial statements of the Company and Board Report.
f. The issuing of corporate bonds, in parallel with the right of the Board of Directors to issue such bonds in accordance with Article 28 of the Articles of Association.
g. The election of auditors.
h. The extension of the Company's term, the merger, split, conversion, revival, or winding up of the Company.
i. The appointment of liquidators.
j. The filing of actions against members of the Board for acting ultra vires or for infringing the law or the Articles of Association and
k. All other issues relating to the Company for which the General Meeting is granted competence by the law or the Articles of Association.

The General Meeting is convened at least once every year within 6 months from the end of each fiscal year (Annual General Meeting). The venue where the General Meeting is convened should lie in the municipality of Athens or in the wider area of Attica or in any other neighboring municipality.

The notice for the General Meeting includes the address of the venue, the date and time of the meeting, the items on the agenda clearly stated, and precise instructions about how shareholders can take part in the meeting and exercise their rights in person or through proxies, including the forms that the Company is utilizing for that purpose.

The notice also includes information about the minority rights and the time period in which such minority rights can be exercised, the record date, the place where the full text of documents and drafts of decisions proposed by the Board of Directors for all items on the agenda are available, a reference to the Company's website where all the above information is available, and the proxy forms which must be used when shareholders vote through proxies.

According the Greek law, the Notice of a General Meeting is published at the Company's website as well as on the websites of ATHEX and the General Commercial Register (GEMI), at least 20 calendar days before the date of the General Meeting, without counting the date of the publishing of the notice and the date of the General Meeting. However, the Company, in compliance with the UK Corporate Governance Code, ensures that the notice for the Annual General Meeting is published at the Company's website at least 20 working days before the date of the Annual General Meeting. The full text of the notice is also published in electronic news services with a national and European reach, in order to effectively disseminate information to investors and to ensure rapid, non-discriminatory access to such information.

Right to attend General Meetings

All shareholders are entitled to take part in the General Meetings, provided they hold Company Shares on the Record Date i.e. at the start of the fifth day before the date of the General Meeting.

Shareholder status is proven through online connection with to the files and records of the Hellenic Exchanges S.A. Pursuant to the Greek law, such on line shareholder certification should be provided no later than three days before the date of the General Meeting.

Participation in a General Meeting does not require any blocking of shares or any other formality which could limit the right of shareholders to sell or transfer their shares in the time period between the record date and the date of the General Meeting.

Even in case shareholders or their proxies fail to timely provide the above mentioned on line certification of their shareholder status, they may still participate in the General Meeting, after relevant permission is granted by the General Meeting.

Shareholders may attend the General Meetings either in person or through one or more proxies, shareholders or not. Each shareholder may appoint up to 3 proxies. If a shareholder holds shares in the Company which appear in more than one securities account, this limitation does not prevent him to appoint different proxies for the shares which appear in each securities account.

A representative who acts for more than one shareholder may vote differently on behalf of each shareholder.

Legal entities may participate in a General Meeting by appointing up to three natural persons as their proxy.

Shareholder proxies can be appointed or removed by notifying the Company, at least three days before the date set for the General Meeting.

Proxy forms are available on the Company website. Such forms allow shareholders to authorize their proxies to vote for or against, or to withhold their vote on each item of the agenda. The proxy form makes it clear that a "vote withheld" is not a vote in law and will not be counted in the calculation of the proportion of the votes for and against the resolution.

The Company ensures that all valid proxy appointments received for General Meetings are properly recorded and counted.

Shareholder proxies are expected to disclose before the start of a General Meeting any information or circumstances that could be deemed conflicting with the rights of the shareholders that have appointed them as their proxies.

A conflict of interest may arise in cases where a proxy:

a. is a shareholder who controls the Company or is a legal entity or person controlled by that shareholder;
b. is a member of the Board of Directors or of the management team of the Company or a shareholder who controls the Company, or another legal person or entity controlled by a shareholder who controls the Company;
c. is an employee or certified public accountant of the Company or a shareholder who controls the Company, or another legal person or entity controlled by a shareholder who controls the Company;
d. is the spouse or a first degree relative of one of the natural persons referred to above;

The Annual General Meeting should be attended by all directors as well as by the chairmen of the Board committees, who should be available to answer questions.

Quorum – Majority

According to the Greek law and the Articles of Association, the minimum quorum required at a General Meeting is at least 1/5 of the paid up share capital.

If this quorum is not achieved at the first meeting, the General Meeting reconvenes within 20 days. In this case, the General Meeting has a quorum irrespective of the percentage of the paid up share capital represented in the General Meeting.

In both above cases, decisions are taken by absolute majority of the votes represented at the General Meeting.

By way of exception to the above minimum quorum, in the case of decisions relating to a change in the Company's nationality; a change in the Company object; an increase in shareholders' obligations; an increase in the Company share capital unless done by capitalizing reserves or explicitly allowed by the law to be decided by virtue of Board resolution ; a reduction in the Company share capital; a change in the profit distribution; the merger, split, conversion, revival, extension of term or winding up of the Company; the granting or renewal of powers to the Board of Directors to increase the share capital; and in other cases specified by the law, the required minimum quorum is 2/3 of the paid up share capital. In all above cases, decisions of the General Meeting are taken by 2/3 majority of the votes represented in the General Meeting.

If this above quorum is not achieved, the General Meeting reconvenes within 20 days, and at this second meeting the minimum required quorum Is ½ of the paid-up share capital. If this quorum is not achieved again, the General Meeting reconvenes within 20 days and at the third meeting the minimum required quorum is 1/5 of the paid-up share capital.

In the above cases, decisions of the General Meeting are taken by 2/3 majority of the votes represented at the General Meeting.

Right to vote in General Meetings

Every common Company share comes with a voting right.

Rights of preference shareholders

On 27 June 1990, the Annual General Meeting of Shareholders decided to increase the Company's share capital by issuing preference shares without voting rights.

Preference Shareholders were afforded the following privileges:

A. The right to receive, before common shareholders, a "first dividend" (i.e. 6%) from the yearly net profits, and in case no dividend is distributed in one or more years, or in case the distributed dividend is less than the "first dividend", the right to receive preferentially such payment of 'first dividend", from the profits generated in subsequent years. Preference Shareholders are also entitled, on the same terms with holders of common shares, to receive any additional dividend paid in any form. (Nowadays, due to the regulatory requirement of distribution of at least 35% of the Company's net profits, the above privilege of distribution of a" first dividend" of 6% of the net profits to the Preference Shareholders is practically redundant)
B. In case of dissolution and liquidation of the Company, the right to receive preferentially from the product of liquidation of corporate assets the capital contribution paid by them. In case the liquidation product exceeds the total paid up capital, the Preference Shareholders are entitled, on equal terms with the holders of common shares, to proportionately participate in the excessive liquidation product.

It is also worth mentioning that pursuant to the Law, any abolition or limitation of the above privileges of the Preference Shareholders requires the consent of their Separate General Meeting. Such decision of the Separate General Meeting of Preference Shareholders requires increased quorum and is taken by increased majority of 2/3 of the preference shares represented in the Separate General Meeting.

Priority rights

In any event of share capital increase, where such increase is not made by in kind contributions, all Shareholders have priority rights on the new capital or bond issue, proportionately to their holding in the existing share capital.

In the event of share capital increase through the issuance of shares of one class only, priority rights are granted to Shareholders of the other classes, provided that the Shareholders of such class of which the new shares are part of, have not exercised their priority rights.

Pursuant to the applicable Law, priority rights may be limited or abolished by a decision of the General Meeting of Shareholders, for which an increased quorum and majority is required, based on the par. 3 and 4 of article 29 and par.2 of article 31 of the Codified Law 2190/1920.

Right to receive copies of the annual financial statements, the Board Report and the Auditor's Report

Ten (10) days prior to the Ordinary General Meeting, each Shareholder may request the annual Financial Statements and the relevant reports of the Board of Directors and of the Auditor.

Minority rights

1. Any Shareholder may request the Board, at least five (5) full days prior to a General Meeting, to provide specific information to the General Meeting on the Company's affairs, to the extent that such information is useful for the assessment of the items of General Meeting's agenda. The Board is not obliged to provide the requested information to the General Meeting in the event that the requested information is already available on the Company's website, especially in the form of questions and answers. The Board of Directors may refuse to provide such information with due cause and justification which must be written in the minutes of the General Meeting.
2. At the request of Shareholders representing 1/20 of the paid-up share capital, the Board is obliged to call a special General Meeting within a time period of 45 days from the date of service of the relevant request to the Chairman of the Board. The relevant request should also include the agenda of the requested General Meeting. In the event that the Board does not convene the General Meeting within 20 days from the service of the request, the relevant request cam be addressed to the Single-Member Court of First Instance of Athens, which though interim measures may set the time, place and agenda of the General Meeting.
3. At the request of Shareholders representing 1/20 of the paid-up share capital, the Board is obliged to enter additional items on the agenda of a General Meeting that has already been convened, provided that it receives the relevant request at least 15 days prior to the General Meeting. The additional items are published and notified under the responsibility of the Board at least 7 days before the General Meeting. The updated agenda along with the reasoning or draft decision submitted by the shareholders must be published in the same manner as the initial agenda and must be available on the website of the Company 13 days prior to the date of the General Meeting.
4. At the request of Shareholders representing 1/20 of the paid-up share capital, if a request to that effect is received by the Board of Directors at least 7 days before the date of the General Meeting, the Board of Directors is obliged to provide to Shareholders drafts of decisions on the items of the initial or the revised agenda, by uploading the same on the Company's

website, at least 6 days before the date of the General Meeting.

5. At the request of Shareholders representing 1/20 of the paid up share capital, the Chairman of the General Meeting is obliged to postpone, one time only, the taking of decisions by any General Meeting (AGM or other) on all or certain items of its agenda, and set a new date for the General Meeting as requested by Shareholders, within 30 days from the date of the postponed General Meeting.
6. At the request of Shareholders representing 1/20 of the paid up share capital, the Board shall be obliged to announce to the Annual General Meeting the amounts that have been paid to each member of the Board or to the Company directors as well as any other provisions made to them due to any reason or on the basis of any contract between them and the Company over the last two years. The Board of Directors may refuse to provide such information with due cause and justification which shall be written in the minutes of the General Meeting.
7. At the request of Shareholders representing 1/20 of the paid up share capital, decisions on any item on the agenda of the General Meeting are taken by roll- call vote.
8. At the request of Shareholders representing 1/20 of the paid-up share capital, the Single-Member Court of First Instance of Athens may order a special audit of the Company, where there is reason to believe that unlawful acts, or violations of the Articles of Association of the Company or violations of decisions of the General Meeting of shareholders have occurred. In any event, the request for a special audit must be submitted within three (3) years from the approval of the financial statements of the fiscal year in which the contested transactions were effected.
9. At the request of shareholders representing 1/5 of the paid-up share capital at least 5 full days prior to the General Meeting, the Board is obliged to provide to the General Meeting information on the course of corporate affairs and the state of the Company's assets. The Board of Directors may refuse to provide such information with due cause and justification which shall be written in the minutes of the General Meeting. Any dispute regarding the validness of the reasons for refusal to provide information is submitted and resolved by the Single-Member Court of First Instance of Athens.
10. At the request of Shareholders representing 1/5 of the paid-up share capital, the Single-Member Court of First Instance of Athens, may order an audit of the Company, in case from the overall course of the Company's affairs it may be concluded that the Company is not being administered in accordance with the principles of sound and prudent management.

Dividend right

According to the Articles of Association, the minimum mandatory dividend which must be distributed each year by the Company is equal to the minimum mandatory dividend specified in Article 45 of Greek Company Law 2190/1920, which according to Article 3 of Development Law 148/1967 is at least 35% of the Company's net profits, after all necessary withholdings to establish the statutory reserve.

Dividend is paid within two months from the date of the Annual General Meeting which approves the Company's annual and consolidated financial statements.

The date and manner of payment of dividend is announced in the Athens Exchange and Company websites as well as in the press.

According to the Greek law, dividends which remain unclaimed for a period of five years from the date on which they became due, pass to the Greek State.

Right to receive the product of liquidation of the Company's assets

Upon completion of the liquidation the Company's assets, the liquidators return to the Shareholders their capital contribution in accordance with the Articles of Association. The capital contributions of the Preference Shareholders are returned preferentially. Any remaining liquidation product is distributed to the Shareholders in proportion to their participation in the paid-up share capital of the Company.

Shareholders' liability

Shareholders' liability is limited up to the nominal value of the shares held by them.

Exclusive jurisdiction of the Courts of Athens – Applicable law

Each Shareholder, in dealing with the Company, regardless of his/her place of domicile, is deemed to have his/her domicile at the seat of the Company and is subject to the laws of Greece. Any action against the Company and any dispute between the Company and the Shareholders or any third party is submitted to the exclusive jurisdiction of the competent Courts of Athens.

Shareholder Information and Services

Effective dialogue with Shareholders is given high priority and Titan devotes considerable time and resources to shareholder engagement. The Investor Relations team, together with the CEO, the CFO and other senior executives, regularly meet with institutional investors and participate in Investor Roadshows and Industry Conferences. Moreover, the announcements of the annual and the interim results are accompanied by webcasts and conference calls for analysts and investors.

- **Investor Relations**

The Investor Relations Department is responsible for monitoring Company relations with its Shareholders and investors, and for communicating with the investor community on an equal footing, in Greece and abroad in a transparent and timely manner concerning the Company's performance. The aim is to generate long-term relationship with the investment community and retain the high level of trust that investors have in the Group.

Investor Relations Director: Mrs. Afroditi Sylla, 22a Halkidos St., GR-11143, Athens Tel: 0030 210-2591163, Fax: 0030 210-2591106, e-mail: ir@titan.gr.

- **Shareholder Services**

Shareholder Services are responsible for providing timely information to shareholders and for facilitating them to participate in the General Meetings and to exercising their rights as Shareholders. The Department is also responding to correspondence from shareholders on a wide range of issues.

Shareholder Services Manager: Ms. Nitsa Kalesi, 22a Halkidos St., GR 11143, Athens, Tel: 0030 210-2591257, Fax: 0030 210-2591238, e-mail: kalesin@titan.gr

- **Corporate Announcements**

As a listed company, the Company is obliged to make public disclosures and announcements in compliance with the EU Market Abuse Regulation 596/2014, the Greek Laws 4443/2016 and 3556/200 and the decisions of the Hellenic Capital Market Commission. The public disclosure of the above information is made in a manner that ensures fast and non- discriminatory access to such information.

All relevant disclosures/announcements are made available on the website of the Athens Exchange and of the Company and are notified to the Hellenic Capital Market Commission.

The Company's website address is: www.titan-cement.com

Reuters code: TTNr.AT, TTNm.AT

Bloomberg code: TITK GA, TITP GA.

Corporate Announcements: Tel: 0030 210-2591257, Fax: 0030 210-2591238, e-mail: kalesin@titan.gr

Explanatory Report of the Board of Directors

Pursuant to article 4 paragraph 7 of Law 3556/2007)

1. Structure of the Company's share capital

The Company's share capital amounts to euro €253,897,584 and is divided into 84,632,528 shares with a nominal value of €3 each, of which 77,063,568 are common shares representing 91.057% of the total share capital and €7,568,960 are preference shares, representing 8.943%, of the total share capital.

All shares are registered and listed for trading in the Securities Market of the Athens Exchange (under "Large Cap" classification).

Each share carries all the rights and obligations set out in Law and the Articles of Association of the Company. Each common share grants the holder one vote. The preferred shares carry no voting rights.

Preference Shareholders were afforded by virtue AGM resolution dated 27.6.1990. the following privileges:

C. The right to receive, before common Shareholders, a "first dividend" (i.e. 6%) from the yearly net profits, and in case no dividend is distributed in one or more years, or in case the distributed dividend is less than the "first dividend", the right to receive preferentially such payment of 'first dividend", from the profits generated in subsequent years. Preference Shareholders are also entitled, on the same terms with holders of common shares, to receive any additional dividend paid in any form. Nowadays, due to the regulatory requirement of distribution of at least 35% of the Company's net profits, the above privilege of distribution of a "first dividend" from the net profits to the preference Shareholders is practically redundant.

D. In case of dissolution and liquidation of the Company, the right to receive preferentially from the product of liquidation of corporate assets the capital paid by preference Shareholders. In case the liquidation product exceeds the total paid up capital, the preference Shareholders are entitled, on equal terms with the holders of common shares, to proportionately participate in the excessive liquidation product.

2. Restrictions on transfer of Company shares

The Company shares are freely negotiable on the Athens Stock Exchange and are transferred as provided by the Law. The Articles of Association of the Company do not provide any restrictions regarding the transfer of shares.

3. Significant direct or indirect holdings in the sense of articles 9 to 11 of Law 3556/2007

On 31 December 2017 the following shareholders held more than 5% of the total voting rights in the Company, individually or through joint investment accounts:

- "E.D.Y.V.E.M. Hellenic Construction Materials, Industrial, Commercial Transportation Public Company Limited", 11.03% of the total voting rights in the Company;
- Mr. Andreas L. Canellopoulos, 10.72% of the total voting rights in the Company;
- The "Paul and Alexandra Canellopoulos Foundation", 9.98% of the total voting rights in the Company;
- Mr. Leonidas A. Canellopoulos, 6.25% of the total voting rights in the Company; and
- TITAN Cement Company S.A., 5.26% of the voting rights in the Company. These shares are treasury stock and, therefore, their voting rights are suspended.

  On 28 March 2018 the shareholders who held more than 5% of the total voting rights in the Company were as shown above.

4. Shares conferring special control rights

None of the Company shares carry any special rights of control.

5. Restrictions on voting rights

With the exception of the preference shares which do not carry any voting rights, the Articles of Association of the Company provide no restrictions on voting rights.

6. Agreements between Shareholders of the Company, which are known to the Company and contain restrictions on the transfer of shares or on the exercise of voting rights

It is known to the Company that the Statutes of "E.D.Y.V.E.M. Hellenic Construction Materials, Industrial, Commercial Transportation Public Company Limited" of Nicosia – Cyprus (EDYVEM), holding in total 8,498,847 common Company shares representing 11.03% of the total voting rights in the Company and 4,302,947 preference shares without voting rights provide restrictions on the transfer of Company shares held by EDYVEM.

Mr. Andreas Canellopoulos ex- Chairman of the Board of Directors and executive directors Messrs. Dimitri Papalexopoulos, Nellos Canellopoulos, Alexandra Papalexopoulou and Panagiotis-Takis Canellopoulos are among the Shareholders of EDYVEM.

7. Rules for the appointment and substitution of Directors and for the amendment of the Articles of

Association, which deviate from the provisions of Codified Law 2190/1920

The only deviation of the Company's Articles of Association from the provisions of the Greek Company Law 2190/1920 as it is now in force, regarding the appointment and substitution of directors, is provided in article 25 paragraph 1 of the Company's Articles of Association, pursuant to which "In case the General Meeting has not elected substitute directors, the Board of Directors may elect new directors in substitution of resigned or deceased directors or of directors who lost their capacity due to any other reason, for the remaining term of the substituted directors, provided the remaining directors are at least seven (7)". Law 2190/1920 allows substitution of directors by Board decision, if the number of the remaining directors is smaller, namely if the remaining directors are at least three (3).

The provisions of the Company's Articles of Association regarding the amendment of the Articles of Association do not deviate from the provisions of the Greek law.

8. Competence of the Board of Directors for the issuance of new shares or for repurchasing Company shares pursuant to article 16 of Codified Law 2190/1920

According to Article 6 paragraph 3 of the Company's Articles of Association, the General Meeting may delegate, by increased quorum and majority, to the Board of Directors the power to increase the share capital of the Company, pursuant to the provisions of article 13, par. 1, subparagraph (c) of Codified Law 2190/1920 and subject to paragraph 4 of the same article.

Moreover, according to the provisions of article 13, paragraph 13 of Codified Law 2190/1920, the General Meeting may establish by increased quorum and majority, share option schemes for the Directors of the Company as well as for the Company and Group personnel. The nominal value of the shares offered through the share option schemes must not exceed, in total, one tenth (1/10) of the paid-up share capital of the Company. The General Meeting determines whether the Company will issue new shares for the purposes of the scheme or whether it will utilize treasury shares which have been repurchased in accordance with article 16 of Codified Law 2190/1920 and sets the maximum number of shares that will be sold or issued, the duration and the beneficiaries of the scheme and the exercise price of the share options. The Board of Directors decides on every other related matter, which has not been specified by the General Meeting and, depending on whether the scheme is using treasury stock or requires the issuance of new shares, hands over Company shares to the scheme beneficiaries or takes decision for the increase of the Company's share capital and the issuance of new shares which are handed over to the beneficiaries.

According to the provisions of article 16 of Codified Law 2190/1920, subject to prior approval by the General Meeting, the Company may repurchase, under the responsibility of the Board of Directors, up to 10% the Company's paid-up share capital. The resolution of the General Meeting also determines the terms and conditions of the buy-back programs, the maximum number of shares that may be repurchased, the duration of the period for which the Board of Directors is given authority to repurchase shares, which may not exceed 24 months, and, the maximum and minimum purchase price.

In line with the above provisions, the General Meeting of Shareholders by virtue of its decision dated 17.6.2016, has approved the share buy-back of common and preference Company shares, in accordance with article 16 paragraph 1 of Law 2190/1920. More specifically, the General Meeting of Shareholders has approved the share buy–back of up to 10% of the Company's paid up share capital, within a 24 month period, namely from 18 June 2016 until 17 June 2018, at a maximum purchase price of €40 per share and at a minimum purchase price equal to the nominal value of the Company share, provided that the Board of Directors considers the share buy-back beneficial compared to any other available investment opportunities and provided that the Company has sufficient liquidity.

To date, in implementation of the abovementioned resolution of the General Meeting dated 17 June 2016, the Company has bought back 1,584,093 Company shares (1,442,014 common shares and 142,079 preference shares).

On 28.3.2018, the total number of Company's shares held by the Company in implementation of the above resolution of the General Meeting of Shareholders dated 17.6.2016 as well as of previous resolutions of the General Meeting of Shareholders, amounts to 4,199,862 shares (4,051,864 common shares and 147,998 preference shares), representing in total 4.96% of the Company's paid- up share capital. (4,051,864 common shares, and 147,998 preference shares).

9. Important agreements which come into effect, are amended or terminated in the event of change of control of the Company, following a public tender offer

The Company has not entered into agreements which come into effect, are amended or terminated in the event of a change of control of the Company, solely following a public tender offer.

It should be noted, though, that the Company has entered into various loan and other agreements, which have, as it is common in such agreements, a "change of control" clause, specifying the right of the lending bank or bond holder to request the early repayment of the loan or bond or the exit of the counterparty from a company of the Group, in any event of a change of control in the Company.

The most important agreements which include a change of control clause are the following:

a. A Multicurrency Revolving Facility Agreement up to the amount of €300 million entered into among the Group's subsidiary TITAN Global Finance PLC, a syndicate of lending banks and the Company as Guarantor;
b. A Euro Bond issue of a nominal amount of €350 million (on 31 December 2017 € 250 million outstanding), issued by TITAN Global Finance PLC and guaranteed by the Company;
c. A Euro Bond issue of a nominal amount of €300 million (on 31 December 2017 €160.61 million outstanding), issued by TITAN Global Finance PLC and guaranteed by the Company;
d. A Euro Bond issue of a nominal amount of €300 million (on 31 December 2017 €300 million outstanding), issued by TITAN Global Finance PLC and guaranteed by the Company
e. A Revolving Facility Agreement up to the amount of USD 50 million entered into among TITAN America LLC, HSBC and the Company as Guarantor;
f. A Revolving Committed Facility Agreement up to the amount of USD 25 million entered into among TITAN America LLC, Wells Fargo and the Company as Guarantor;
g. A Revolving Facility Agreement up to Egyptian Pounds 670 million entered into among Beni Suef Cement Company S.A., a syndicate of lending banks and the Company as Guarantor;
h. A Revolving Committed Facility Agreement up to Egyptian Pounds 150 million entered into among Alexandria Portland Cement Company S.A., HSBC Egypt and the Company as Guarantor;
i. A Revolving Committed Facility Agreement up to Egyptian Pounds 200 million entered into among Alexandria Portland Cement Company S.A., HSBC Egypt and the Company as Guarantor;
j. A Revolving Committed Facility Agreement up to Egyptian Pounds 200 million entered into among Alexandria Portland Cement Company S.A., HSBC Egypt and the Company as Guarantor;
k. A Revolving Committed Facility Agreement up to Egyptian Pounds 400 million entered into among Alexandria Portland Cement Company S.A., AHLI United Bank and the Company as Guarantor;
l. A Shareholders' Agreement entered into among TITAN Egyptian Investments Limited, Alexandria Development Limited, TITAN Cement Company S.A. and International Finance Corporation (IFC), which holds a minority interest in TITAN's investment in Egypt and
m. A Shareholders' Agreement entered into among TITAN Cement Cyprus Limited, Aemos Cement Limited, TITAN Cement Company S.A. and International Finance Corporation (IFC), which holds a minority interest in TITAN's respective investments in Serbia, FYROM and Kosovo.

10. Agreements with members of the Board of Directors or employees of the Company

The Company has entered into no agreement with members of the Board of Directors or employees, providing the payment of compensation upon their resignation or dismissal without just cause or upon termination of their tenure or employment, owing to a public tender offer.

Statement by the Members of the Board of Directors

In accordance with article 4 paragraph 2 of Law 3556/2007)

To the best of our knowledge,

A. the enclosed financial statements of TITAN Cement Company S.A. for the period from 1 January to 31 December 2017 that have been prepared in accordance with the applicable accounting standards, present in a true manner the assets, liabilities, equity and results of TITAN Cement Company S.A. as well as of the companies included in the consolidated financial statements taken as a whole; and

B. the enclosed Annual Report of the Board of Directors presents in a true manner the development, performance and financial position of TITAN Cement Company S.A. as well as of the companies included in the consolidated financial statements taken as a whole, including the description of the principal risks and uncertainties that they face.

Athens, 28 March 2018

Efstratios-Georgios Arapoglou	Dimitri Papalexopoulos	Alexandra Papalexopoulou
Chairman	Chief Executive Officer	Group Strategic Planning Director

[Translation from the original text in Greek]

Independent auditor's report

To the Shareholders of "Titan Cement Company S.A."

Report on the audit of the separate and consolidated financial statements

Our opinion

We have audited the accompanying separate and consolidated financial statements of "Titan Cement Company S.A." (Company or/and Group) which comprise the separate and consolidated statement of financial position as of 31 December 2017, the separate and consolidated income statement and statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects the separate and consolidated financial position of the Company and the Group as at 31 December 2017, their separate and consolidated financial performance and their separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Codified Law 2190/1920.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the separate and consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

During our audit we remained independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017 and of Regulation (EU) No 537/2014, that are relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, Regulation (EU) No 537/2014 and the requirements of the IESBA Code.

We declare that the non-audit services that we have provided to the Company and its subsidiaries are in accordance with the aforementioned provisions of the applicable law and regulation and that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014.

The non-audit services that we have provided to the Company and its subsidiaries, in the period from 1st January 2017 to 31 December 2017 during the year ended as at 31 December 2017, are disclosed in Note 32 to the separate and consolidated financial statements.

pwc

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current period. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
Carrying value of goodwill (Consolidated financial statements)	
At 31 December 2017 Titan Cement Company S.A Group had a total of €287.669 thousand goodwill allocated to cash generating units (CGUs). Group measures the goodwill at cost less any accumulated impairment losses. Goodwill is allocated to CGUs and test for impairment is performed annually or even more frequently, when events or circumstances indicate possible impairment of goodwill carrying value compared to recoverable amount, in accordance with the requirements of International Accounting Standard 36. Impairment loss is charged as expense in the Group Income Statement and is not reversed subsequently. Management determines the recoverable amount for each CGU as the higher of fair value less costs to sell and value in use. The calculation of the value in use for each CGU requires judgment on the part of Management with regard to the assumptions used for the calculation of the above CGUs future results, such as perpetual growth rates, forecasts on volumes and selling prices, gross margins and discount rates. These assumptions vary due to the different market conditions in the countries in which the Group operates. Furthermore challenging trading and operating conditions exist in the countries in which the Group operates, increase the risk of goodwill impairment. We focused on this area due to the significance of related amount in the consolidated financial statements and due to the estimates and judgments applied by management in the process of goodwill impairment testing. According to management's goodwill impairment assessment as at 31 December 2017, an impairment of goodwill amounting to €1.396 thousand in relations to the investments in South Eastern Europe operations was recognized in the consolidated income statement line "Impairment of tangible and intangible assets related to cost of sales". Details on assumptions used are included in Notes 1.6 «Intangible assets», 2.1 «Significant accounting estimates and judgments, Impairment of goodwill and other non –financial assets» and 13 « Intangible assets and Goodwill».	We evaluated management's overall impairment testing process including assessing the process by which the value in use models are reviewed and approved. We have performed a number of procedures in order to verify that the goodwill impairment tests are performed in accordance with generally accepted methods, mathematically correct calculations and are based on reasonable assumptions. Our audit approach incorporated involving PwC valuation experts in order to assist us with: • Testing the Group's key assumptions for growth rates, sales volumes, selling prices and gross margins in the future cash flow forecasts by comparing them to locally industry trends and assumptions made in the prior years. • Assessing the reliability of management's forecast through a review of actual performance against previous forecasts. • We found that the discount rates were within a reasonable range by evaluating the cost of capital and debt per CGU and by comparing these with market and industry data. • Testing the mathematical accuracy of the cash flows models and agreeing relevant data to approved financial budgets. We evaluated the impact on the recoverable amount of each CGU by using other possible assumptions such as growth rates, discount rates, sales volumes, selling prices and gross margins and we found that sufficient headroom remained between the carrying value and recoverable amount. Based on our procedures we noted no exception and consider management's key assumptions to be within a reasonable range and related disclosures in the consolidated financial statements to be adequate.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of investments in Subsidiaries (Separate Financial Statements) At 31 December 2017, the Company had investments of €778.805 thousand, which are accounted for at cost adjusted for any impairment where necessary. Management annually assesses any indications of impairment of the Company's investments in subsidiaries. In order to establish whether an impairment provision is required, the Company determines the amount of impairment as the difference between the recoverable amount and carrying value of the investment. Management has determined the recoverable amount of each investment to be the higher amount between its fair value less cost of sale and its value in use, according to the provisions of International Accounting Standard 36. The determination of the value in use is based on management's estimates and assumptions such as the future cash flows of each company, its future performance and the discount rate used. Furthermore, these assumptions vary due to the different market conditions in the countries in which the Group operates. We focused on this area due to the significance of investments in subsidiaries and due to the estimates and judgments applied by management in the process of impairment testing. In the year ended 31 December 2017 an impairment charge of €178 thousand was recognized in the income statement line "Losses from participation and investments" with respect to the Company's investments in Titan Cement International Trading S.A. and Aeolian Maritime Company. (Notes 1.2 Consolidation and 14. Principal subsidiaries, associates and joint ventures)	We evaluated management's assessment and conclusions as to whether any indication of impairment of the Company's investments in subsidiaries exists. Following the completion of the procedures applicable to the consolidated financial statements, we assessed the analysis prepared by management, by which the recoverable amounts of CGUs determined in the impairment tests of goodwill related to the corresponding investments in subsidiaries. We performed the procedures described in the key audit matter relating to "Impairment assessment of goodwill", for the investments in subsidiaries whereby an indication of impairment exists. From the testing procedures performed above, we noted no exceptions. Furthermore we also validated the appropriateness of the related disclosures included in Note 14 - Principal subsidiaries, associates and joint ventures.
Recoverability of Deferred Tax assets (Consolidated financial statements) As disclosed in Note 8 «Income tax expense» and Note 18 «Deferred income taxes» to the consolidated financial statements, the Group's deferred tax position as at December 31, 2017 includes a deferred tax asset amounting to euro 80,8 million attributable to tax losses euro 284,5 million. Management assesses at each reporting period the expected utilisation of deferred tax assets considering the likelihood of expected future taxable profits in accordance with the approved budgets. We focused on this area due to the significance of related amounts in the consolidated financial statements and judgment required on the part of management as to the likelihood of future taxable profits.	With the assistance of PwC tax specialists we performed the following procedures with regard to the recoverability of deferred tax assets: • We assessed the available tax losses that can be carried forward to offset future taxable profits. • We considered the expiry periods and with any applicable restrictions in recovery of tax losses for significant tax jurisdictions. • We assessed the future taxable profits determined by management, by testing the business plans and expected annual taxable profit growth rates, by comparing with historical achieved results and industry forecasts. Based on our procedures we noted no exceptions in the recoverability of deferred tax assets attributable to tax losses and disclosures in the consolidated financial statements to be adequate.

Other information

The members of the Board of Directors are responsible for the Other Information. The Other Information, which is included in the Annual Report in accordance with Law 3556/2007, is the Annual report of the Board of Directors, Corporate Governance Report, Explanatory report of the Board of Directors, Statement of Members of the Board of Directors and the Non-financial statements (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the separate and consolidated financial statements does not cover the Other Information and except to the extent otherwise, explicitly stated in this paragraph of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We considered whether the Board of Directors report includes the disclosures required by Codified Law 2190/1920 and the Corporate Governance Statement required by article 43bb of Codified Law 2190/1920 has been prepared.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the the Board of Directors' report for the year ended at 31 December 2017 is consistent with the separate and consolidated financial statements,
- The Board of Directors' report has been prepared in accordance with the legal requirements of articles 43a and 107A of the Codified Law 2190/1920,
- The Corporate Governance Statement provides the information referred to items c and d of paragraph 1 of article 43bb of the Codified Law 2190/1920.

In addition, in light of the knowledge and understanding of the Company and Group and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' report and Other Information that we obtained prior to the date of this auditor's report. We have nothing to report in this respect.

Responsibilities of Board of Directors and those charged with governance for the separate and consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Codified Law 2190/1920, and for such internal control as the Board of Directors determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, the Board of Directors is responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company and Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and Group's financial reporting process.

Auditor's responsibilities for the audit of the separate and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report.

Report on other legal and regulatory requirements

1. Additional Report to the Audit Committee

Our opinion on the accompanying separate and consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Company.

2. Appointment

We were appointed as auditors of the Company by the decision of the annual general meeting of shareholders on 19/06/2015. Our appointment has been renewed annually by the decision of the annual general meeting of shareholders for a total uninterrupted period of appointment of 3 years.

Athens, 28 March 2018
The Certified Auditor Accountant

PricewaterhouseCoopers S.A.
Certified Auditors – Accountants
268, Kifissias Avenue
152 32 Halandri
SOEL Reg. 113

Konstantinos Michalatos
SOEL Reg. No 17701

Financial Statements

The Annual Financial Statements presented on pages 53 to 132 both for the Group and the Parent Company, have been approved by the Board of Directors on 28 March, 2018.

Chairman of the Board of Directors	Chief Executive Officer
EFSTRATIOS -GEORGIOS ATH. ARAPOGLOU ID No AB309500	DIMITRIOS TH. PAPALEXOPOULOS ID No AK031353

Chief Financial Officer	Finance Director Greece	Financial Consolidation Director
MICHAEL H. COLAKIDES Passport No K00373844	GRIGORIOS D. DIKAIOS ID No AB291692	ATHANASIOS S. DANAS ID No AN023225

Income Statement

(all amounts in Euro thousands)		**Group**		**Company**	
		Year ended 31 December		**Year ended 31 December**	
	Notes	**2017**	**2016**	**2017**	**2016**
Turnover	3	1,505,803	1,509,153	233,805	262,475
Cost of sales	5	-1,070,349	-1,072,139	-182,851	-199,836
Gross profit before depreciation, amortization and impairment		**435,454**	**437,014**	**50,954**	**62,639**
Other income	4	10,631	8,972	15,847	15,470
Administrative expenses	5	-125,459	-122,108	-44,526	-43,276
Selling and marketing expenses	5	-22,570	-21,628	-253	-271
Other expenses	4	-24,615	-23,651	-7,218	-4,476
Profit before interest, taxes, depreciation, amortization and impairment		**273,441**	**278,599**	**14,804**	**30,086**
Depreciation and amortization related to cost of sales	11,13,27	-106,209	-109,421	-14,445	-13,572
Depreciation and amortization related to administrative and selling expenses	11,13,27	-6,085	-6,872	-1,272	-1,181
Impairment of tangible and intangible assets related to cost of sales	11.13	-4,135	-10,814	-2,150	-
Profit/(loss) before interest and taxes		**157,012**	**151,492**	**-3,063**	**15,333**
Income from participations and investments		162	1,926	34,377	29,379
Losses from participations and investments		-	-	-178	-
Finance income	6.i	899	2,900	2	24
Finance expense	6.ii	-65,033	-67,303	-16,161	-22,333
(Losses)/gains from foreign exchange differences	6.iii	-22,326	-25,982	-3,096	303
Share of (loss)/profit of associates and joint ventures	15	-7,488	492	-	-
Profit before taxes		**63,226**	**63,525**	**11,881**	**22,706**
(Less)/plus: Income tax	8	-18,929	63,805	1,510	-5,887
Profit after taxes		**44,297**	**127,330**	**13,391**	**16,819**
Attributable to:					
Equity holders of the parent		42,680	127,444		
Non-controlling interests		1,617	-114		
		44,297	**127,330**		
Basic earnings per share (in €)	9	**0.5292**	**1.5612**		
Diluted earnings per share (in €)	9	**0.5256**	**1.5521**		

The primary financial statements should be read in conjunction with the accompanying notes.

Statement of Comprehensive Income

(all amounts in Euro thousands)		Group		Company	
		Year ended 31 December		Year ended 31 December	
	Notes	2017	2016	2017	2016
Profit for the year		**44,297**	**127,330**	**13,391**	**16,819**
Other comprehensive losses:					
Other comprehensive losses to be reclassified to profit or loss in subsequent periods:					
Exchange losses on translation of foreign operations		**-110,229**	**-200,509**	**-**	**-**
Currency translation differences on transactions designated as part of net investment in foreign operation		-8,753	-40,174	-	-
Income tax effect		1,969	9,039	-	-
		-6,784	**-31,135**	**-**	**-**
Net losses on available-for-sale financial assets		-577	-556	-	-461
Reclassification to income statement		-	322	-	322
Income tax effect		-	40	-	40
		-577	**-194**	**-**	**-99**
Net other comprehensive losses to be reclassified to profit or loss in subsequent periods:		**-117,590**	**-231,838**	**-**	**-99**
Items not to be reclassified to profit or loss in subsequent periods:					
Asset revaluation surplus	12	252	577	150	-
Income tax effect	18	-73	-	-43	-
		179	**577**	**107**	**-**
Re-measurement losses on defined benefit plans	25	-112	-1,475	-589	-2,067
Income tax effect	18	-182	624	170	599
		-294	**-851**	**-419**	**-1,468**
Share of other comprehensive losses of associates and joint ventures		-6	-13	-	-
Income tax effect		1	1	-	-
		-5	**-12**	**-**	**-**
Net other comprehensive losses not to be reclassified to profit or loss in subsequent periods:		**-120**	**-286**	**-312**	**-1,468**
Other comprehensive losses for the year net of tax		**-117,710**	**-232,124**	**-312**	**-1,567**
Total comprehensive (losses)/income for the year net of tax		**-73,413**	**-104,794**	**13,079**	**15,252**
Attributable to:					
Equity holders of the parent		-70,161	-61,137		
Non-controlling interests		-3,252	-43,657		
		-73,413	**-104,794**		

The primary financial statements should be read in conjunction with the accompanying notes.

Statement of Financial Position

(all amounts in Euro thousands)

		Group		Company	
Assets	Notes	**31/12/2017**	**31/12/2016**	**31/12/2017**	**31/12/2016**
Property, plant & equipment	11	1,466,046	1,573,235	252,944	242,777
Investment property	12	12,130	9,820	8,937	9,126
Intangible assets and goodwill	13	345,971	375,116	8,093	4,458
Investments in subsidiaries	14	-	-	778,805	862,657
Investments in associates and joint ventures	15	160,904	170,803	-	-
Derivative financial instruments	33,34	1,434	1,386	-	-
Available-for-sale financial assets	16	517	1,065	122	122
Other non-current assets	17	11,442	12,638	3,375	3,219
Deferred income tax asset	18	2,926	20,971	-	-
Non-current assets		**2,001,370**	**2,165,034**	**1,052,276**	**1,122,359**
Inventories	19	258,204	248,924	65,410	57,768
Receivables and prepayments	20	179,634	196,108	67,849	75,892
Derivative financial instruments	33,34	2,012	1	-	-
Cash and cash equivalents	21	154,247	179,710	29,323	11,218
Current assets		**594,097**	**624,743**	**162,582**	**144,878**
Total Assets		**2,595,467**	**2,789,777**	**1,214,858**	**1,267,237**
Equity and Liabilities					
Share Capital 84,632,528 shares of €3.00 (2016: €4.00)	22	253,897	338,530	253,897	338,530
Share premium	22	22,826	22,826	22,826	22,826
Share options	22	3,003	2,978	3,003	2,978
Treasury shares	22	-105,384	-101,453	-105,384	-101,453
Other reserves	23	723,716	839,364	540,288	538,403
Retained earnings		409,155	374,106	29,502	25,985
Equity attributable to equity holders of the parent		**1,307,213**	**1,476,351**	**744,132**	**827,269**
Non-controlling interests		62,459	76,465	-	-
Total equity (a)		**1,369,672**	**1,552,816**	**744,132**	**827,269**
Long-term borrowings	24	820,382	710,965	379,218	310,678
Deferred income tax liability	18	39,644	56,597	6,078	12,438
Retirement benefit obligations	25	32,440	33,961	15,410	15,870
Provisions	26	30,172	22,498	6,944	4,215
Other non-current liabilities	27	6,711	5,952	3,795	3,788
Non-current liabilities		**929,349**	**829,973**	**411,445**	**346,989**
Short-term borrowings	24	56,825	129,499	32	42,442
Trade and other payables	28	228,433	266,584	50,981	44,439
Income tax payable		2,630	3,754	-	-
Provisions	26	8,558	7,151	8,268	6,098
Current liabilities		**296,446**	**406,988**	**59,281**	**92,979**
Total liabilities (b)		**1,225,795**	**1,236,961**	**470,726**	**439,968**
Total Equity and Liabilities (a+b)		**2,595,467**	**2,789,777**	**1,214,858**	**1,267,237**

The primary financial statements should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

(all amounts in Euro thousands)

Group

	Attributable to equity holders of the parent										
	Ordinary shares	**Share premium**	**Preferred shares**	**Share options**	**Ordinary treasury shares**	**Preferred treasury shares**	**Other reserves (note 23)**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 January 2016	**308,254**	**22,826**	**30,276**	**1,807**	**-78,960**	**-117**	**1,017,304**	**285,504**	**1,586,894**	**118,391**	**1,705,285**
Profit for the year	-	-	-	-	-	-	-	127,444	127,444	-114	127,330
Other comprehensive losses	-	-	-	-	-	-	-188,581	-	-188,581	-43,543	-232,124
Total comprehensive (losses)/income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-188,581**	**127,444**	**-61,137**	**-43,657**	**-104,794**
Dividends distributed (note 10, 15.3)	-	-	-	-	-	-	-	-25,390	-25,390	-4,500	-29,890
Purchase of treasury shares (note 22)	-	-	-	-	-24,265	-928	-	-	-25,193	-	-25,193
Sale - disposal of treasury shares for option plan (note 22)	-	-	-	-	2,817	-	-	-2,381	436	-	436
Non-controlling interest's participation in share capital increase of subsidiary	-	-	-	-	-	-	-	-	-	6,695	6,695
Share based payment transactions (note 22)	-	-	-	1,620	-	-	-	-	1,620	-	1,620
Non-controlling interest's put option recognition (notes 31)	-	-	-	-	-	-	-1,254	-	-1,254	-89	-1,343
Acquisition of non-controlling interest	-	-	-	-	-	-	5	370	375	-375	-
Transfer among reserves (note 23)	-	-	-	-449	-	-	11,890	-11,441	-	-	-
Balance at 31 December 2016	**308,254**	**22,826**	**30,276**	**2,978**	**-100,408**	**-1,045**	**839,364**	**374,106**	**1,476,351**	**76,465**	**1,552,816**
Balance at 1 January 2017	**308,254**	**22,826**	**30,276**	**2,978**	**-100,408**	**-1,045**	**839,364**	**374,106**	**1,476,351**	**76,465**	**1,552,816**
Profit for the year	-	-	-	-	-	-	-	42,680	42,680	1,617	44,297
Other comprehensive losses	-	-	-	-	-	-	-112,841	-	-112,841	-4,869	-117,710
Total comprehensive (losses)/income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-112,841**	**42,680**	**-70,161**	**-3,252**	**-73,413**
Share capital decrease (note 10 ,22)	-77,064	-	-7,569	-	-	-	-	-	-84,633	-	-84,633
Dividends distributed (note 10, 15.3)	-	-	-	-	-	-	-	-8,463	-8,463	-3,867	-12,330
Purchase of treasury shares (note 22)	-	-	-	-	-4,564	-387	-	-	-4,951	-	-4,951
Sale - disposal of treasury shares for option plan (note 22)	-	-	-	-	1,020	-	-	-622	398	-	398
Costs for share capital increase in subsidiaries	-	-	-	-	-	-	-	-481	-481	-	-481
Share based payment transactions (note 22)	-	-	-	1,433	-	-	-	-	1,433	-	1,433
Non-controlling interest's put option recognition (notes 31)	-	-	-	-	-	-	-1,532	-	-1,532	-864	-2,396
Non-controlling interest's participation in share capital increase of subsidiary	-	-	-	-	-	-	-	-	-	807	807
Acquisition of non-controlling interest (note 30)	-	-	-	-	-	-	-	-748	-748	-6,830	-7,578
Transfer among reserves (note 23)	-	-	-	-1,408	-	-	-1,275	2,683	-	-	-
Balance at 31 December 2017	**231,190**	**22,826**	**22,707**	**3,003**	**-103,952**	**-1,432**	**723,716**	**409,155**	**1,307,213**	**62,459**	**1,369,672**

The primary financial statements should be read in conjunction with the accompanying notes.

Statement of Changes in Equity (continued)

(all amounts in Euro thousands)

Company

	Ordinary shares	Share premium	Preferred shares	Share options	Ordinary treasury shares	Preferred treasury shares	Other reserves (note 23)	Retained earnings	Total equity
Balance at 1 January 2016	**308,254**	**22,826**	**30,276**	**1,807**	**-78,960**	**-117**	**519,750**	**56,708**	**860,544**
Profit for the year	-	-	-	-	-	-	-	16,819	16,819
Other comprehensive losses	-	-	-	-	-	-	-1,567	-	-1,567
Total comprehensive (losses)/income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-1,567**	**16,819**	**15,252**
Dividends distributed to ordinary and preferred shares (note 10)	-	-	-	-	-	-	-	-25,390	-25,390
Purchase of treasury shares (note 22)	-	-	-	-	-24,265	-928	-	-	-25,193
Sale - disposal of treasury shares for option plan (note 22)	-	-	-	-	2,817	-	-	-2,381	436
Share based payment transactions (note 22)	-	-	-	1,620	-	-	-	-	1,620
Transfer among reserves (note 23)	-	-	-	-449	-	-	20,220	-19,771	-
Balance at 31 December 2016	**308,254**	**22,826**	**30,276**	**2,978**	**-100,408**	**-1,045**	**538,403**	**25,985**	**827,269**
Balance at 1 January 2017	**308,254**	**22,826**	**30,276**	**2,978**	**-100,408**	**-1,045**	**538,403**	**25,985**	**827,269**
Profit for the year	-	-	-	-	-	-	-	13,391	13,391
Other comprehensive losses	-	-	-	-	-	-	-312	-	-312
Total comprehensive (losses)/income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-312**	**13,391**	**13,079**
Share capital decrease (note 10 ,22)	-77,064	-	-7,569	-	-	-	-	-	-84,633
Dividends distributed to ordinary and preferred shares (note 10)	-	-	-	-	-	-	-	-8,463	-8,463
Purchase of treasury shares (note 22)	-	-	-	-	-4,564	-387	-	-	-4,951
Sale - disposal of treasury shares for option plan (note 22)	-	-	-	-	1,020	-	-	-622	398
Share based payment transactions (note 22)	-	-	-	1,433	-	-	-	-	1,433
Transfer among reserves (note 23)	-	-	-	-1,408	-	-	2,197	-789	-
Balance at 31 December 2017	**231,190**	**22,826**	**22,707**	**3,003**	**-103,952**	**-1,432**	**540,288**	**29,502**	**744,132**

The primary financial statements should be read in conjunction with the accompanying notes.

Cash Flow Statement

(all amounts in Euro thousands)

		Group		Company	
		Year ended 31 December		Year ended 31 December	
	Notes	2017	2016	2017	2016
Cash flows from operating activities					
Cash generated from operations	29	**240,453**	**275,283**	**29,259**	**41,840**
Income tax paid		-14,359	-6,065	-3,422	-326
Net cash generated from operating activities (a)		**226,094**	**269,218**	**25,837**	**41,514**
Cash flows from investing activities					
Payments for property, plant and equipment	11.12	-119,950	-148,294	-27,924	-20,115
Payments for intangible assets	13	-2,568	-2,262	-2,930	-1,080
Proceeds from sale of PPE, intangible assets and investment property	29	1,467	1,024	95	220
Proceeds from dividends		4,686	5,266	30,458	28,579
Payments for acquisition of subsidiaries, net of cash acquired	30	-	-11,781	-	-
Payments for investing in associates and joint ventures		-21,106	-84,953	-	-
Share capital decrease/(increase) in subsidiaries		-	-	84,133	-18,000
Share capital increase in associates and joint ventures		-28,678	-2,234	-	-
Net (payments)/proceeds from the (acquisition)/sale of available-for-sale financial assets		-29	2,128	-	2,128
Interest received		854	1,059	2	24
Net cash flows (used in)/from investing activities (b)		**-165,324**	**-240,047**	**83,834**	**-8,244**
Net cash flows after investing activities (a)+(b)		**60,770**	**29,171**	**109,671**	**33,270**
Cash flows from financing activities					
Proceeds from non-controlling interest's participation in subsidiary's establishment		807	-	-	-
Payments from share capital decrease of the Parent Company	10.22	-84,136	-	-84,136	-
Payments for shares bought back	22	-4,951	-25,193	-4,951	-25,193
Proceeds from sale of treasury shares	22	398	436	398	436
Proceeds from government grants		209	-	208	-
Interest and other related charges paid	24	-60,183	-64,713	-22,591	-23,774
Dividends & reserves paid to shareholders		-8,438	-25,243	-8,438	-25,243
Dividends written-off and paid to the Greek State		-23	-24	-23	-24
Dividends paid to non-controlling interests		-3,868	-5,281	-	-
Proceeds from borrowings	24	691,159	674,505	122,645	220,601
Payments of borrowings	24	-613,538	-511,820	-94,266	-177,906
Net cash flows (used in)/ from financing activities (c)		**-82,564**	**42,667**	**-91,154**	**-31,103**
Net (decrease)/increase in cash and cash equivalents (a)+(b)+(c)		**-21,794**	**71,838**	**18,517**	**2,167**
Cash and cash equivalents at beginning of the year	21	179,710	121,733	11,218	8,626
Effects of exchange rate changes		-3,669	-13,861	-412	425
Cash and cash equivalents at end of the year	21	**154,247**	**179,710**	**29,323**	**11,218**

The primary financial statements should be read in conjunction with the accompanying notes.

Contents

1. General information and summary of significant accounting policies

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, the USA and Brazil.

Information on the Group's structure is provided in note 14. Information on other related party relationships of the Group and the Company is provided in note 32.

The Company is a limited liability company incorporated and domiciled in Greece at 22A Halkidos Street - 111 43 Athens with the registration 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 annual financial statements (the financial statements) were approved for issue by the Board of Directors on 28 March 2018.

Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

1.1 Basis of preparation

These financial statements comprise the separate financial statement of the Company and the consolidated financial statements of the Group. They have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and as adopted by the European Union and interpretations issued by the IFRS Interpretations Committee.

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, investment property, and derivative financial instruments that have been measured at fair value.

The preparation of financial statements, in conformity with IFRS, requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Significant Accounting Estimates and Judgments in note 2.

The financial statements have been prepared with the same accounting policies of the prior financial year, except for the adoption of the new or revised standards, amendments and/or interpretations that are mandatory for the periods beginning on or after 1 January 2017.

1.1.1 New standards, amendments to standards and interpretations issued and effective for the current financial year that have no significant impact on the financial statements of the Group and the Company

IAS 7 (Amendments) "Disclosure initiative"

These amendments require entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities.

IAS 12 (Amendments) "Recognition of Deferred Tax Assets for Unrealised Losses"

These amendments clarify the accounting for deferred tax assets for unrealised losses on debt instruments measured at fair value.

1.1.2 New standards, amendments to standards and interpretations issued but not yet effective nor early adopted by the Group and the Company

IFRS 9 "Financial Instruments" and subsequent amendments to IFRS 9 and IFRS 7 (effective for annual periods beginning on or after 1 January 2018)

IFRS 9 replaces the guidance in IAS 39 which deals with the classification and measurement of financial assets and financial liabilities and it also includes an expected credit losses model that replaces the incurred loss impairment model used today. Moreover, IFRS 9 establishes a more principles-based approach to hedge accounting and addresses inconsistencies and weaknesses in the current model in IAS 39.

The Group and the Company will apply the standard retrospectively without restatement of the comparative information for prior years, on 1 January 2018, except for hedge accounting.

In 2017, the Group and the Company neither have applied hedge accounting, nor they will choose application of hedge accounting on 1 January 2018 under the new standard. Therefore, they will continue to apply their current accounting policy for hedge accounting, even though they will examine the commencement of hedge accounting requirements under IFRS 9, whenever a new hedge relationship arises.

During 2017, the Group and the Company completed their reviews of IFRS 9 classification and measurement requirements (including impairments), concluding that the majority of their financial instruments will be accounting for in a manner similar to IAS 39.

Specifically, the business model and cash flow characteristic tests will not affect the classification and measurement of the Group's and the Company's trade or other non-trade receivables, which will continue to be measured at amortized cost.

However, the Group's available-for-sale financial assets, amounting to €0.5 million on 31 December 2017 and comprising of non-listed shares and foreign funds investing in properties, will be classified and measured at fair value through profit and loss.

The same classification and measurement treatment will be adopted by the Company for its available-for-sale financial assets of €0.1 million that consists of non-listed shares.

The impact of the new impairment model has also been reviewed. The Group and the Company determined that their trade receivables and other financial assets generally have low credit risk. The Group will recognise an increase in loss allowance of approximately €0.5 million and the Company will have no impact from the implementation of the new expected loss model.

Finally, the Company entered into an amendment, dated 30 November 2017, with a Group's subsidiary modifying the terms of an intragroup loan. On transition to the new standard, the measurement of the intragroup financial liability on 1.1.2018 will result in the recognition of a loss of approximately €0.9 mil. in the Company's retained earnings.

IFRS 9 (Amendments) "Prepayment Features with Negative Compensation" (effective for annual periods beginning on or after 1 January 2019)

The amendments allow companies to measure particular prepayable financial assets with so-called negative compensation at amortised cost or at fair value through other comprehensive income if a specified condition is met—instead of at fair value through profit or loss. The Group cannot early adopt the amendments as they have not yet been endorsed by the EU.

IFRS 15 "Revenue from Contracts with Customers" (effective for annual periods beginning on or after 1 January 2018)

IFRS 15 has been issued in May 2014. The objective of the standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. It contains principles that an entity will apply to determine the measurement of revenue and timing of when it is recognised. The underlying principle is that an entity will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services.

The Group and the Company will adopt the standard on 1 January 2018 by using the modified retrospective approach, meaning that the cumulative impact of the adoption will be recognised in retained earnings and comparatives will not be restated.

Nevertheless, the Group and the Company expect no impact on their profitability, liquidity or financial position, when they will apply IFRS 15 for the first time. Therefore, opening retained earnings for 2018 will not be adjusted.

During 2017, the Group and the Company reviewed a representative sample of contracts with customers to identify changes in the time or the amount of revenue recognition. The assessments performed for contracts that would not be completed on the date of initial application and examined revenue streams from sales of cement, ready-mix concrete, aggregates, fly ash separators, building blocks and other cementitious materials. The assessments required no transition adjustment.

IFRS 16 "Leases" (effective for annual periods beginning on or after 1 January 2019)

IFRS 16 has been issued in January 2016 and supersedes IAS 17. The objective of the standard is to ensure the lessees and lessors provide relevant information in a manner that faithfully represents those transactions. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. At this stage the Group and the Company are not able to estimate the impact of the adoption of the new standard on the financial statements, as they have not yet finalized their detailed assessment of the application of IFRS 16. The Group and the Company plan to adopt the new standard on the required effective date (1.1.2019).

IFRS 17 "Insurance contracts" (effective for annual periods beginning on or after 1 January 2021)

IFRS 17 has been issued in May 2017 and supersedes IFRS 4. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard and its objective is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be accounted for using current values instead of historical cost. The standard has not yet been endorsed by the EU.

IFRS 2 (Amendments) "Classification and measurement of Shared-based Payment transactions" (effective for annual periods beginning on or after 1 January 2018)

The amendment clarifies the measurement basis for cash-settled, share-based payments and the accounting for modifications that change an award from cash-settled to equity-settled. It also introduces an exception to the principles in IFRS 2 that will require an award to be treated as if it was wholly equity-settled, where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority. The amendments have not yet been endorsed by the EU.

IFRS 4 (Amendments) "Applying IFRS 9 Financial instruments with IFRS 4 Insurance contracts" (effective for annual periods beginning on or after 1 January 2018)

The amendments introduce two approaches. The amended standard will: a) give all companies that issue insurance contracts the option to recognise in other comprehensive income, rather than profit or loss, the volatility that could arise when IFRS 9 is applied before the new insurance contracts standard is issued; and b) give companies whose activities are predominantly connected with insurance an optional temporary exemption from applying IFRS 9 until 2021. The entities that defer the application of IFRS 9 will continue to apply the existing financial instruments standard—IAS 39.

IAS 40 (Amendments) "Transfers of Investment Property" (effective for annual periods beginning on or after 1 January 2018)

The amendments clarified that to transfer to, or from, investment properties there must be a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition and the change must be supported by evidence. The amendments have not yet been endorsed by the EU.

IAS 28 (Amendments) "Long term interests in associates and joint ventures" (effective for annual periods beginning on or after 1 January 2019)

The amendments clarify that companies account for long-term interests in an associate or joint venture—to which the equity method is not applied—using IFRS 9. The amendments have not yet been endorsed by the EU.

IFRIC 22 "Foreign currency transactions and advance consideration" (effective for annual periods beginning on or after 1 January 2018)

The interpretation provides guidance on how to determine the date of the transaction when applying the standard on foreign currency transactions, IAS 21. The Interpretation applies where an entity either pays or receives consideration in advance for foreign currency-denominated contracts. The interpretation has not yet been endorsed by the EU.

IFRIC 23 "Uncertainty over income tax treatments" (effective for annual periods beginning on or after 1 January 2019)

The interpretation explains how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. IFRIC 23 applies to all aspects of income tax accounting where there is such uncertainty, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates. The interpretation has not yet been endorsed by the EU.

Annual Improvements to IFRS (2014 – 2016 Cycle)

The amendments set out below describe the key changes to two IFRSs. The amendments have not yet been endorsed by the EU.

IFRS 12 "Disclosures of Interests in Other Entities"

The amendment clarified that the disclosures requirement of IFRS 12 are applicable to interest in entities classified as held for sale except for summarised financial information. The amendment is effective for annual periods beginning on or after 1 January 2017.

IAS 28 "Investments in associates and Joint ventures"

The amendments clarified that when venture capital organisations, mutual funds, unit trusts and similar entities use the election to measure their investments in associates or joint ventures at fair value through profit or loss (FVTPL), this election should be made separately for each associate or joint venture at initial recognition. The amendment is effective for annual periods beginning on or after 1 January 2018.

Annual Improvements to IFRS (2015 – 2017 Cycle) (effective for annual periods beginning on or after 1 January 2019)

The amendments set out below include changes to four IFRS. The amendments have not yet been endorsed by the EU.

IFRS 3 "Business combinations"

The amendments clarify that a company remeasures its previously held interest in a joint operation when it obtains control of the business.

IFRS 11 “Joint arrangements”

The amendments clarify that a company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.

IAS 12 “Income taxes”

The amendments clarify that a company accounts for all income tax consequences of dividend payments in the same way.

IAS 23 “Borrowing costs”

The amendments clarify a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

1.2 Consolidation

Subsidiaries

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Subsidiaries are all entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group uses the full acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer’s previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in the income statement.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interest and the fair value of any other participation previously held in the subsidiary acquired over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the amount recognized for non-controlling interest and the fair value of any other participation previously held in the subsidiary acquired the gain is recognised in profit or loss (note 1.6).

Any profit or loss and any item of the Statement of Other Comprehensive Income is allocated between the share-holders of the parent and the non-controlling interest, even if the allocation results in a deficit balance of the non-controlling interest.

In the Company’s separate financial statements, investments in subsidiaries are account for at cost less impairment, if any.

The investments are impaired when their carrying amount exceeds their recoverable amount. The investment’s recoverable amount is calculated as the higher of its fair value less costs of sell and its value in use. The assessments of impairment of the Company’s investments in subsidiaries are performed annually.

Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments.

The subsidiaries’ financial statements are prepared as of the same reporting date and using the same accounting policies as the parent company. Intra-group transactions, balances and unrealised gains/losses on transactions between group companies are eliminated.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as transactions with the owners in their capacity as owners. The difference between consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. The Group has assessed the nature of its joint arrangement and determined it to be a joint venture. Joint ventures are consolidated with the equity method of consolidation.

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures have been adjusted where necessary to ensure consistency with the policies adopted by the Group. The financial statements of the joint venture are prepared for the same reporting date with the parent company.

In the Company's stand-alone financial statements, the investment in joint ventures is stated at cost less impairment, if any.

Associates

Associates are entities over which the Group has significant influence (holds directly or indirectly 20% or more of the voting power of the entity) but which it does not control. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any cumulative impairments losses) identified on acquisition.

Under the equity method the Group's share of the post-acquisition profits or losses is recognised in the income statement and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognize further losses, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associates.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amount previously recognized in other comprehensive income is reclassified to profit or loss where appropriate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of the impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to "share of profit/(loss) of associates and joint ventures" in the income statement.

Profit and losses resulting from upstream and downstream transactions between the Group and its associate are recognized in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been adjusted where necessary to ensure consistency with the policies adopted by the Group.

The financial statements of the associates are prepared for the same reporting date with the Parent Company.

In the Company's separate financial statements, the investment in associates is stated at cost less impairment, if any.

Commitments to purchase interests held by non-controlling interests

As part of the acquisition process of certain entities, the Group has granted third party shareholders the option to require the Group to purchase their shares subject to predetermined conditions (a "put" option). These shareholders could be either international institutions, or private investors who are essentially financial or industrial investors or former shareholders of the acquired entities (note 31).

The Group applies the following policy for the recognition of put options:

- Non-controlling interest is still attributed its share of profit and losses (and other changes in equity).
- The non-controlling interest is reclassified as a financial liability at each reporting date, as if the acquisition took place at that date.

Any difference between the fair value of the liability under the put option at the end of the reporting period and the non-controlling interest reclassified is calculated based on the current policy of the Group for acquisitions of non-controlling interests.

If the put option is ultimately exercised, the amount recognized as the financial liability at that date will be extinguished by the payment of the exercise price. If the put option expires unexercised, the position will be unwound such that the non-controlling interest at that date is reclassified back to equity and the financial liability is derecognized.

1.3 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured in the functional currency, which is the currency of the primary economic environment in which each Group entity operates. The consolidated financial statements are presented in Euros, which is the functional and presentation currency of the Company and the presentation currency of the Group.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates (i.e. spot rates) prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying net investment hedges. When the related investment is disposed of, the cumulative amount is reclassified to profit or loss.

Exchange differences arising from intragroup long term loans and receivables that are designated as part of a reporting entity's net investment in a foreign operation shall be recognised in profit or loss in the separate financial statements of the reporting entity, or, of the individual financial statements of the foreign operation, as appropriate. In the consolidated financial statements such exchange differences shall be recognized in other comprehensive income and included in "currency translation differences reserve on transactions designated as part of net investment in foreign operation" in other reserves. Where settlement of these intragroup long term loans and receivables is planned or is likely to occur in the foreseeable future, then these transactions cease to form part of the net investment in the foreign operation. The exchange differences arising up to that date are recognized in other comprehensive income and after that date, they are recognized in profit or loss. On disposal of the net investment in a foreign operation, the accumulated in other reserves exchange differences are reclassified from equity to profit or loss.

Translation differences on non-monetary financial assets and liabilities, such as equity investments held at fair value are included in the income statement. Translation differences on non-monetary financial assets, such as equities classified as available-for-sale, are included in other comprehensive income.

Group companies

The financial statements of all group entities (none of which operate in a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet.
- Income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions).
- All exchange differences resulting from the above are recognised in other comprehensive income and subsequently included in "foreign currency translation reserve".
- On the disposal of a foreign operation (partly or fully disposed), the cumulative exchange differences relating to that particular foreign operation, recognized in the "foreign currency translation reserve" within equity, are recognised in the income statement as part of the gain or loss on sale. On the partial disposal of a foreign subsidiary, the proportionate share of the cumulative amount is re-attributed to the non-controlling interest in that operation.

On consolidation, exchange differences arising from the translation of borrowings designated as hedges of investments in foreign entities, are taken to other comprehensive income and included under "currency translation differences on derivative hedging position" in other reserves.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognized in other comprehensive income.

1.4 Property, plant and equipment

Property, plant and equipment (PPE) is stated at historical cost less accumulated depreciation and impairment losses, except for land (excluding quarries), which is shown at cost less impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the items and any environmental rehabilitation costs to the extent that they have been recognised as a provision (refer to note 1.20). Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the income statement as incurred. Subsequent costs are depreciated over the remaining useful life of the related asset or to the date of the net major subsequent cost whichever is the sooner.

Depreciation, with the exception of quarries and land, is calculated using the straight-line method to allocate the cost of the assets to their residual values over their estimated useful lives as follows:

Buildings	Up to 50 years
Plant and machinery	Up to 40 years
Motor vehicles	5 to 20 years
Office equipment furniture and fittings (including computer equipment and software integral to the operation of the hardware)	2 to 10 years
Minor value assets	Up to 2 years

Land on which quarries are located is depreciated on a depletion basis. This depletion is recorded as the material extraction process advances based on the unit-of-production method. Other land is not depreciated.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (refer to note 1.8- Impairment of non-financial assets other than Goodwill).

An item of PPE and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposals are determined by comparing proceeds with carrying amount and are included in operating profit.

Interest costs on borrowings specifically used to finance the construction of PPE are capitalised during the construction period if recognition criteria are met (refer to note 1.29).

1.5 Investment property

Investment property is property held for long-term rental yields or for capital appreciation or both and that is not occupied by any of the subsidiaries of the Group. Owner-occupied properties are held for production and administrative purposes. This distinguishes owner-occupied property from investment property.

Investment property is measured initially at cost, including related transaction costs and where applicable borrowing costs (refer to 1.29).

After initial recognition investment property is carried at fair value. Fair value reflects market conditions at the reporting date and is determined internally on an annual basis by management or external valuators. The best evidence of fair value is provided by current prices in an active market for similar property in the same location and condition and subject to the same lease terms and other conditions (comparable transactions). When such identical conditions are not present, the Group takes account of, and makes allowances for, differences from the comparable properties in location, nature and condition of the property or in contractual terms of leases and other contracts relating to the property.

A gain or loss arising from a change in the fair value of investment property is recognized in the period in which it arises in the income statement within "other income" or "other expense" as appropriate.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

The fair value of investment property does not reflect future capital expenditure that will improve or enhance the property and does not reflect the related future benefits from this future expenditure other than those a rational market participant would take into account when determining the value of the property.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in the income statement within net gain from fair value adjustment on investment property.

Investment properties are derecognised when they have been disposed.

If an investment property becomes owner-occupied, it is reclassified as PPE. Its fair value at the date of reclassification becomes its deemed cost for subsequent accounting purposes.

If an item of owner-occupied property becomes an investment property because its use has changed, IAS 16 is applied up to the date of transfer, since investment property is measured at fair value. The property is fair valued at the date of transfer and any revaluation gain or loss, being the difference between fair value and the previous carrying amount, is accounted for as a revaluation surplus or deficit in equity in accordance with IAS 16. Revaluation surplus is recognized directly in equity through other comprehensive income, unless there was an impairment loss recognized for the same property in prior years. In this case, the surplus up to the extent of this impairment loss is recognized in profit or loss and any further increase is recognized directly in equity through other comprehensive income. Any revaluation deficit is recognized in profit or loss.

1.6 Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. If the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed is smaller than the fair value of the net assets of the acquired subsidiary, the difference is recognized in the profit or loss. Goodwill represents the future economic benefits arising from assets that are not capable of being individually identified and separately recognized in a business combination.

Goodwill is not amortized. After initial recognition, it is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each cash-generating-unit that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Impairment reviews are undertaken annually (even if there is no indication of impairment) or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of the value-in-use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Where goodwill has been allocated to a cash-generating-unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs (note 1.7), are not capitalised and expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

The Group's intangible assets have a finite useful life.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement as the expense category that is consistent with the function of the intangible assets.

Acquired computer software programs and licenses are capitalised on the basis of costs incurred to acquire and bring to use the specific software when these are expected to generate economic benefits beyond one year. Costs associated with developing or maintaining computer software programs are recognised as an expense as incurred.

The amortization methods used for the Group's intangibles are as follows:

	Amortization Method	Useful Lives
Patents, trademarks and customer relationships	straight-line basis	up to 20 years
Licenses (mining permits)	straight-line basis / depletion method	shorter of: the permit period and the estimated life of the underlying quarry unit-of-production method
Development costs (quarries under operating leases)	note 1.7	note 1.7
Computer software	straight-line basis	3 to 7 years

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

1.7 Deferred stripping costs

Stripping costs comprise the removal of overburden and other waste products. Stripping costs incurred in the development of a quarry before production commences are capitalised as follows:

Where such costs are incurred on quarry land that is owned by the Group, these are included within the carrying amount of the related quarry, under PPE and subsequently depreciated over the life of the quarry on a units-of-production basis. Where such costs are incurred on quarries held under an operating lease, these are included under 'Development expenditure' under Intangible assets and amortised over the shorter of the lease term and the useful life of the quarry.

1.8 Impairment of non-financial assets other than Goodwill

Assets that have an indefinite useful life (land not related to quarries) are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised, as an expense immediately, for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. An asset's recoverable amount is the higher of an asset or cash generating units (CGU) fair value less costs of sell and its value-in-use.

1.9 Leases

Where a Group entity is the lessee

Leases where substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Leases of PPE where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the commencement of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments, each determined at the inception of the lease. Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in liabilities. The interest element of the finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. PPE acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease term.

Leases are classified as finance leases or operating leases at the inception of the lease.

Where a Group entity is the lessor

Leases in which the Group entity does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Operating leases of PPE are recognized according to their nature in the statement of financial position.

Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Contingent rents are recognised as revenue in the period in which they are earned.

1.10 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Appropriate allowance is made for damaged, obsolete and slow moving items. Write-downs to net realisable value and inventory losses are expensed in cost of sales in the period in which the write-downs or losses occur.

1.11 Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

1.12 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents comprise cash on hand, deposits held at call with banks, other short-term highly liquid investments, and bank overdrafts, if they exist. Bank overdrafts are included within borrowings in current liabilities in the balance sheet. The components of cash and cash equivalents have a negligible risk of change in value.

1.13 Share capital

Ordinary shares and non-redeemable non-voting preferred shares with minimum statutory non-discretionary dividend features are classified as equity. Share capital represents the value of company's shares in issue. Any excess of the fair value of the consideration received over the par value of the shares issued is recognized as "share premium" in shareholders' equity.

Incremental external costs directly attributable to the issue of new shares or share options are shown in equity as a deduction, net of tax, from the proceeds.

Where the Company or its subsidiaries purchases the Company's own equity share capital (treasury shares), the consideration paid including any attributable incremental external costs net of income taxes is deducted from total shareholders' equity until they are cancelled or sold. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributed incremental transaction costs and the related income tax effect, is included in shareholders' equity.

1.14 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. In subsequent periods, borrowings are carried at amortised cost using the effective interest method. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognized as transactions costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group entity has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

1.15 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit and loss, it is not accounted for.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, joint arrangements and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the related deferred income tax liability is settled.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

1.16 Employee benefits

Pension and other retirement obligations

The Group operates various pension and other retirement schemes, including both defined benefit and defined contribution pension plans in accordance with the local conditions and practices in the countries in which it operates. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the statement of financial position in respect of defined benefit pension or retirement plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds or government bonds which have terms to maturity approximating to the terms of the related pension obligation.

Past service costs are recognized in profit or loss on the earlier of:

– The date of the plan amendment or curtailment, and

– The date that the Group recognizes restructuring-related costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation:

Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements under other operating expenses/income

Net interest expense or income under finance expenses

Re-measurements, comprising of the actuarial gains and losses, the effect of the asset ceiling, excluding net interest (not applicable to the Group) and the return on plan assets (excluding net interest), are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the Group has no further payment obligations. The regular contributions constitute net periodic costs for the year in which they are due and as such are included in staff costs.

Termination benefits

Termination benefits are payable whenever an employee's employment is terminated by the Group, before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits.

The Group recognises termination benefits when it is demonstrably committed to a termination when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. The obligating event is the termination and not the service. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Profit sharing and bonus plans

A liability for employee benefits in the form of profit sharing and bonus plans is recognised in other provisions when the following conditions are met:

– there is a formal plan and the amounts to be paid are determined before the time of issuing the financial statements; or

– past practice has created a valid expectation by employees that they will receive a bonus/ profit sharing and the amount can be determined before the time of issuing the financial statements.

Share-based payments

Share options are granted to certain members of senior management at a discount to the market price of the shares at par value on the respective dates of the grants and are exercisable at those prices. The options must be exercised within twelve months of their respective vesting period. The scheme has a contractual option term of three years.

The fair value of the employee services received in exchange for the grant of the options is recognised as an expense during the vesting period, which is the period over which all of the specific vesting conditions are to be satisfied. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, specified by the date of grant:

– Including any market performance conditions (for example, an entity's share price);

– Excluding the impact if any service and non-market performance vesting conditions (for example profitability, sales growth targets and remaining an employee of the entity over a specified time period); and

– Including the impact of any non-vesting conditions (for example, the requirement for employees to save)

At the end of each reporting date, the Group revises its estimates of the number of options that are expected to vest and recognises the impact of the revision of original estimates, if any, in administrative expenses and cost of goods sold in the income statement, with a corresponding adjustment to equity. When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium reserve.

1.17 Government grants

Government grants are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Group recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

1.18 CO_2 Emission rights

Emission rights are accounted for under the net liability method, based on which the Group recognizes a liability for emissions when the emissions are made and are in excess of the allowances allocated. The Group has chosen to measure the net liability on the basis of the period for which the irrevocable right to the cumulative emissions rights have been received. Emission rights purchases in excess of those required to cover its shortages are recognized as intangible asset. Proceeds from the sale of granted emission rights are recorded as a reduction to cost of sales.

1.19 Provisions

Provisions represent liabilities of uncertain timing or amount and are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presenting in the income statement net of any reimbursement.

Provisions are not recognized for future operating losses. The Group recognises a provision for onerous contracts when the economic benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract.

Restructuring provisions comprise lease termination penalties and employee termination payments, and are recognised in the period in which the Group becomes legally or constructively committed to payment. Costs related to the ongoing activities of the Group are not provided for in advance.

Where the effect of the time value of money is material, provisions is measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due the passage of time is recognized as a finance expense.

1.20 Site restoration, quarry rehabilitation and environmental costs

Companies within the Group are generally required to restore the land used for quarries and processing sites at the end of their producing lives to a condition acceptable to the relevant authorities and consistent with the Group's environmental policies. Provisions for environmental restoration are recognised when the Group has a present legal or constructive obligation as a result of past events and, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

Provisions associated with environmental damage represent the estimated future cost of remediation. Estimating the future costs of these obligations is complex and requires management to use judgment.

The estimation of these costs is based on an evaluation of currently available facts with respect to each individual site and considers factors such as existing technology, currently enacted laws and regulations and prior experience in remediation of sites. Inherent uncertainties exist in such evaluations primarily due to unknown conditions, changing governmental regulations and legal standards regarding liability, the protracted length of the clean-up periods and evolving technologies. The environmental and remediation liabilities provided for reflect the information available to management at the time of determination of the liability and are adjusted periodically as remediation efforts progress or as additional technical or legal information becomes available.

Estimated costs associated with such rehabilitation activities are measured at the present value of future cash outflows expected to be incurred. When the effect of the passage of time is not significant, the provision is calculated based on discounted cash flows. Where a closure and environmental obligation arises from quarry/mine development activities or relate to the decommissioning PPE the provision can be capitalized as part of the cost of the associated asset (intangible or tangible). The capitalized cost is depreciated over the useful life of the asset and any change in the net present value of the expected liability is included in finance costs, unless they arise from changes in accounting estimates of valuation.

1.21 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for the sale of goods and services stated net of value-added tax, rebates and discounts.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer (usually upon delivery and customer acceptance) and the realization of the related receivable is reasonably assured.

Revenue arising from services is recognised in the accounting period in which the services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Revenue from rental income arising, from operating leases, is accounted for on a straight-line basis over the lease terms.

Interest income is recognised using the effective interest method. If there is an impairment of loans or receivables, their carrying value is reduced to their recoverable amount, which is the present value of the future cash flows discounting with the initial effective interest rate. Afterwards, the interest income is recognised with the same interest rate (the initial effective interest rate) multiplied with the impaired carrying value.

Dividend income is recognised when the right to receive the payment is established.

1.22 Dividend distribution

Dividend to the Company's shareholders is recognized in the financial statements in the period in which the Board of Directors' proposed dividend is ratified at the Shareholders' Annual General Meeting.

1.23 Segment information

Segment information is presented on the same basis as the internal information provided to the chief operating decision maker. The chief operating decision maker is the person (or the group of persons) that allocates resources to and assesses the operating results of the segments.

For management purposes, the Group is structured in four regions: Greece and Western Europe, North America, South East Europe and Eastern Mediterranean. Each region is a set of countries. The aggregation of countries is based on proximity of operations and to an extent in similarity of economic and political conditions. Each region has a regional Chief Executive Officer (CEO) who reports to the Group's CEO. In addition, the Finance Department is organized also by region for effective financial controlling and performance monitoring.

1.24 Financial assets

Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available for sale.

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorized as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date. This is the date on which the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss is initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within the period in which they arise.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement.

Dividends on available-for-sale equity instruments are recognised in the income statement when the group's right to receive payments is established.

1.25 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset recognised amounts, and there is an intention to settle on the net basis the liability or realise the asset and settle the liability simultaneously. The legally enforceable right to offset should not depend on future events but it should apply in the ordinary course of business. However, it should be allowed for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

1.26 Impairment of financial assets

Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

Assets classified as available-for-sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available- for- sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available- for- sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated income statement.

1.27 Derivative financial instruments and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently periodically re-measured at their fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income (OCI) and later is reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment
- Hedges of a net investment in a foreign operation

At the inception of the hedge relationship, Group formally designates and documents the hedge relationship between hedging instruments and hedged items, to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating both to the effective and ineffective portion of interest rate swaps hedging fixed rate borrowings is recognized in the income statement within “Finance income/expense”.

Cash flow hedges

The effective portion of gains or losses from measuring cash flow hedging instruments is recognized in OCI and accumulated in reserves, in the account “translation differences on derivate hedging position”. The gain or loss relating to the ineffective portion is recognized immediately in the income statement within “Finance income/expenses”.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

Net investment hedge

Hedges of net investments in foreign entities are accounted for similarly to cash flow hedges. Where the hedging instrument is a derivative, any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in currency translation differences on derivative hedging position in other reserves. The gain or loss relating to the ineffective portion is recognised immediately in other income/expenses in the income statement. However, where the hedging instrument is not a derivative (for example, a foreign currency borrowing), all foreign exchange gains or losses arising on the translation of a borrowing that hedges such an investment (including any ineffective portion of the hedge) are recognized in equity in "translation differences on derivative hedging position" in "other reserves".

Gains or losses accumulated in equity are included in the income statement when the foreign operation is partially disposed of or sold. The Group's 'other reserves' include gains that have resulted from such hedging activities carried out in the past.

Derivatives that do not qualify for hedge accounting

Certain derivative transactions, do not qualify for hedge accounting under rules in IFRS. Any gains or losses arising from changes in the fair value of financial instruments that are not part of a hedging relationship are included in finance income/(expenses), or gain/(loss) from foreign exchange differences in the income statement for the period in which they arise.

1.28 De-recognition of financial assets and liabilities

Financial assets: A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. A respective liability is also recognized.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities: A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of income.

1.29 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying which is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets until such as the asset is substantially ready for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the profit of loss in the period in which they are occurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

1.30 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.31 Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount. Examples of exceptional items include gains/losses on disposal of non-current assets, restructuring costs and other unusual gains or losses.

2. Significant accounting estimates and judgments

The preparation of the financial statements requires management to make estimations and judgments that affect the reported disclosures. On an ongoing basis, management evaluates its estimates, which are presented bellow in paragraphs 2.1 to 2.17.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

These management's estimation and assumptions form the basis for making judgments about the carrying value of assets and liabilities that are not readily available from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2.1 Impairment of goodwill and other non-financial assets

Management tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in paragraph 1.6. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The basic assumptions that are used in the calculations are explained further in note 13. These calculations require the use of estimates which mainly relate to future earnings and discount rates.

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, in accordance with the accounting policy stated in paragraph 1.8.

2.2 Income taxes

Group entities are subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

2.3 Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in note 8.

2.4 Asset lives and residual values

PPE are depreciated over their estimated useful lives. The actual lives of the assets are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product lifecycles, life-of-mine and maintenance programmes are taken into account.

2.5 Allowance for net realizable value of inventory

The allowance for net realizable value of inventory, in accordance with the accounting policy as stated in paragraph 1.10, represents management's best estimate, based on historic sales trends and its assessment on quality and volume, of the extent to which the stock on hand at the reporting date will be sold below cost.

2.6 Allowance for doubtful accounts receivable

The Group impairs the trade receivables, when there is evidence or indication that the full or part of a receivable collection is not probable. The Group's management periodically reassess the adequately of the allowance for doubtful accounts receivable using parameters such as its credit policy, reports from its legal counsel on recent developments of the cases they are handling, and its judgment/estimate about the impact of other factors affecting the recoverability of the receivables.

2.7 Provision for environmental rehabilitation

The Group recognizes a provision for environmental rehabilitation and, more specifically, a provision for future restoration of land disturbed, as of the reporting date, as a result of past activity and in line with the prevailing environmental legislation of each country in which it operates or the binding group practices. The provision for environmental rehabilitation is re-estimated on an annual basis and it reflects the present value of the expected restoration costs, using estimated cash flows as of the reporting date and is calculated based on the area of the land disturbed at the reporting date and the cost of rehabilitation per metric unit of land at the level of the broader area of interest. Given the complexity of the calculations and the significant assumptions therein. Management provides at the reporting date its best estimate in relation to the present value of the aforementioned liability.

2.8 Provision for staff leaving indemnities

The cost for the staff leaving indemnities is determined based on actuarial valuations. The actuarial valuation requires management making assumptions about future salary increases, discount rates, mortality rates, etc. Management, at each reporting date when the provision is re-examined, tries to give its best estimate regarding the above mentioned parameters.

2.9 Provision for restructuring costs

The Group estimates the level of provision required for restructuring costs based on historical experience as well as other specific relevant factors.

2.10 Contingent liabilities

The existence of contingent liabilities requires from management making assumptions and estimates continuously related to the possibility that future events may or may not occur as well as the effects that those events may have on the activities of the Group.

2.11 Business combinations

On the acquisition of a company or business, a determination of the fair value and the useful lives of tangible and intangible assets acquired is performed, which requires the application of judgement. Future events could cause the assumptions used by the Group to change which could have an impact on the results and net position of the Group. Further information on business combination is given in paragraph 1.2.

2.12 Valuation of financial instruments

The valuation of derivative financial instruments is based on the market position at the reporting date. The value of the derivative instruments fluctuates on a daily basis and the actual amounts realised may differ materially from their value at the reporting date. Further information on financial instruments is given in paragraph 1.27.

2.13 Fair value of share-based payments

Fair values used in calculating the amount to be expensed as a share-based payment is subject to a level of uncertainty. The Group is required to calculate the fair value of the cash-settled instruments granted to employees in terms of the share option schemes, and the share-based payment charges relating to empowerment transactions. These fair values are calculated by applying a valuation model, which is in itself judgmental, and takes into account certain inherently uncertain assumptions. The basic assumptions that are used in the calculations are explained further in note 22. Further information on share based payments is given in paragraph 1.16d.

2.14 Weighted average number of shares

Using the weighted average number of shares during the period reflects the possibility that the amount of shareholders' capital varied during the period as a result of a larger or smaller number of shares being outstanding at any time. Judgment is required to determine the number of shares and the timing when shares are issued. The calculation of the weighted average number of shares impacts the calculation of basic and diluted earnings per share.

2.15 Put options

Put options were granted to the remaining non-controlling shareholders of the Group subsidiary Antea Cement SHA, entitling them to sell their interests in Antea Cement SHA at future contracted dates. The Group has recognized the fair value of the non-controlling interests, being the present value of the future estimated option price, as other current liability in the statement of financial position with a corresponding entry reducing non-controlling interests. The present value and timing of the expected redemptions and amounts need to be determined at each reporting date.

2.16 Sources of estimation uncertainty

There are no significant assumptions made concerning the future or other sources of estimation uncertainty that have been identified as giving rise to a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

2.17 Going concern

Management have taken into account the following: a) the Company's financial position, b) the risks facing the Company that could impact on its business model and capital adequacy and c) the fact that no material uncertainties are identified to the Company's ability to continue as a going concern in the foreseeable future and in any event over a period of at least twelve months from the date of approval of the Financial Statements and states that it considers it appropriate for the Company to continue to adopt the going concern basis in preparing its Financial Statements and that no material uncertainties are identified to the Company's ability to continue to adopt the going concern basis in preparing its Financial Statements in the foreseeable future and in any event over a period of at least twelve months from the date of approval of the Financial Statements.

3. Operating segment information

For management information purposes, the Group is structured in four operating segments: Greece and Western Europe, North America, South Eastern Europe and Eastern Mediterranean. Each operating segment is a set of countries. The aggregation of countries is based mostly 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 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, depreciation, amortization & impairment.

Information by operating segment

(all amounts in Euro thousands)	For the year ended 31 December 2017				
	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Gross revenue	312,851	873,435	233,695	158,188	1,578,169
Inter-segment revenue	-64,120	-219	-8,027	-	-72,366
Revenue from external customers	248,731	873,216	225,668	158,188	1,505,803
Profit before interest, taxes, depreciation, amortization and impairment	18,277	185,098	56,895	13,171	273,441
Depreciation, amortization and impairment of tangible and intangible assets	-23,381	-57,785	-24,928	-10,335	-116,429
(Loss)/profit before interest and taxes	-5,104	127,313	31,967	2,836	157,012
ASSETS					
Property, plant & equipment	304,884	612,825	303,368	244,969	1,466,046
Intangible assets and goodwill	26,832	196,242	60,976	61,921	345,971
Other non-current assets	15,425	9,883	8,819	2,024	36,151
Current assets	233,737	177,828	108,824	73,708	594,097
Total assets of segments excluding joint ventures	580,878	996,778	481,987	382,622	2,442,265
Investment in joint ventures (note 15)					153,202
Total assets					2,595,467
LIABILITIES					
Non-current liabilities	311,410	375,203	79,594	163,142	929,349
Current liabilities	64,076	86,270	57,801	88,299	296,446
Total Liabilities	375,486	461,473	137,395	251,441	1,225,795
Capital expenditures (note 11,12,13)	29,643	68,297	13,876	10,702	122,518
Provision for obtaining license for construction of production line	-	-	-	6,380	6,380
Impairment of property, plant and equipment (note 11)	-2,151	-588	-	-	-2,739
Impairment of Goodwill (note 13)	-	-	-1,396	-	-1,396
Allowance/(reversal of allowance) for doubtful debtors (note 20)	637	-497	302	-82	360
Investment in associates (note 15)	857	2,865	3,980	-	7,702
Non-qualified deferred compensation plans (note 17,25)	-	4,169	-	-	4,169

Capital expenditures consist of additions of property, plant and equipment, intangible assets and investment property.

Impairment charges are included in the income statement.

Turnover consists of the sale of goods and services. There are sales between operating segments. Total assets and capital expenditures are presented in the operating segment of the company that owns the assets.

The transactions among segments are performed as described in note 32.

3. Operating segment information (continued)

Information by business activities

(all amounts in Euro thousands)	For the year ended 31 December 2017			
	Cement	Ready mix concrete, aggregates and building blocks	Other	Total
Turnover	844,959	653,263	7,581	1,505,803

The cement activity includes cement and cementitious materials.

The business activities that are common to all segments of the Group are the production and trade of cement, ready-mix concrete, aggregates and transportation services.

Greece and Western Europe segment is also engaged in the production and trade of dry mortars and the Regulatory Electricity Market. North America segment includes the production and trade of building blocks and the processing of fly ash. Finally, South Eastern Europe and Eastern Mediterranean segments are engaged in the processing of alternative fuels.

Other activities include transportation services and the activity of Regulatory Electricity Market in Greece. None of these activities have the prerequisite magnitude to be presented separately.

Within the activity of the Company in the Greek electricity market, the Company has received the No.731/13.10.14 License Electricity from the Regulatory Authority for Energy. During 2017, no electricity sales have been made. Within 2016, the Company achieved sales amounting €1,726 thousand to the Electricity Market Operator.

The Company sold cement and aggregates, representing in 2017 9.9% (2016: 7.35%) of the Company's turnover, to its subsidiary Interbeton S.A..

At Group level, turnover is derived from a set of customers none of which separately represents greater than or equal to 10%.

Information by operating segment

(all amounts in Euro thousands)	For the year ended 31 December 2016				
	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Gross revenue	327,726	794,575	204,610	249,201	1,576,112
Inter-segment revenue	-66,400	-223	-336	-	-66,959
Revenue from external customers	261,326	794,352	204,274	249,201	1,509,153
Profit before interest, taxes, depreciation, amortization and impairment	36,366	145,174	56,215	40,844	278,599
Depreciation, amortization and impairment of tangible and intangible assets	-27,990	-55,913	-25,446	-17,758	-127,107
Profit before interest and taxes	8,378	89,260	30,769	23,085	151,492
ASSETS					
Property, plant & equipment	304,544	686,354	308,612	273,725	1,573,235
Intangible assets and goodwill	23,392	223,843	63,458	64,423	375,116
Other non-current assets	13,636	31,894	8,649	315	54,494
Current assets	217,362	216,450	108,330	82,601	624,743
Total assets of segments excluding joint ventures	558,934	1,158,541	489,049	421,064	2,627,588
Investment in joint ventures (note 15)					162,189
Total assets					2,789,777
LIABILITIES					
Non-current liabilities	189,664	380,638	95,361	164,310	829,973
Current liabilities	127,004	140,672	49,827	89,485	406,988
Total Liabilities	316,668	521,310	145,188	253,795	1,236,961

3. Operating segment information (continued)

Information by operating segment

(all amounts in Euro thousands)	For the year ended 31 December 2016				
	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Capital expenditures (note 11,12,13)	24,608	78,458	16,240	31,250	150,556
Impairment of property, plant and equipment (note 11)	-5,162	-	-	-	-5,162
Impairment of intangible assets-excluding goodwill (note 13)	-376	-	-	-	-376
Impairment of Goodwill (note 13)	-2,510	-	-2,766	-	-5,276
(Reversal of allowance)/allowance for doubtful debtors (note 20)	-917	-433	487	276	-587
Investment in associates (note 15)	742	4,321	3,551	-	8,614
Non-qualified deferred compensation plans (note 17, 25)	-	4,364	-	-	4,364

Capital expenditures consist of additions of property, plant and equipment, intangible assets and investment properties.
Impairment charges are included in the income statement.

Information by business activities

(all amounts in Euro thousands)	For the year ended 31 December 2016			
	Cement	Ready mix, aggregates and blocks	Other	Total
Turnover	907,451	592,880	8,822	1,509,153

Reconciliation of profit

Finance income and costs, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a Group basis.

(all amounts in Euro thousands)	Group	
	2017	2016
Profit before interest and taxes	**157,012**	**151,492**
Income from participations and investments	162	1,926
Finance income	899	2,900
Finance expense	-65,033	-67,303
Losses from foreign exchange differences	-22,326	-25,982
Share of profit of associates (note 15)	1,540	1,577
Share of loss of joint ventures (note 15)	-9,028	-1,085
Profit before taxes	**63,226**	**63,525**

4. Other income and expenses

(all amounts in Euro thousands)	Group		Company	
	2017	2016	2017	2016
Scrap sales	1,590	901	213	338
Compensation income	288	301	-	-
Income from subsidies	68	198	68	198
Income from services	1,713	2,460	298	443
Rental income	2,466	2,662	1,220	1,265
Gains on disposal of PPE, intangible assets and investment property (note 29)	-	-	47	63
Fair value gain from investment property (note 12)	863	-	12	-
Income from administrative services to subsidiaries	-	-	12,840	12,536
Exceptional items	-	441	-	-
Various recurrent taxes - fees	1,587	895	-	-
Other income	2,056	1,114	1,149	627
Other income total	**10,631**	**8,972**	**15,847**	**15,470**
Other provisions	-212	-4,240	-152	-1,063
Losses on disposal of PPE, intangible assets and investment property (note 29)	-2,075	-3,337	-26	-11
Fair value loss from investment property (note 12)	-	-243	-351	-335
Inventory impairment (note 19)	-1,957	-122	-1,548	160
Staff leaving indemnities	-2,158	-3,067	-915	-1,416
Restructuring cost	-11,365	-6,749	-3,322	-
Inventories and other receivables write off	-1,110	-	-	-
Exceptional items	-729	-1,229	-	-
Various recurrent taxes - fees	-1,631	-1,470	-	-
Other expenses	-3,378	-3,194	-904	-1,811
Other expenses total	**-24,615**	**-23,651**	**-7,218**	**-4,476**

For the year ended 31.12.2017

The exceptional items are related to expenditures made mainly due to the hurricane "Irma" in Florida USA.

The restructuring cost relates to voluntary retirement incentive programs in all Group operating segments. The amounts of €1.6 million for the Group and €0.8 million for the Company will be settled in 2018.

For the year ended 31.12.2016

The exceptional items-income represents compensation that Titan America LLC in USA received under the BP Oil Spill Claim Program for companies affected by the oil spill in the Gulf of Mexico in 2010.

The exceptional items-expenses are related to expenditures made due to a scaffold collapse during scheduled maintenance in the Group's Pennsuco cement plant, Florida USA.

The restructuring cost relates to voluntary retirement incentive programs in all Group operating segments.

5. Expenses by nature

(all amounts in Euro thousands)	Group		Company	
	2017	2016	2017	2016
Staff costs and related expenses (note 7)	-280,450	-269,939	-55,748	-53,912
Raw materials and consumables used	-372,161	-376,242	-47,295	-52,389
Energy cost	-231,111	-228,795	-57,101	-55,750
Changes in inventory of finished goods and work in progress	16,863	5,497	4,871	-3,452
Distribution expenses	-162,916	-149,343	-37,345	-40,056
Third party fees	-124,166	-129,451	-22,712	-25,760
Other expenses	-64,437	-67,602	-12,300	-12,064
Total expenses by nature	**-1,218,378**	**-1,215,875**	**-227,630**	**-243,383**
Included in:				
Cost of sales	-1,070,349	-1,072,139	-182,851	-199,836
Administrative expenses	-125,459	-122,108	-44,526	-43,276
Selling and marketing expenses	-22,570	-21,628	-253	-271
	-1,218,378	**-1,215,875**	**-227,630**	**-243,383**

6. Finance expense

(all amounts in Euro thousands)

i) Finance income	Group		Company	
	2017	**2016**	**2017**	**2016**
Interest income and related income	869	1,569	2	24
Fair value gains on derivatives	30	1,331	-	-
Finance income	**899**	**2,900**	**2**	**24**

ii) Finance expenses	Group		Company	
	2017	**2016**	**2017**	**2016**
Interest expense and related expenses	-63,839	-65,992	-15,883	-22,041
Finance costs of actuarial studies (note 25)	-510	-533	-238	-249
Unwinding of discount of rehabilitation and other provisions (note 26)	-240	-268	-40	-43
Finance lease interest	-444	-510	-	-
Finance expense	**-65,033**	**-67,303**	**-16,161**	**-22,333**

iii) (Losses)/gains from foreign exchange differences	Group		Company	
	2017	**2016**	**2017**	**2016**
Net exchange (losses)/gains	-55,907	-24,367	-3,096	303
Fair value gains/(losses) on derivatives	33,581	-1,615	-	-
(Losses)/gains from foreign exchange differences	**-22,326**	**-25,982**	**-3,096**	**303**

7. Staff costs

(all amounts in Euro thousands)	Group		Company	
	2017	**2016**	**2017**	**2016**
Wages, salaries and related expenses	254,798	244,121	46,237	44,334
Social security costs	24,219	24,198	9,223	8,890
Fair value of share options granted to directors and employees (note 29)	1,433	1,620	974	1,376
Other post retirement and termination benefits - defined benefit plans (note 4,6,25)	14,033	10,349	4,475	1,665
Total staff costs	**294,483**	**280,288**	**60,909**	**56,265**

Group employees are employed on a full-time basis. The breakdown is as follows:

	Group		Company	
	2017	**2016**	**2017**	**2016**
Greece and Western Europe	1,157	1,185	811	842
North America	2,198	2,049	-	-
South Eastern Europe	1,253	1,282	-	-
Eastern Mediterranean	824	966	-	-
	5,432	**5,482**	**811**	**842**

8. Income tax expense

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

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

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

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

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

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

In 2016, the Group subsidiary in USA, Titan America LLC (TALLC), recorded in its financial statements a deferred income tax benefit and related deferred tax asset of €89.6 million in 2016 financial statements. The majority of this benefit was associated with the recognition of a deferred tax asset for previously unrecognized net operating losses carry-forward generated in periods prior to 2016. Following consistent year on year profitability improvements in 2016 and a favourable outlook for 2017-2019, management concluded that profitability trends and projections for TALLC provide sufficient and objectively verifiable evidence to conclude that future profitability overcomes the weight of negative evidence generated by successive loss years prior to 2016.

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

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

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

9.Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to shareholders for the year by the weighted average number of ordinary and preference shares in issue during the year, excluding ordinary and preference shares purchased by the Company and held as treasury shares (note 22).

(all amounts in Euro thousands unless otherwise stated)	Group		Company	
	2017	**2016**	**2017**	**2016**
Net profit for the year attributable to Titan S.A. shareholders	42,680	127,444	13,391	16,819
Weighted average number of ordinary shares in issue	73,174,841	74,088,601	73,174,841	74,088,601
Weighted average number of preferred shares in issue	7,476,152	7,543,158	7,476,152	7,543,158
Total weighted average number of shares in issue for basic earnings per share	80,650,993	81,631,759	80,650,993	81,631,759
Basic earnings per ordinary and preferred share (in €)	**0.5292**	**1.5612**	**0.1660**	**0.2060**

The diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options. For the share options, calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. The difference is added to the denominator as an issue of ordinary shares for no consideration. No adjustment is made to net profit (numerator).

(all amounts in Euro thousands unless otherwise stated)	Group		Company	
	2017	**2016**	**2017**	**2016**
Net profit for the year attributable to Titan S.A. shareholders for diluted earnings per share	42,680	127,444	13,391	16,819
Weighted average number of ordinary shares for diluted earnings per share	73,174,841	74,088,601	73,174,841	74,088,601
Share options	551,891	477,658	551,891	477,658
Weighted average number of preferred shares in issue	7,476,152	7,543,158	7,476,152	7,543,158
Total weighted average number of shares in issue for diluted earnings per share	81,202,884	82,109,417	81,202,884	82,109,417
Diluted earnings per ordinary and preferred share (in €)	**0.5256**	**1.5521**	**0.1649**	**0.2048**

10. Dividends and return of capital

For the year ended 31.12.2017

The Annual General Meeting, which was held on 12th May 2017, approved the distribution of dividend of a total amount of €8,463,253 i.e. €0.10 per share and, in addition, a return of capital of a total amount of €84,632,528 i.e. €1.0 per share. Pursuant to article 16 paragraph 8 of L. 2190/1920, the final amounts distributed per share were increased by the amount, corresponding to the treasury shares held by the Company.

The Annual General Meeting, which was held on 12th May 2017, approved the distribution of dividend of a total amount of €8,463,253 i.e. €0.10 per share and, in addition, a return of capital of a total amount of €84,632,528 i.e. €1.0 per share. Pursuant to article 16 paragraph 8 of L. 2190/1920, the final amounts distributed per share were increased by the amount, corresponding to the treasury shares held by the Company.

For the year ended 31.12.2016

The Annual General Meeting of Shareholders of the Titan Cement Company S.A., which was held on 17 June 2016, approved the distribution of dividend from the profits of the financial year 2015 of a total amount of €25,390 corresponding to €0.30 per share (ordinary or preference). This amount was proportionally increased by the dividend corresponding to the treasury stock held by the Company and became €0.30989 per share. From this amount the Company withheld on behalf of the Shareholder a 10% tax and, therefore, the net amount paid was €0.27890 per share.

11. Property, plant and equipment

(all amounts in Euro thousands)

Group

Year ended 31 December 2016	Land	Quarries	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Opening balance	**301,422**	**145,061**	**212,862**	**951,932**	**45,212**	**10,361**	**127,458**	**1,794,308**
Additions	416	5,575	421	6,014	750	691	127,423	141,290
Fair value adjustments due to joint venture acquisition (note 30)	3,242	-	4,399	5,099	-	-	-	12,740
Additions due to acquisition of joint venture (note 30)	1,585	-	1,562	10,113	-	33	87	13,380
Disposals (NBV) (note 29)	-56	-	-169	-2,587	-172	-26	-1,194	-4,204
Reclassification of assets from/to other PPE categories	309	2,680	13,073	81,640	13,499	1,683	-114,643	-1,759
Transfers from inventories (note 19)	-	-	-	667	24	-	-	691
Transfers to intangible assets (note 13)	-	-	-	-	-	-17	-3,083	-3,100
Transfer to investment property after revaluation (note 12)	-11	-	-	-	-	-	-	-11
Transfers from/to other accounts	-	-	-	47	-	-	-39	8
Depreciation charge (note 29)	-3,433	-7,568	-11,550	-72,390	-8,983	-2,474	-	-106,398
Impairment of PPE (note 29)	-	-	-738	-3,502	-	-7	-915	-5,162
Exchange differences	-53,053	2,790	-35,704	-173,517	324	-354	-26,800	-286,314
Ending balance	**250,421**	**148,538**	**184,156**	**803,516**	**50,654**	**9,890**	**108,294**	**1,555,469**
Leased assets under finance leases								
Opening balance	**-**	**-**	**-**	**183**	**11,229**	**-**	**-**	**11,412**
Additions	-	-	-	91	6,913	-	-	7,004
Reclassification of assets to other PPE categories	-	-	-	-	1,759	-	-	1,759
Depreciation charge (note 29)	-	-	-	-58	-3,094	-	-	-3,152
Exchange differences	-	-	-	-19	762	-	-	743
Ending balance	**-**	**-**	**-**	**197**	**17,569**	**-**	**-**	**17,766**
At 31 December 2016								
Cost	289,445	221,782	381,369	1,694,682	242,693	57,514	109,210	2,996,695
Accumulated depreciation	-37,127	-73,244	-196,457	-886,982	-174,470	-47,617	-	-1,415,897
Accumulated losses of impairment of PPE	-1,897	-	-756	-3,987	-	-7	-916	-7,563
Net book value	**250,421**	**148,538**	**184,156**	**803,713**	**68,223**	**9,890**	**108,294**	**1,573,235**

11. Property, plant and equipment (continued)

(all amounts in Euro thousands)

Group

Year ended 31 December 2017	Land	Quarries	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Opening balance	**250,421**	**148,538**	**184,156**	**803,516**	**50,654**	**9,890**	**108,294**	**1,555,469**
Additions	375	7,771	1,098	14,120	229	824	95,533	119,950
Acquisition of subsidiary (note 30)	-	-	978	-	-	-	-	978
Disposals (NBV) (note 29)	-132	-	-930	-600	-93	-47	-1,734	-3,536
Reclassification of assets from/to other PPE categories	13,030	1,757	13,028	71,675	17,430	3,709	-120,629	-
Transfers from inventories (note 19)	-	-	-	233	-	-	-	233
Transfers from/to intangible assets (note 13)	-	348	-67	-	-	-	-813	-532
Transfer to investment property after revaluation (note 12)	-220	-	-975	-	-	-	-	-1,195
Depreciation charge (note 29)	-3,554	-8,335	-10,586	-67,803	-11,087	-2,611	-	-103,976
Impairment of PPE (note 29)	-588	-	-	-2,145	-	-5	-1	-2,739
Exchange differences	-23,215	-15,507	-8,842	-49,631	-4,990	-301	-8,659	-111,145
Ending balance	**236,117**	**134,572**	**177,860**	**769,365**	**52,143**	**11,459**	**71,991**	**1,453,507**
Leased assets under finance leases								
Opening balance	**-**	**-**	**-**	**197**	**17,569**	**-**	**-**	**17,766**
Depreciation charge (note 29)	-	-	-	-57	-3,251	-	-	-3,308
Exchange differences	-	-	-	-6	-1,913	-	-	-1,919
Ending balance	**-**	**-**	**-**	**134**	**12,405**	**-**	**-**	**12,539**
At 31 December 2017								
Cost	274,741	207,705	376,053	1,651,913	227,261	58,662	71,991	2,868,326
Accumulated depreciation	-36,373	-73,133	-197,438	-876,281	-162,713	-47,191	-	-1,393,129
Accumulated losses of impairment of PPE	-2,251	-	-755	-6,133	-	-12	-	-9,151
Net book value	**236,117**	**134,572**	**177,860**	**769,499**	**64,548**	**11,459**	**71,991**	**1,466,046**

11. Property, plant and equipment (continued)

(all amounts in Euro thousands)

Company

Year ended 31 December 2016

	Quarries	Land	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Opening balance	**810**	**4,289**	**52,206**	**155,171**	**656**	**6,627**	**17,665**	**237,424**
Additions	-	411	290	8,385	474	444	10,111	20,115
Disposals/write-offs (NBV) (note 29)	-	-5	-	-	-12	-33	-	-50
Reclassification of assets from/to other PPE categories	-	-	2,259	11,340	-	509	-14,108	-
Reclassification of assets to intangible assets (note 13)	-	-	-	-	-	-	-60	-60
Depreciation charge (note 29)	-63	-	-2,292	-11,221	-165	-958	-	-14,699
Provisions for restoration	-	-	-	47	-	-	-	47
Ending balance	**747**	**4,695**	**52,463**	**163,722**	**953**	**6,589**	**13,608**	**242,777**
At 31 December 2016								
Cost	1,656	4,695	99,805	348,671	3,740	27,534	13,608	499,709
Accumulated depreciation	-909	-	-47,339	-184,463	-2,787	-20,945	-	-256,443
Accumulated losses of impairment of PPE	-	-	-3	-486	-	-	-	-489
Net book value	**747**	**4,695**	**52,463**	**163,722**	**953**	**6,589**	**13,608**	**242,777**

Year ended 31 December 2017

	Quarries	Land	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Opening balance	**747**	**4,695**	**52,463**	**163,722**	**953**	**6,589**	**13,608**	**242,777**
Additions	-	214	185	15,413	60	785	11,267	27,924
Disposals/write-offs (NBV) (note 29)	-	-	-	-4	-62	-8	-	-74
Reclassification of assets from/to other PPE categories	-	-	761	6,453	-	1,531	-8,745	-
Reclassification of assets to intangible assets (note 13)	-	-	-	-	-	-	-8	-8
Depreciation charge (note 29)	-63	-	-2,435	-11,970	-161	-984	-	-15,613
Impairment of PPE (note 29)	-	-	-	-2,145	-	-5	-	-2,150
Provisions for restoration	-	-	5	118	-	12	-47	88
Ending balance	**684**	**4,909**	**50,979**	**171,587**	**790**	**7,920**	**16,075**	**252,944**
At 31 December 2017								
Cost	1,656	4,909	100,754	370,648	3,244	29,843	16,075	527,129
Accumulated depreciation	-972	-	-49,772	-196,430	-2,454	-21,918	-	-271,546
Accumulated losses of impairment of PPE	-	-	-3	-2,631	-	-5	-	-2,639
Net book value	**684**	**4,909**	**50,979**	**171,587**	**790**	**7,920**	**16,075**	**252,944**

11. Property, plant and equipment (continued)

Disposal of assets

Group

During 2017, the Group received €1.5 million (2016: €0.9 million) from the disposal of tangible assets with total net book value of €3.5 million (2016: €4.2 million). Thus, the Group recognized €2.1 million losses (2016: €3.3 million) on disposal of PPE in the consolidated income statement (note 4).

Company

During 2017, the Company received €95 thousand (2016: €102 thousand) from the disposal of tangible assets with total net book value of €74 thousand (2016: €50 thousand). Thus, the Company recognized €21 thousand gains (2016: €52 thousand) on disposal of PPE in the income statement (note 4).

Impairments of property, plant and equipment

During 2017, the Group recorded an impairment amounting to €2.2 million due to machinery impairment in Greece and Western Europe segment and €0.6 million due to a parcel of land in North America.

The aforementioned assets were impaired as their recoverable amounts were lower than their carrying amounts. The recoverable amount is the fair value less costs to sell and is determined using a sale price quote from an unrelated third party as the amount that the buyer would purchase this tangible asset. This quote is not from an active market and represents a level 3 in the valuation hierarchy.

During 2016, the Group recorded an impairment amounting to €5.2 million mainly due to machinery impairment in Greece and Western Europe segment.

Property, plant and equipment pledged as security

The assets of the Company have not been pledged. On the Turkish subsidiary Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. assets, there is mortgage of €4.6 million, securing its bank credit facilities.

12. Investment property

Property that is leased among Group subsidiaries is not included in investment property but in property, plant and equipment in the Group statement of financial position. Investment property is measured at fair value by external, independent, certified valuators, members of the institute of the certified valuators and certified from the European Group of Valuers' Associations (TEGoVA) & RICS (Royal Institution of Chartered Surveyors).

(all amounts in Euro thousands)	Group		Company	
	2017	**2016**	**2017**	**2016**
Opening balance	**9,820**	**9,548**	**9,126**	**9,461**
Disposals	-	-77	-	-
Net gain/(loss) from measurement at fair value (note 4)	863	-243	-339	-335
Transfer from own-used property after revaluation	1,447	588	150	-
Exchange differences	-	4	-	-
Ending balance	**12,130**	**9,820**	**8,937**	**9,126**

(all amounts in Euro thousands)	Group		Company	
	2017	**2016**	**2017**	**2016**
Rental income derived from investment property	406	326	155	135
Direct operating expenses (including repair and maintenance) that did not generate rental income	-7	-45	-	-22
Net profit arising from investment properties carried at fair value	**399**	**281**	**155**	**113**

The fair value measurement of the investment property of the Company has been mainly conducted in accordance with the comparative method or the current market values of similar properties. The main factors that were taken into consideration, are the property location, the surface area, the local urban planning, the bordering road networks, the regional infrastructure, the property maintenance status and merchantability, the technical construction standards in the case of buildings and the impact of environmental issues if any.

13. Intangible assets and Goodwill

(all amounts in Euro thousands)

Group	Initial goodwill	Goodwill impairment	Total goodwill	Licences	Development expenditure	Trade-marks	Customer relation-ships	Other intangible assets	Total
Balance at 1 January 2016	**386,622**	**-10,216**	**376,406**	**21,439**	**314**	**26,303**	**25,531**	**6,349**	**456,342**
Additions	-	-	-	305	-	-	-	1,957	2,262
Disposals (NBV)	-	-	-	-	-	-80	-	-	-80
Additions due to acquisition	86	-	86	-	-	-	-	-	86
Other reclassifications	-	-	-	91	-	-	-	-	91
Reclassification of assets from/to other intangible assets categories	-	-	-	-119	-	-	-	119	-
Transfers from property, plant & equipment (note 11)	-	-	-	-	-	-	2,043	1,057	3,100
Impairment (note 29)	-	-5,276	-5,276	-	-	-	-	-376	-5,652
Amortization charge (note 29)	-	-	-	-553	-	-1,465	-4,182	-834	-7,034
Exchange differences	-52,280	-	-52,280	-4,215	1	-5,297	-11,280	-928	-73,999
Balance at 31 December 2016	**334,428**	**-15,492**	**318,936**	**16,948**	**315**	**19,461**	**12,112**	**7,344**	**375,116**
Balance at 1 January 2017	**334,428**	**-15,492**	**318,936**	**16,948**	**315**	**19,461**	**12,112**	**7,344**	**375,116**
Additions	-	-	-	6,470	8	-	-	2,470	8,948
Disposals (NBV) (note 29)	-	-	-	-	-	-	-	-6	-6
Additions due to acquisition	3	-	3	-	-	-	-	-	3
Reclassification of assets from/to other intangible assets categories	-	-	-	58	-	-	-	-58	-
Transfers from/to property, plant & equipment (note 11)	-	-	-	2	-255	-	-	785	532
Other reclassifications	-	-	-	-	-	-	-	1,634	1,634
Impairment (note 29)	-	-1,396	-1,396	-	-	-	-	-	-1,396
Amortization charge (note 29)	-	-	-	-487	-	-855	-3,131	-800	-5,273
Exchange differences	-29,874	-	-29,874	-436	-	-2,033	-1,059	-185	-33,587
Balance at 31 December 2017	**304,557**	**-16,888**	**287,669**	**22,555**	**68**	**16,573**	**7,922**	**11,184**	**345,971**

Other intangible assets include mainly computer software.

(all amounts in Euro thousands)

Company	Trade-marks	Other intangible assets	Total
Balance at 1 January 2016	**81**	**3,531**	**3,612**
Additions	-	1,080	1,080
Disposals (NBV)	-80	-38	-118
Reclassification of assets from property, plant & equipment (note 11)	-	60	60
Other reclassifications	-	91	91
Amortization charge (note 29)	-	-267	-267
Balance at 31 December 2016	**1**	**4,457**	**4,458**
Balance at 1 January 2017	**1**	**4,457**	**4,458**
Additions	-	2,930	2,930
Reclassification of assets from property, plant & equipment (note 11)	-	8	8
Other reclassifications	-	986	986
Amortization charge (note 29)	-	-289	-289
Balance at 31 December 2017	**1**	**8,092**	**8,093**

13. Intangible assets and Goodwill (continued)

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to the following cash-generating units ("CGU's") per region of operation.

Carrying amount of goodwill (by geographical segment):

(all amounts in Euro thousands)	2017	2016
Greece and Western Europe	10,209	10,209
North America	182,383	207,489
South Eastern Europe	52,788	53,923
Eastern Mediterranean	42,289	47,315
	287,669	**318,936**

The provision of goodwill impairment is charged to the income statement.

Key assumptions

The recoverable amount of all CGUs has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below.

The calculation of value-in-use for the Group's evaluated CGUs is most sensitive to the following assumptions:

• Sales volumes;

• Selling prices;

• Gross margin;

• Growth rate used to extrapolate cash flows beyond the specific projection period; and

• Discount rates

Sales volumes:

Volume assumptions have been provided by local management and reflect its best estimates as derived from sales forecasts for the development of which a combination of factors have been taken into consideration: past performance, local market growth estimates, infrastructure projects in which the company will participate (public investments), etc. In the USA, sales volume growth rates are also based on published industry research and take into account demographic trends including population growth, household formation, and economic output (among other factors) in the states where the Group operates. In addition to demographic trends, long-term growth rates take into account cement/concrete intensity in construction which has historically varied from state to state based on building codes, availability of raw materials, and other factors.

Selling prices:

Price assumptions have been provided by local management and reflect its best estimates. Factors that have been taken into consideration involve inflation, brand loyalty, growth rate of the regional economy, competition, production cost increases, etc. The Group has assumed the following compound annual growth rates for sales for the five year period.

Sales Growth	2017	2016
Greece and Western Europe	7,5% - 14,4%	2,7% - 18,2%
North America	4,5% -7,4%	4,2% - 9,4%
South Eastern Europe	2,8% - 5,2%	4,5% - 5%
Eastern Mediterranean	15%	12.7%

13. Intangible assets and Goodwill (continued)

Gross margin :

Illustrates all cost of goods sold related factors and incorporates among others, the evolution of energy cost. The Group has assumed the following gross margin compound annual growth rates for the five year period:

Gross margin Growth	**2017**	**2016**
Greece and Western Europe	5,4% - 27,2%	2,9% - 25,4%
North America	3,9% - 10,4%	5,6% - 12,4%
South Eastern Europe	4,6% - 15,6%	9,5% - 16,6%
Eastern Mediterranean	50.9%	23.7%

Perpetual growth rates:

Factors that have been taken into consideration are estimates from the local Central Banks in the countries where the Group operates relating to the growth of the local economies over the next years along with the co-relation that exists between the growth of the economy and that of the construction sector.

Perpetual Growth rates	**2017**	**2016**
Greece and Western Europe	3%	3%
North America	2% - 3%	2% - 4%
South Eastern Europe	2%	2%
Eastern Mediterranean	4%	3.5%

Discount rates:

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest bearing borrowings the Group is obliged to service. Country-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Discount rates	**2017**	**2016**
Greece and Western Europe	5.9%	9.5%
North America	5,1% - 5,8%	4,7% - 5,6%
South Eastern Europe	3,1% - 6,7%	4,8% - 15,4%
Eastern Mediterranean	16.5%	17.7%

Sensitivity of recoverable amounts

On 31 December 2017, the Group analyzed the sensitivities of the recoverable amounts of each CGU to a reasonable possible change of a key assumption (notably to a change of one point in the discount rate or the perpetual growth rate).

Impairment of Goodwill

The 2017 annual goodwill impairment testing process resulted in an impairment of €1.4 million being recorded in South Eastern Europe, as the carrying amount of a trading company of the Group exceeded its recoverable amount. The calculation of value in use was based on a discount rate of 3.1%.

During 2016, the considerable decrease of a terminal's commercial viability in South Eastern Europe resulted in the recognition of an impairment loss €2.8 million. The calculation of value in use was based on a discount rate of 8.2%. Furthermore, the significant reduction in demand of construction materials in Greece, due to the persisting economic recession, led to the reduced revenues compared to the last year forecasts. As a result, the Group recorded an impairment loss of €2.5 million on the goodwill, based on the respective value in use as calculated using a discount rate of 9.5%.

14. Principal subsidiaries, associates and joint ventures

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	2017 % of investment (*) Direct	2017 % of investment (*) Indirect	2016 % of investment (*) Direct	2016 % of investment (*) 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	99.910	0.090	99.910	0.090
Intertitan Trading International S.A.	Greece	Trading company	99.999	0.001	99.999	0.001
KTIMET Quarries S.A. (1)	Greece	Quarries & aggregates	-	-	-	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
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 & Commercial S.A.	Greece	Investment holding company	43.947	56.053	43.947	56.053
Titan Cement International Trading S.A.	Greece	Trading company	99.960	0.040	99.960	0.040
Brazcem Participacoes S.A. (2)	Brazil	Investment holding company	-	100.000	-	94.000
Double W & Co OOD	Bulgaria	Port	-	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	-	83.599	-	83.599
Zlatna Panega Beton EOOD (1)	Bulgaria	Ready mix	-	-	-	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
Titan Investment EAD (3)	Bulgaria	Own/develop real estate	-	99.989	-	-
Cementi ANTEA SRL	Italy	Trading company	-	80.000	-	80.000
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
Balkcem Ltd (1)	Cyprus	Investment holding company	-	-	-	88.151
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
Terret Enterprises Ltd (1)	Cyprus	Investment holding company	-	-	-	88.151
Themis Holdings Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Titan Cement Cyprus Limited	Cyprus	Investment holding company	-	88.151	-	88.151
Tithys Ltd (1)	Cyprus	Investment holding company	-	-	-	88.151
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
GAEA -Green Alternative Energy Assets	Egypt	Alternative fuels	-	64.825	-	64.825
Titan Beton & Aggregate Egypt LLC	Egypt	Quarries & aggregates	-	83.118	-	83.118
Sharr Beteiligungs GmbH	Germany	Investment holding company	-	88.151	-	88.151
Arresa Marine Co (3)	Marshall Islands	Shipping	-	100.000	-	-
Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S.	Turkey	Processing and trading of cement	-	100.000	-	100.000

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

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	2017 % of investment (*) Direct	2017 % of investment (*) Indirect	2016 % of investment (*) Direct	2016 % of investment (*) Indirect
Full consolidation method						
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 LLC	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
ST Equipment & Technology LLC	U.S.A.	Sales of fly ash processing equipment	-	100.000	-	100.000
ST Equipment & Technology Trading Company LLC	U.S.A.	Trading company	-	100.000	-	100.000
Summit Ready-Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Titan Florida LLC	U.S.A.	Cement producer	-	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 (4)	U.S.A.	Transportation	-	-	-	100.000
Cementara Kosjeric AD	Serbia	Cement producer	-	88.151	-	88.151
Stari Silo Company DOO	Serbia	Trading company	-	88.151	-	88.151
TCK Montenegro DOO	Montenegro	Trading company	-	88.151	-	88.151
Esha Material DOOEL	F.Y.R.O.M	Quarries & aggregates	-	88.151	-	88.151
GAEA Zelena Alternative Enerjia DOOEL	F.Y.R.O.M	Alternative fuels	-	100.000	-	100.000
MILLCO-PCM DOOEL	F.Y.R.O.M	Renting and leasing of machines, equipment and material goods	-	88.151	-	88.151
Rudmak DOOEL	F.Y.R.O.M	Trading company	-	88.151	-	88.151
Usje Cementarnica AD	F.Y.R.O.M	Cement producer	-	83.599	-	83.599
Vesa DOOL	F.Y.R.O.M	Trading company	-	100.000	-	100.000
Cement Plus LTD	Kosovo	Trading company	-	57.297	-	57.297
Esha Material LLC	Kosovo	Quarries & aggregates	-	88.151	-	88.151
Kosovo Construction Materials L.L.C.	Kosovo	Quarries & aggregates	-	88.151	-	88.151
Sharrcem SH.P.K.	Kosovo	Cement producer	-	88.151	-	88.151
Alba Cemento Italia, SHPK	Albania	Trading company	-	80.000	-	80.000
Antea Cement SHA	Albania	Cement producer	-	80.000	-	80.000
GAEA Enerjia Alternative e Gjelber 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	-	88.151	-	88.151
Colombus Properties B.V.	Holland	Investment holding company	100.000	-	100.000	-
Holtitan B.V. (4)	Holland	Investment holding company	-	-	-	88.151
Salentijn Properties1 B.V.	Holland	Investment holding company	100.000	-	100.000	-
Titan Cement Netherlands BV	Holland	Investment holding company	-	88.151	-	88.151

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

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	2017 % of investment (*) Direct	2017 % of investment (*) Indirect	2016 % of investment (*) Direct	2016 % of investment (*) Indirect
Equity consolidation method						
Adocim Cimento Beton Sanayi ve Ticaret A.S.	Turkey	Cement producer	-	50.000	-	50.000
Companhia Industrial De Cimento Apodi (5)	Brazil	Cement producer	-	50.000	-	47.000
Apodi Concretos Ltda (5)	Brazil	Ready mix	-	50.000	-	47.000
ASH Venture LLC	U.S.A.	Processing of fly ash	-	33.000	-	33.000
Ecorecovery SA (5)	Greece	Engineering design services for solid and liquid waste facilities	-	48.000	-	40.000
Karierni Materiali Plovdiv 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

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

The annual financial statements, the independent auditor's reports and the board of directors reports of the consolidated non-listed entities, which cumulatively represent more than 5.0% of the consolidated total revenues, or consolidated total assets, or consolidated total net profit excluding non-controlling interest (according to the par. 1c of the decision 8/754/14.4.2016), are available in the following website: http://ir.titan.gr/en/financialfigures.financial.accounts.subsidiaries

Significant Group structure changes

Fiscal year 2017

1) Merges of the subsidiaries Balkcem Ltd, Tithys Ltd, Zlatna Panega Beton EOOD, Terret Enterprises Ltd and KTIMET Quarries S.A. by their parent companies

2) Increase in percentage ownership of a subsidiary (note 30)

3) Acquisition of the subsidiaries Titan Investment EAD and Arresa Marine Co (note 30)

4) Liquidation of the subsidiaries Holtitan BV and Tyson Material Transport LLC

5) Increase in percentage ownership of the associates and Joint Ventures (note 15)

Movement of the Company's participation in subsidiaries

(all amounts in Euro thousands)	2017	2016
Participation in subsidiaries on 1st January	**862,657**	**844,762**
Share capital (decrease)/increase in subsidiaries	-84,133	17,651
Provision for impairment of investments	-178	-
Other	459	244
Participation in subsidiaries on 31st December	**778,805**	**862,657**

15. Investments in associates, joint ventures and subsidiaries

15.1 Investment in associates

The Group financial statements incorporate the following companies with the equity method of consolidation:

a) Karierni Materiali Plovdiv AD with ownership percentage 48.711% (31.12.2016: 48.711%), Karierni Materiali AD with ownership percentage 48.764% (31.12.2016: 48.764%), Vris OOD with ownership percentage 48.764% (31.12.2016: 48.764%). The aforementioned companies are based in Bulgaria and operate in the aggregates business.

b) ASH Venture LLC with ownership percentage 33% (31.12.2016: 33%) which beneficiates, markets and sells fly ash. ASH Venture LLC is based in USA.

c) Ecorecovery S.A. with ownership percentage 48% (31.12.2016: 40%) that processing, managing and trading solid waste for the production of alternative fuels. The company is based in Greece. On 11 January 2017, the Group acquired an additional 8% in Ecorecovery S.A. by paying consideration amounted to €160 thousand.

None of the aforementioned companies is listed on a public exchange market.

Based on their contribution in its profit before taxes, the Group decided that each one of the aforementioned associates is individually immaterial and thus it discloses in aggregate its interests in these associates as follows:

(all amounts in Euro thousands)

Summarized statement of financial position on 31 December

	2017	2016
Non-current assets	39,526	44,558
Current assets	7,160	7,588
Total assets	**46,686**	**52,146**
Non-current liabilities	2,039	2,105
Current liabilities	10,523	10,547
Total liabilities	**12,562**	**12,652**
Equity	**34,124**	**39,494**
Group's carrying amount of the investment	**7,702**	**8,614**

Summarized income statement and statement of comprehensive income for the year ended 31 December

	2017	2016
Turnover	**20,172**	**19,549**
Profit after taxes	**3,850**	**3,717**
Other comprehensive loss for the year	-11	-23
Total comprehensive income for the year net of tax	**3,839**	**3,694**

Reconciliation of summarized financial information

	2017	2016
Carrying amount of the investment on 1 January	**8,614**	**8,515**
Profit for the year	1,540	1,577
Other comprehensive loss for the year	-5	-12
Change in ownership interest	209	-
Share capital increase	-	400
Dividends received	-2,168	-1,984
Foreign exchange differences	-488	118
Carrying amount of the investment on 31 December	**7,702**	**8,614**

15. Investments in associates, joint ventures and subsidiaries (continued)

15.2 Investment in joint ventures

On 31 December 2017, the Group incorporated in its financial statements with the equity method of consolidation the company Adocim Cimento Beton Sanayi ve Ticaret A.S. with ownership percentage 50% (31.12.2016: 50%). The Group has joint control over the joint venture and therefore applies the equity method of consolidation. The Adocim Cimento Beton Sanayi ve Ticaret A.S. is based in Turkey, operates in the production of cement.

Moreover, Companhia Industrial De Cimento Apodi is incorporated in the Group's financial statements with ownership percentage 50% (31.12.2016: 47%). The Group has joint control over the joint venture and therefore applies the equity method of consolidation. Apodi is based in Brazil and operates in the production of cement. During 2017, the Group's percentage ownership in Apodi has been increased, due to the acquisition of the non-controlling interest of the subsidiary Brazcem Participacoes S.A. (note 30).

On 31 May 2016, Adocim Cimento Beton Sanayi ve Ticaret A.S formed the company Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. (Adocim Marmara) in which the Group was granted ownership percentage 50%. The Group incorporated the newly formed company with the equity method of consolidation in the Group financial statements up to 22 August 2016, date on which the Group acquired the remaining 50% of the Adocim Marmara shares.

During the period of 1.6.2016 -21.8.2016, in which the joint venture was incorporated in the consolidated financial statements with the equity method, had recognized turnover of €2,865 thousand, loss after taxes of €175 thousand, contributing to the consolidated results the amount of €88 thousand.

None of the aforementioned companies is listed on a public exchange market.

Summarised financial information of the joint ventures, based on its IFRS financial statements, are set out below:

(all amounts in Euro thousands)

Summarized statement of financial position on 31 December	**Adocim Cimento Beton Sanayi ve Ticaret A.S.**		**Companhia Industrial De Cimento Apodi**	
	2017	**2016**	**2017**	**2016**
Non-current assets	37,996	47,590	212,004	241,467
Other current assets	31,752	34,284	25,356	41,088
Cash and cash equivalents	73	98	4,665	907
Total assets	**69,821**	**81,972**	**242,025**	**283,462**
Long-term borrowings	12,948	21,374	110,890	153,501
Deferred income tax liability	-	-	4,126	3,003
Other non-current liabilities	697	662	635	1,643
Short-term borrowings	19,569	16,188	48,249	73,420
Other current liabilities	12,973	10,089	11,361	12,661
Total liabilities	**46,187**	**48,313**	**175,261**	**244,228**
Equity	**23,634**	**33,659**	**66,764**	**39,234**
Summarized income statement and statement of comprehensive income	**1.1 - 31.12.2017**	**1.1 - 31.12.2016**	**1.1 - 31.12.2017**	**1.10 - 31.12.2016**
Turnover	**57,202**	**72,787**	**74,735**	**18,612**
Depreciation, amortization and impairments of assets	-2,658	-3,460	-9,806	-2,143
Finance income	39	2,078	2,210	652
Finance expense	-3,685	-11,016	-17,813	-5,689
Income tax	-223	-1,769	-1,619	-2,981
Profit/(loss) after taxes	906	7,169	-20,089	-9,236
Total comprehensive income/(loss) for the year net of tax	**906**	**7,169**	**-20,089**	**-9,236**
Reconciliation of summarized financial information	**2017**	**2016**	**2017**	**2016**
Carrying amount of the investment on 1 January	**54,345**	**73,993**	**107,844**	**-**
Profit/(loss) for the year	488	3,585	-9,515	-4,617
Dividends	-2,358	-2,934	-	-
Acquisition of joint ventures	-	-	-	105,705
Share capital increase	-	-	28,678	1,834
Change in ownership interest	-	-	-	87
Change in consolidation method	-	-	-	-
Restructuring	-	-10,348	-	-
Intra-group eliminations	-1	35	-	-
Foreign exchange differences	-10,044	-9,986	-16,235	4,835
Carrying amount of the investment on 31 December	**42,430**	**54,345**	**110,772**	**107,844**

15. Investments in associates, joint ventures and subsidiaries (continued)

15.3 Subsidiaries with significant percentage of non-controlling interests

On 31 December 2017, the non-controlling interest of the Group is €62,459 thousand (31.12.2016: €76,465 thousand), of which €35,726 thousand (31.12.2016: €43,345 thousand) is for Alexandria Development Co Ltd and its subsidiaries and €27,209 thousand (31.12.2016: €26,928 thousand) is attributed to Titan Cement Cyprus Limited and its subsidiaries. The remaining non-controlling interest is not material.

The following table summarizes the financial information of subsidiaries, in which the non-controlling interests held significant portion (note 14).

(all amounts in Euro thousands)	Alexandria Development Co.Ltd -Consolidated *		Titan Cement Cyprus Limited - Consolidated *	
	2017	2016	2017	2016
Summarized statement of financial position on 31 December				
Non-current assets	389,588	414,064	115,107	115,140
Current assets	63,313	73,474	66,416	63,528
Total assets	**452,901**	**487,538**	**181,523**	**178,668**
Non-current liabilities	158,344	148,293	4,140	4,029
Current liabilities	88,000	94,333	16,650	16,923
Total liabilities	**246,344**	**242,626**	**20,790**	**20,952**
Equity	**206,557**	**244,912**	**160,733**	**157,716**
Attributable to:				
Equity holders of the parent	**170,831**	**201,567**	**133,524**	**130,788**
Non-controlling interests	**35,726**	**43,345**	**27,209**	**26,928**
Summarized income statement and statement of comprehensive income for the year ended 31 December				
Turnover	**142,564**	**244,341**	**141,745**	**134,101**
(Loss)/profit after taxes	**-18,569**	**-21,018**	**31,393**	**26,105**
Other comprehensive (losses)/income for the year	-25,902	-252,395	1,302	-374
Total comprehensive (losses)/income for the year net of tax	**-44,471**	**-273,413**	**32,695**	**25,731**
Total comprehensive (losses)/income attributable to non-controlling interests	**-7,668**	**-48,660**	**4,182**	**4,069**
Dividends distributed to non-controlling interest	**-**	**644**	**3,867**	**3,856**
Summarized cash flow information for the year ended 31 December				
Cash flows from operating activities	9,131	45,539	35,961	39,270
Cash flows from investing activities	-16,635	-29,579	-9,395	-9,087
Cash flows from financing activities	11,974	-9,330	-25,543	-28,889
Net increase in cash and cash equivalents	**4,470**	**6,630**	**1,023**	**1,294**
Cash and cash equivalents at beginning of the year	11,046	17,796	30,821	29,555
Effects of exchange rate changes	-1,455	-13,380	97	-28
Cash and cash equivalents at end of the year	**14,061**	**11,046**	**31,941**	**30,821**

** Consolidated figures before elimination with the broader Group*

16. Available-for-sale financial assets

(all amounts in Euro thousands)	Group		Company	
	2017	2016	2017	2016
Opening balance	**1,065**	**3,319**	**122**	**2,281**
Additions	30	-	-	-
Disposals	-1	-2,020	-	-2,020
Revaluations	-577	-234	-	-139
Ending balance	**517**	**1,065**	**122**	**122**

Analysis of available-for-sale financial assets:

Non-current portion	517	1,065	122	122
	517	**1,065**	**122**	**122**

The rest of the available-for-sale financial assets are mainly shares of non-listed capital markets and funds in property.

Available-for-sale investments are fair valued annually at the close of business on 31 December (note 34).

17. Other non-current assets

(all amounts in Euro thousands)	Group		Company	
	2017	2016	2017	2016
Utility deposits	2,966	2,987	2,575	2,597
Excess benefit plan assets (note 25)	4,169	4,364	-	-
Notes receivable- trade	-	459	-	-
Other non-current assets	4,307	4,828	800	622
	11,442	**12,638**	**3,375**	**3,219**

18. Deferred income taxes

Deferred income taxes are calculated in full on temporary differences under the liability method using the principal tax rates that apply to the countries in which the companies of the Group operate.

(all amounts in Euro thousands)	Group		Company	
	2017	2016	2017	2016
Deferred tax assets to be recovered:				
after more than 12 months	-112,462	-201,834	-14,162	-18,941
within 12 months	-19,281	-17,737	-9,563	-3,803
Deferred tax liabilities to be used:				
after more than 12 months	165,335	248,755	27,677	30,122
within 12 months	3,126	6,442	2,126	5,060
Deferred tax liability (net)	**36,718**	**35,626**	**6,078**	**12,438**

18. Deferred income taxes (continued)

(all amounts in Euro thousands)

The movement in the deferred income tax account after set-offs is as follows:

	Group		Company	
	2017	**2016**	**2017**	**2016**
Opening balance, net deferred liability	**35,626**	**162,980**	**12,438**	**7,518**
Income statement charge (note 8)	12,784	-71,869	-6,233	5,559
Effect of change in USA federal tax rate (note 8)	-7,905	-	-	-
Tax charged to equity through other comprehensive income	-1,715	-9,704	-127	-639
Additions due to acquisition of joint venture (note 30)	-	1,605	-	-
Fair value adjustments due to joint venture acquisition (note 30)	-	2,062	-	-
Exchange differences	-2,072	-49,448	-	-
Ending balance, net deferred liability	**36,718**	**35,626**	**6,078**	**12,438**

Analysis of deferred tax liabilities (before set - offs)

	Group		Company	
	2017	**2016**	**2017**	**2016**
Property, plant and equipment	122,894	167,061	29,609	32,568
Mineral deposits	19,802	33,866	-	-
Intangible assets	32,132	47,461	26	52
Unrealized foreign exchange differences	-8,841	-62	-	-
Provisions	-342	1,455	-	1,800
Investments	584	1,392	-	-
Receivables and prepayments	351	351	-	-
Trade and other payables	161	635	156	631
Prepaid expenses	860	1,476	-	-
Cash and cash equivalents	12	131	12	131
Other	565	1,471	-	-
	168,178	**255,237**	**29,803**	**35,182**

Analysis of deferred tax assets (before set - offs)

Intangible assets	-3,188	-8,125	-	-
Investments & other non-current receivables	-3,611	-3,598	-3,031	-2,979
Inventories	-4,039	-4,213	-3,054	-2,615
Post-employment and termination benefits	-7,996	-10,133	-4,469	-4,602
Receivables and prepayments	-8,248	-8,364	-2,354	-1,584
Tax losses carried forward (note 8)	-80,833	-156,206	-4,490	-6,582
Interest expense tax carried forward	-2,057	-222	-2,006	-222
Deferred income	-866	-1,280	-	-
Long-term debt/lease obligations	-3,439	-7,070	-	-
Government grants and other non current liabilities	-1,070	-1,123	-1,070	-1,123
Provisions and accrued expenses	-15,392	-19,007	-3,251	-3,037
Trade and other payables	-14	-8	-	-
Other	-707	-262	-	-
	-131,460	**-219,611**	**-23,725**	**-22,744**
Net deferred tax liability	**36,718**	**35,626**	**6,078**	**12,438**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

18. Deferred income taxes (continued)

The movement in deferred tax assets and liabilities (prior to offsetting balances within the same tax jurisdiction) during the year is as follows:

(all amounts in Euro thousands)

Group

	January 1, 2017	Debit/(Credit) to net profit	Debit/(Credit) to equity through statement OCI	Exchange differences	December 31, 2017
Deferred tax liabilities (before set - offs)					
Property, plant and equipment	167,061	-32,163	73	-12,077	122,894
Mineral deposits	33,866	-10,578	-	-3,486	19,802
Intangible assets	47,461	-10,439	-	-4,890	32,132
Unrealized foreign exchange differences	-62	-7,102	-1,969	292	-8,841
Provisions	1,455	-1,797	-	-	-342
Investments	1,392	-679	-	-129	584
Receivables and prepayments	351	-	-	-	351
Trade and other payables	635	-474	-	-	161
Prepaid expenses	1,476	-464	-	-152	860
Cash and cash equivalents	131	-119	-	-	12
Other	1,471	-937	-	31	565
	255,237	**-64,752**	**-1,896**	**-20,411**	**168,178**
Deferred tax assets (before set - offs)					
Intangible assets	-8,125	4,201	-	736	-3,188
Investments & other non-current receivables	-3,598	-13	-	-	-3,611
Inventories	-4,213	59	-	115	-4,039
Post-employment and termination benefits	-10,133	1,565	181	391	-7,996
Receivables and prepayments	-8,364	-208	-	324	-8,248
Tax losses carried forward (note 8)	-156,206	61,094	-	14,279	-80,833
Interest expense tax carried forward	-222	-1,836	-	1	-2,057
Deferred income	-1,280	275	-	139	-866
Long-term debt/lease obligations	-7,070	2,946	-	685	-3,439
Government grants and other non current liabilities	-1,123	53	-	-	-1,070
Provisions and accrued expenses	-19,007	1,981	-	1,634	-15,392
Trade and other payables	-8	-6	-	-	-14
Other	-262	-480	-	35	-707
	-219,611	**69,631**	**181**	**18,339**	**-131,460**
Net deferred tax liability	**35,626**	**4,879**	**-1,715**	**-2,072**	**36,718**

18. Deferred income taxes (continued)

The movement in deferred tax assets and liabilities (prior to offsetting balances within the same tax jurisdiction) during the prior year is as follows:

(all amounts in Euro thousands)

Group	January 1, 2016	Debit/(Credit) to net profit	Debit/(Credit) to equity through statement OCI	Additions due to acquisition of joint venture (note 30)	Fair value adjustments due to joint venture acquisition (note 30)	Exchange differences	December 31, 2016
Deferred tax liabilities (before set - offs)							
Property, plant and equipment	212,717	189	-	1,605	2,062	-49,512	167,061
Mineral deposits	33,588	-785	-	-	-	1,063	33,866
Intangible assets	47,372	3,432	-	-	-	-3,343	47,461
Unrealized foreign exchange differences	9,149	-1,254	-9,039	-	-	1,082	-62
Provisions	1,454	2	-	-	-	-1	1,455
Long term borrowings	31	-31	-	-	-	-	-
Investments	2,756	-1,403	-	-	-	39	1,392
Receivables and prepayments	351	-	-	-	-	-	351
Trade and other payables	417	218	-	-	-	-	635
Available for sale financial assets	40	-	-40	-	-	-	-
Prepaid expenses	1,367	61	-	-	-	48	1,476
Cash and cash equivalents	-	131	-	-	-	-	131
Other	1,948	-431	150	-	-	-196	1,471
	311,190	**129**	**-8,929**	**1,605**	**2,062**	**-50,820**	**255,237**
Deferred tax assets (before set - offs)							
Intangible assets	-10,534	2,624	-	-	-	-215	-8,125
Investments & other non-current receivables	-3,500	-98	-	-	-	-	-3,598
Inventories	-4,169	-20	-	-	-	-24	-4,213
Post-employment and termination benefits	-10,225	973	-775	-	-	-106	-10,133
Receivables and prepayments	-8,352	85	-	-	-	-97	-8,364
Tax losses carried forward (note 8)	-74,146	-82,684	-	-	-	624	-156,206
Interest expense tax carried forward	-13,336	12,930	-	-	-	184	-222
Deferred income	-938	-296	-	-	-	-46	-1,280
Long-term debt/lease obligations	-4,941	-1,873	-	-	-	-256	-7,070
Government grants and other non current liabilities	-1,186	63	-	-	-	-	-1,123
Provisions and accrued expenses	-16,630	-3,734	-	-	-	1,357	-19,007
Trade and other payables	-25	17	-	-	-	-	-8
Other	-228	15	-	-	-	-49	-262
	-148,210	**-71,998**	**-775**	**-**	**-**	**1,372**	**-219,611**
Net deferred tax liability	**162,980**	**-71,869**	**-9,704**	**1,605**	**2,062**	**-49,448**	**35,626**

18. Deferred income taxes (continued)

The movement in deferred tax assets and liabilities (prior to offsetting balances within the same tax jurisdiction) during the year is as follows:

(all amounts in Euro thousands)

Company

	January 1, 2017	Debit/(Credit) to net profit	Debit/(Credit) to equity through statement OCI	December 31, 2017
Deferred tax liabilities (before set - offs)				
Property, plant and equipment	32,567	-3,001	43	29,609
Intangible assets	52	-26	-	26
Provisions	1,800	-1,800	-	-
Trade and other payables	632	-476	-	156
Cash and cash equivalents	131	-119	-	12
	35,182	**-5,422**	**43**	**29,803**
Deferred tax assets (before set - offs)				
Investments & other non-current receivables	-2,979	-52	-	-3,031
Inventories	-2,615	-439	-	-3,054
Receivables and prepayments	-1,584	-770	-	-2,354
Government grants and other non current liabilities	-1,123	53	-	-1,070
Provisions and accrued expenses	-3,037	-214	-	-3,251
Post-employment and termination benefits	-4,602	303	-170	-4,469
Interest expense tax carried forward	-222	-1,784	-	-2,006
Tax losses carried forward (note 8)	-6,582	2,092	-	-4,490
	-22,744	**-811**	**-170**	**-23,725**
Net deferred tax liability	**12,438**	**-6,233**	**-127**	**6,078**

The movement in deferred tax assets and liabilities (prior to offsetting balances within the same tax jurisdiction) during the prior year is as follows:

	January 1, 2016	Debit/(Credit) to net profit	Debit/(Credit) to equity through statement OCI	December 31, 2016
Deferred tax liabilities (before set - offs)				
Property, plant and equipment	35,055	-2,488	-	32,567
Intangible assets	127	-75	-	52
Provisions	1,800	-	-	1,800
Trade and other payables	416	216	-	632
Long term borrowings	31	-31	-	-
Available for sale financial assets	40	-	-40	-
Cash and cash equivalents	-	131	-	131
	37,469	**-2,247**	**-40**	**35,182**
Deferred tax assets (before set - offs)				
Investments & other non-current receivables	-2,979	-	-	-2,979
Inventories	-2,549	-66	-	-2,615
Receivables and prepayments	-1,144	-440	-	-1,584
Government grants and other non current liabilities	-1,186	63	-	-1,123
Provisions and accrued expenses	-2,292	-745	-	-3,037
Post-employment and termination benefits	-3,794	-209	-599	-4,602
Interest expense tax carried forward	-2,094	1,872	-	-222
Tax losses carried forward (note 8)	-13,913	7,331	-	-6,582
	-29,951	**7,806**	**-599**	**-22,744**
Net deferred tax liability	**7,518**	**5,559**	**-639**	**12,438**

19. Inventories

(all amounts in Euro thousands)

Inventories	Group		Company	
	2017	2016	2017	2016
Raw materials-maintenance stores	180,665	182,470	57,406	53,034
Provision for obsolete raw materials & maintenance stores	-6,206	-5,102	-4,300	-3,297
Finished goods	87,968	75,477	13,542	8,723
Provision for obsolete finished goods	-3,990	-3,230	-1,238	-692
	258,437	249,615	65,410	57,768
Transfer to property, plant and equipment (note 11)	-233	-691	-	-
	258,204	**248,924**	**65,410**	**57,768**

Analysis of provision for impairment of inventories	Group		Company	
	2017	2016	2017	2016
Balance at 1 January	**8,332**	**9,487**	**3,989**	**4,150**
Charge for the year (note 4, 29)	2,095	425	1,647	81
Unused amounts reversed (note 4, 29)	-138	-303	-98	-150
Utilized	-106	-1,374	-	-92
Reclassification from inventory accounts	213	939	-	-
Exchange differences	-200	-842	-	-
Balance at 31 December	**10,196**	**8,332**	**5,538**	**3,989**

The Group and the Company have not pledged their inventories as collateral.

20. Receivables and prepayments

(all amounts in Euro thousands)	Group		Company	
	2017	2016	2017	2016
Trade receivables	109,220	123,175	16,804	28,657
Cheques receivables	31,590	27,190	10,863	11,041
Trade receivables from related parties (note 32)	-	-	12,466	16,568
Allowance for doubtful debtors	-25,381	-26,899	-2,250	-2,194
Total trade receivables	115,429	123,466	37,883	54,072
Creditors advances	3,250	11,337	159	139
Income tax receivables	2,993	1,227	1,323	382
V.A.T. and other tax receivables	12,599	7,126	7,665	2,519
Prepayments and other receivables	47,133	54,759	7,584	10,472
Other receivables from related parties (note 32)	11	15	14,514	9,642
Allowance for doubtful debtors	-1,781	-1,822	-1,279	-1,334
Total other receivables	64,205	72,642	29,966	21,820
	179,634	**196,108**	**67,849**	**75,892**

20. Receivables and prepayments (continued)

As at 31 December, the ageing analysis of trade receivables is as follows:

(all amounts in Euro thousands)

	Group		Company	
	2017	**2016**	**2017**	**2016**
Neither past due nor impaired	62,403	69,135	25,413	34,651
Past due but not impaired :				
< 30 days	20,422	15,910	2,127	3,213
30-60 days	8,746	7,508	695	1,289
60-90 days	3,942	4,867	378	1,137
90-120 days	1,899	2,477	324	74
>120 days	18,017	23,569	8,946	13,708
	115,429	**123,466**	**37,883**	**54,072**

The above mentioned trade receivables are secured by guarantees/collaterals, amounting to €26,500 thousand (31.12.2016: €27,289 thousand) for the Group and €8,463 thousand (31.12.2016: €10,390 thousand) for the Company (note 31).

On 31 December 2017, the aforementioned guarantees/collaterals secure effective credit risk of €18,082 thousand (2016: €9,981 thousand) for the Group and €4,304 thousand (2016: €4,748 thousand) for the Company.

Trade receivables and other receivables from related parties are non-interest bearing and are normally settled on 30-170 days for the Group and the Company.

Allowance for doubtful and other debtors analysis	Group		Company	
	2017	**2016**	**2017**	**2016**
Balance at 1 January	**28,721**	**29,850**	**3,528**	**4,246**
Charge for the year (note 29)	2,599	2,316	151	47
Unused amounts reversed (note 29)	-2,239	-2,903	-150	-275
Utilized	-1,454	-905	-	-490
Reclassification from other receivables/payables	-	17	-	-
Additions due to acquisitions	-	344	-	-
Exchange differences	-465	2	-	-
Balance at 31 December	**27,162**	**28,721**	**3,529**	**3,528**

The individually impaired receivables mainly relate to wholesalers, which are in unexpectedly difficult economic situation. It was assessed that a portion of the receivables is expected to be recovered.

21. Cash and cash equivalents

(all amounts in Euro thousands)	Group		Company	
	2017	**2016**	**2017**	**2016**
Cash at bank and in hand	96	245	24	144
Short-term bank deposits	154,151	179,465	29,299	11,074
	154,247	**179,710**	**29,323**	**11,218**

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

22. Share capital and premium

(all amounts are shown in Euro thousands unless otherwise stated)

	Group & Company	
The total number of the authorized ordinary shares is:	**2017**	**2016**
Ordinary shares of €3.00 each (2016: €4.00)	77,063,568	77,063,568
Preference shares of €3.00 each (2016: €4.00)	7,568,960	7,568,960
	84,632,528	**84,632,528**

22. Share capital and premium (continued)

(all amounts are shown in Euro thousands unless otherwise stated)

Shares issued and fully paid	Ordinary shares Number of shares	Ordinary shares €'000	Preference shares Number of shares	Preference shares €'000	Share premium €'000	Total Number of shares	Total €'000
Balance at 1 January 2016	**77,063,568**	**308,254**	**7,568,960**	**30,276**	**22,826**	**84,632,528**	**361,356**
Balance at 31 December 2016	**77,063,568**	**308,254**	**7,568,960**	**30,276**	**22,826**	**84,632,528**	**361,356**
Share capital decrease	-	-77,064	-	-7,569	-	-	-84,633
Balance at 31 December 2017	**77,063,568**	**231,190**	**7,568,960**	**22,707**	**22,826**	**84,632,528**	**276,723**

Treasury shares	Ordinary shares Number of shares	Ordinary shares €'000	Preference shares Number of shares	Preference shares €'000	Total Number of shares	Total €'000
Balance at 1 January 2016	**2,760,593**	**78,960**	**5,919**	**117**	**2,766,512**	**79,077**
Treasury shares purchased	1,219,658	24,265	79,595	928	1,299,253	25,193
Treasury shares sold	-108,574	-2,817	-	-	-108,574	-2,817
Balance at 31 December 2016	**3,871,677**	**100,408**	**85,514**	**1,045**	**3,957,191**	**101,453**
Treasury shares purchased	222,356	4,564	24,959	387	247,315	4,951
Treasury shares sold	-39,787	-1,020	-	-	-39,787	-1,020
Balance at 31 December 2017	**4,054,246**	**103,952**	**110,473**	**1,432**	**4,164,719**	**105,384**

For the year 2017, the average stock price of Titan Cement Company S.A. ordinary shares was €23.01 (2016: €19.63) and the closing price of the ordinary shares on 31 December 2017 was €22.90 (31.12.2016: €22.30).

Share options

Share options are granted to members of senior management. Movements in the number of share options outstanding are as follows:

	2017 scheme	2014 scheme	2010 scheme
Balance at 1 January 2016	**-**	**558,520**	**147,233**
Granted	-	303,150	-
Exercised	-	-	-108,574
Cancelled	-	-1,650	-38,659
Balance at 31 December 2016	**-**	**860,020**	**-**
Granted	263,680	-	-
Exercised	-	-39,787	-
Non vested	-	-125,378	-
Cancelled	-5,570	-48,073	-
Balance at 31 December 2017	**258,110**	**646,782**	**-**

Share options outstanding at the end of the year have the following terms:

	2017 scheme		2014 scheme	
Exercise price	€ 10		€ 10	
Expiration date	**2017**	**2016**	**2017**	**2016**
2020	-	-	55,482	245,890
2021	-	-	301,020	310,980
2022	-	-	290,280	303,150
2023	258,110	-	-	-
	258,110	**-**	**646,782**	**860,020**

22. Share capital and premium (continued)

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 that were granted in 2014, 2015 and 2016 is three years. Therefore, the relevant option rights 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 respectively 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 predefined international cement producing companies.

The Beneficiaries shall be entitled to exercise their stock option rights, either in whole or in part, within the first five working days of each month, paying the Company the relevant amounts until the expiration date of their stock options, i.e. until December of the third year after these stock options have been vested.

The options granted under the 2014 Programme have been accounted for in terms of the requirements of IFRS 2 "Share based payments".

The number of Share Options that were granted during 2014, 2015 and 2016 was 250,190, 313,080 and 303,150 respectively.

The fair value of the options granted in 2014 was €7.39 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €25.32, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 47.2%, the dividend yield of 0.376% and the yield of the 3 year EU Benchmark (Deutsche Bund) Government bond yield rate of 0.083%.

The fair value of the options granted in 2015 was €4.14 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €19.55, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 40.61%, the dividend yield of 0.59% and the yield of the 1 year EURIBOR rate of 0.166%.

The fair value of the options granted in 2016 was €5.17 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €20.38, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 42.80%, the dividend yield of 0.87% and the yield of the 1 year EURIBOR rate of -0.15%.

On 31 December 2017, the number of the cancelled share options that were granted during 2014, 2015 and 2016 was 4.300, 12.060 and 12.870 respectively. Out of the options that were granted in 2014, the share options that were not vested are 125.378.

Out of the share options that were granted during 2014, 25,243 vested and cancelled while 55,482 remain unexercised. Out of the remaining 39,787 share options, that represent 0.04% of Company's total shares of the paid up share capital, were exercised during 2017 by 50 Group executives respectively, including 1 executive Board member of the Company. Total purchase cost of common treasury shares of the Company amounted €1,020 thousand. The sale price of the Company's common treasury shares (over-the-counter-transaction) equaled to the nominal value of each Company share, i.e. €10.00. The total share price amounted €398 thousand. The loss caused by this transaction amounted to €622 and were attributed to the equity holders of the Company.

22. Share capital and premium (continued)

2017 Programme

On 12 May 2017, 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 that were granted in 2017 and those will be granted in 2018 and 2019 shall be three years. Therefore, the relevant option rights shall become mature in December of 2019, 2020 and 2021 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 2020, 2021 and 2022 respectively 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 and

b) by 50% on the overall performance of the Company's common share compared to the average overall performance of the shares of the predefined international cement producing companies.

The Beneficiaries shall be entitled to exercise their stock option rights, either in whole or in part, within the first five working days of each month, paying the Company the relevant amounts until the expiration date of their stock options, i.e. until December of the third year after these stock options have been vested.

The options granted under the 2017 Programme have been accounted for in terms of the requirements of IFRS 2 "Share based payments".

The number of Share Options that were granted during 2017 was 263.680.

The fair value of the options granted in 2017 was €6.6 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €25.8, the employee forfeiture rate 4.5%, the volatility of the share price estimated at 42.82%, the dividend yield of 0.9% and the yield of the 1 year EURIBOR rate of -0.127%.

On 31 December 2017 the number of the cancelled share options that were granted during 2017 is 5.570.

23. Other reserves

(all amounts in Euro thousands)

Group

	Legal reserve	Special reserve	Contingency reserves	Tax exempt reserves under special laws	Revaluation reserve	Actuarial differences reserve	Currency translation differences on derivative hedging position	Foreign currency translation reserve	Total other reserves
Balance at 1 January 2016	**93,112**	**569,227**	**301,075**	**117,563**	**50,386**	**1,001**	**41,115**	**-156,175**	**1,017,304**
Other comprehensive income/(losses)	-	-	-	-	289	-863	-	-188,007	-188,581
Non-controlling interest's put option recognition & transfer between reserves	-	-	-	-	-1,254	-	-	-	-1,254
Acquisition of non-controlling interest	1	-	-	-	-	-	-	4	5
Transfer among reserves	3,388	3,643	32,219	-23,809	-3,876	-	-	325	11,890
Balance at 31 December 2016	**96,501**	**572,870**	**333,294**	**93,754**	**45,545**	**138**	**41,115**	**-343,853**	**839,364**
Other comprehensive losses	-	-	-	-	-398	-299	-	-112,144	-112,841
Non-controlling interest's put option recognition & transfer between reserves	-	-	-	-	-1,532	-	-	-	-1,532
Transfer among reserves	-2,682	7	1,408	4,780	-4,334			-454	-1,275
Balance at 31 December 2017	**93,819**	**572,877**	**334,702**	**98,534**	**39,281**	**-161**	**41,115**	**-456,451**	**723,716**

Company

	Legal reserve	Special reserve	Contingency reserves	Tax exempt reserves under special laws	Revaluation reserve	Actuarial differences reserve	Currency translation differences on derivative hedging position	Total other reserves
Balance at 1 January 2016	**69,952**	**3,550**	**289,182**	**105,379**	**2,508**	**832**	**48,347**	**519,750**
Other comprehensive losses	-	-	-	-	-99	-1,468	-	-1,567
Transfer from retained earnings	2,998	-	31,773	-	-	-	-	34,771
Transfer from share options	-	-	449	-	-	-	-	449
Transfer between reserves	-	-	-	-15,000	-	-	-	-15,000
Balance at 31 December 2016	**72,950**	**3,550**	**321,404**	**90,379**	**2,409**	**-636**	**48,347**	**538,403**
Other comprehensive income/(losses)	-	-	-	-	106	-418	-	-312
Transfer from retained earnings	789	-	-	-	-	-	-	789
Transfer from share options	-	-	1,408	-	-	-	-	1,408
Balance at 31 December 2017	**73,739**	**3,550**	**322,812**	**90,379**	**2,515**	**-1,054**	**48,347**	**540,288**

23. Other reserves (continued)

Certain Group companies are obliged according to the applicable commercial law to retain a percentage of their annual net profits as legal reserve. This reserve cannot be distributed during the operational life of the company.

The "Contingency Reserves" include, among others, reserves formed by the Company and certain Group subsidiaries by applying developmental laws. These reserves have exhausted their tax liability or have been permanently exempted from taxation, so there is no additional tax charge for the Group and the Company from their distribution. Based on the decision of the General Meeting of 17 June 2016 the "special & contingency reserves" have increased by €31.8 million due to the transfer from "retained earnings".

The "Tax Exempt Reserves under Special Laws", according to the Greek tax legislation, are exempt from income tax, provided that they are not distributed to the shareholders.

The distribution of the remaining aforementioned reserves can be carried out after the approval of the shareholders at the Annual General Meeting and the payment of the applicable tax. Depending on whether they are capitalized or distributed, some of these reserves have different tax charge. The Group has no intention to distribute the remaining amount of these reserves and consequently, has not calculated the income tax that would arise from such distribution.

The "Revaluation Reserve" includes: a) €40.3 million (2016: €42.8 million) as the fair value of tangible and intangible assets that the Group had in Egypt through its participation in the joint venture Lafarge-Titan Egyptian Investments Ltd, until it fully acquired the joint venture and b) the €1.4 million (2016: €0.2 million) debit difference between the fair value and the book value arising from the recognition of the put option of the non-controlling interests for the sale of ANTEA Cement SHA's shares.

The "Actuarial Differences Reserve" records the re-measurement gains and losses (actuarial gains and losses) arising from the actuarial studies performed by the Group's subsidiaries for various benefit, pension or other retirement schemes (note 25).

The "Foreign Currency Translation Reserve" is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

Moreover, it includes the currency translation differences reserve on transactions designated as part of net investment in foreign operations. During the last quarter of 2016, the Group subsidiary Titan Egyptian Investment Ltd (TEIL) decided to renew the loan of €76.9 million that had entered into with its subsidiary in Egypt, Alexandria Portland Cement Co. S.A.E. (APCC) in 2010. According to its accounting policy, the Group recognizes in its consolidated financial statements the aforementioned intergroup loan as part of the net investment in the Egyptian operation. On 31 December 2017, this reserve has a debit balance of €25.3 million (2016: €23.2 million).

The "Currency Translation Differences on Derivative Hedging Position Reserve" illustrates the exchange differences arising from the translation into euro of loans in foreign currency, which have been designated as net investment hedges for certain Group subsidiaries abroad. It also illustrates the exchange differences arising from the valuation of financial instruments used as cash flow hedges for transactions in foreign currencies.

24. Borrowings

(all amounts in Euro thousands)

	Group		Company	
Current	**2017**	**2016**	**2017**	**2016**
Bank borrowings	11,035	6,915	32	13
Bank borrowings in non euro currency	43,186	31,746	-	-
Debentures	-	87,938	-	-
Loans from related parties	-	-	-	42,429
Finance lease liabilities	2,604	2,900	-	-
	56,825	**129,499**	**32**	**42,442**
Non-current				
Bank borrowings	24,901	30,766	-	-
Bank borrowings in non euro currency	61,812	62,655	-	-
Debentures	722,569	601,893	-	-
Loans from related parties	-	-	379,218	310,678
Finance lease liabilities	11,100	15,651	-	-
	820,382	**710,965**	**379,218**	**310,678**
Total borrowings	**877,207**	**840,464**	**379,250**	**353,120**

The Company has the following loan facility agreements with the Group subsidiary Titan Global Finance PLC :

-Revolving Facility Agreement €184.0 million (maturity: 2022, floating interest rate)
-Loan Agreement €150.0 million (maturity: 2021, fixed interest rate)
-Loan Agreement €110.2 million (maturity: 2024, fixed interest rate)

Maturity of non-current borrowings:

	Group		Company	
	2017	**2016**	**2017**	**2016**
Between 1 and 2 years	177,968	39,588	-	51,736
Between 2 and 3 years	17,734	300,672	-	109,535
Between 3 and 4 years	317,478	17,492	146,189	-
Between 4 and 5 years	28,716	316,899	123,725	149,407
Over 5 years	267,386	20,663	109,304	-
	809,282	**695,314**	**379,218**	**310,678**

Maturity of non-current finance lease liabilities:

	Group	
(all amounts in Euro thousands)	**2017**	**2016**
Between 1 and 2 years	14	83
Between 2 and 3 years	68	39
Between 3 and 4 years	6,057	96
Between 4 and 5 years	4,961	8,498
Over 5 years	-	6,935
	11,100	**15,651**

On 19 January 2017, TGF repaid at the maturity €88 million of the outstanding 8.75% guaranteed notes.

The Group subsidiary Titan Global Finance PLC (TGF) entered into a €300 million multi-currency revolving credit facility with a syndicate of four Greek and four international banks. The contract was signed on 10 April 2017, in London. The facility, which is guaranteed by Titan Cement S.A., matures in January 2022 and it will be used for refinancing credit facilities and financing general corporate purposes.

The Group subsidiary Titan Global Finance PLC (TGF) issued notes of €250 million nominal amount at par, due in 2024, with a coupon of 2.375% per annum, guaranteed by Titan Cement S.A. The offering was completed on 16 November 2017. The notes are traded on the Global Exchange Market (GEM), the exchange regulated market of the Irish Stock Exchange.

The proceeds were used by the Issuer to purchase prior to maturity €126.6 million of its outstanding 4.25% guaranteed notes due in July 2019 pursuant to a tender offer. The remaining proceeds were used for general corporate purposes including the repayment of bank and other commercial debt.

24. Borrowings (continued)

The weighted average effective interest rates that affect the Income Statement are as follows:

	Group		Company	
	2017	**2016**	**2017**	**2016**
Borrowings (USD)	4.44%	4.49%	-	-
Borrowings (EGP)	19.78%	13.81%	-	-
Borrowings (BGN)	2.51%	2.73%	-	-
Borrowings (LEK)	3.96%	4.85%	-	-
Borrowings (TRY)	14.47%	12.13%	-	-
Borrowings (€)	3.43%	5.22%	3.63%	4.80%
Finance lease liabilities (USD)	3.07%	3.06%	-	-
Finance lease liabilities (CAD)	4.00%	4.00%	-	-
Finance lease liabilities (EUR)	2.89%	-	-	-

Bank borrowings in foreign currencies (including finance leases):

	Group	
	Amounts in Euro equivalent	
	2017	**2016**
USD	208,710	215,538
TRY	3,255	1,915
EGP	78,116	62,141
BGN	14,439	15,421
LEK	23,622	30,516
CAD	-	2
GBP	30	73

The Group has the following undrawn borrowing facilities:

(all amounts in Euro thousands)	Group		Company	
	2017	**2016**	**2017**	**2016**
Floating rate:				
- Expiring within one year	188,057	192,154	96,814	98,105
- Expiring beyond one year	314,330	319,944	59,826	130,654

The present value of the finance lease liabilities may be analyzed as follows:

(all amounts in Euro thousands)	Group	
	2017	**2016**
Finance lease liabilities - minimum lease payments		
Not later than 1 year	2,997	3,452
Later than 1 year and not later than 5 years	12,019	15,271
Later years	-	1,789
	15,016	20,512
Future finance charges on finance leases	-1,312	-1,961
Present value of finance lease liabilities	**13,704**	**18,551**

During 2017, the Group subsidiaries did not enter into new finance lease agreements. During 2016, Group subsidiary in U.S.A., Titan America LLC (TALLC), entered into new finance leases in the principal amount of €7.5 million with terms of six years and an average interest rate of 3.19%.

24. Borrowings (continued)

(all amounts in Euro thousands)

Group

Year ended 31 December 2017	Long-term borrowings	Short-term borrowings	Finance leases	Derivative financial instruments	Other financial liabilities	Total
Opening balance	**695,165**	**126,272**	**18,551**	**-1,387**	**12,060**	**850,661**
Cash flows	203,713	-149,427	-2,790	31,067	-61,744	20,819
Changes in fair value	-	-	-	-33,581	-	-33,581
Transfer among financial liabilities	-82,290	82,650	-	-	-360	-
Charged in the finance expenses	3,319	-	-	-	57,399	60,718
Other changes	-2,113	-	-		-	-2,113
Currency translation differences on transactions designated as part of net investment in foreign operation	8,753	-	-	-	-	8,753
Exchange differences	-17,337	-5,272	-2,057	454	-193	-24,405
Ending balance	**809,210**	**54,223**	**13,704**	**-3,447**	**7,162**	**880,852**

Company

Year ended 31 December 2017	Long-term borrowings	Short-term borrowings	Finance leases	Derivative financial instruments	Other financial liabilities	Total
Opening balance	**310,678**	**42,442**			**4,408**	**357,528**
Cash flows	103,698	-78,449	-	-	-17,887	7,362
Transfer between financial liabilities	-36,000	36,000	-	-	-	-
Charged in the finance expenses	842	39	-	-	14,159	15,040
Ending balance	**379,218**	**32**	**-**	**-**	**680**	**379,930**

25. Retirement and termination benefit obligations

Greece

Greek labor legislation requires that the payment of retirement and termination indemnities is based on the number of years of service to the Company by the employees and on their final remuneration. The Group grants retirement indemnities which exceed the legal requirements. These retirement indemnities are unfunded and the liabilities arising from such obligations are actuarially valued by an independent firm of actuaries. The last actuarial valuation was undertaken in December 2017. The principal actuarial assumptions used were a discount rate of 1.5% (2016: 1.5%), future salary increases of 1.75% (2016: 1.75%) and pension regulated by Laws 2112/1920 and 4093/2012.

USA

The Group's U.S. subsidiaries operate defined benefit plans and other post-retirement benefit plans. The method of accounting for the latter, as well as the valuation assumptions and the frequency of valuations are similar to those used for defined benefit plans.

All of the Group's U.S. subsidiaries' defined benefit pension plans and all but one of its other post-retirement plans have been frozen as to new participants and credited service. One post-retirement benefit plan exists (for certain active and former employees) whereby eligible retirees receive benefits consisting primarily of assistance with medical insurance costs between the dates of early retirement and Medicare eligibility.

On 31 December 2017 the plan assets of the Group's subsidiaries in the US have invested approximately 58% (2016: 58%) in equity instruments quoted in US and international stock markets and 42% (2016: 42%) in fixed investments (US and international bonds). The discount rate that has been adopted for the study of the pension plans of the Group's subsidiaries in the U.S. was 3.5% (2016: 4%).

Non-qualified deferred compensation plan

This plan is intended to constitute an unfunded plan of deferred compensation for a selected group of highly compensated employees under the Employee Income Security Act of 1974 ("ERISA"). For this purpose the Group's U.S. subsidiary created an irrevocable trust to facilitate the payment of deferred compensation to participants under this plan. Under this plan the participants are eligible to defer from 0% to 20% of eligible compensation for the applicable plan year. On 31 December 2017 and 2016, plan assets totaled €4,169 thousand and €4,364 thousands, respectively, and are classified as other non current assets in the accompanying consolidated statement of financial position (note 17). There were no costs for the plan for the year ended December 31, 2017 or 2016.

25. Retirement and termination benefit obligations (continued)

The amounts relating to defined benefit pension plans and other post retirement and termination benefits (defined benefit plans) recognized in the statement of comprehensive income in the account other expenses are as follows:

(all amounts in Euro thousands)

	Group		Company	
	2017	**2016**	**2017**	**2016**
Current service cost	2,490	1,860	763	994
Interest cost	909	964	238	249
Provision of past service cost for the following year due to the voluntary resignation plans	1,565	2,460	806	-
Return on plan assets	-399	-431	-	-
	4,565	**4,853**	**1,807**	**1,243**
Additional post retirement and termination benefits paid out, not provided for	347	445	228	422
Post retirement and termination benefits paid out, not provided for due to the voluntary resignation plans	9,453	5,051	2,440	-
	14,365	**10,349**	**4,475**	**1,665**
Amounts recognized in profit before interest, taxes, depreciation, amortization and impairment	13,855	9,816	4,237	1,416
Amounts recognized in finance cost (note 6)	510	533	238	249
Amounts recognized in the income statement	**14,365**	**10,349**	**4,475**	**1,665**
Actuarial losses recognized in other comprehensive income	112	1,475	589	2,067
Amount charged to statement of total comprehensive income	**14,477**	**11,824**	**5,064**	**3,732**
Present value of the liability at the end of the period	**46,502**	**49,297**	**15,410**	**15,870**
Minus fair value of US plans assets	-14,062	-15,336	-	-
	32,440	**33,961**	**15,410**	**15,870**

Liabilities' movement recognized in the statement of financial position:

	Group		Company	
	2017	**2016**	**2017**	**2016**
Opening balance	**33,961**	**31,018**	**15,870**	**13,087**
Total expense	14,365	10,349	4,475	1,665
Re-measurement losses recognized immediately in other comprehensive (losses)/income	112	1,475	589	2,067
Other	-719	59	-838	-
Exchange differences	-390	-1	-	-
Benefits paid during the year	-14,889	-8,939	-4,686	-949
Ending balance	**32,440**	**33,961**	**15,410**	**15,870**

Changes in the fair value of US plan assets:

	Group	
	2017	**2016**
Fair value of plan assets at the beginning of the period	15,336	15,410
Expected return	1,460	664
Company contributions	274	423
Administrative expenses	-207	-245
Benefits paid	-936	-1,411
Exchange difference	-1,865	495
Fair value of plan assets at the end of the period	**14,062**	**15,336**

25. Retirement and termination benefit obligations (continued)

A quantitative sensitivity analysis for significant assumptions is shown below:

(all amounts in Euro thousands)

Assumptions	Group		Company	
	1.0% increase	1.0% decrease	1.0% increase	1.0% decrease
	Year ended 31 December 2017			
Impact on the net defined benefit obligation:				
Discount rate	-3,252	3,581	-1,556	1,844
Salary	2,163	-1,867	1,820	-1,566
Health care costs	91	-78	-	-
Impact on the current service costs:				
Discount rate	-61	61	-101	124
Salary	165	-136	130	-108
Healthcare costs	3	-3	-	-
	Year ended 31 December 2016			
Impact on the net defined benefit obligation:				
Discount rate	-3,366	3,996	-1,557	1,845
Salary	2,171	-1,873	1,820	-1,567
Health care costs	111	-96	-	-
Impact on the current service costs:				
Discount rate	-30	35	-86	108
Salary	147	-122	113	-91
Healthcare costs	6	-5	-	-

The sensitivity analyses above have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected payments to be made in the future years out of the defined benefit plan obligation (DBO):

	Group		Company	
	2017	2016	2017	2016
Not later than 1 year	3,403	2,821	1,940	1,428
Later than 1 year and not later than 5 years	6,856	7,441	1,659	1,868
Later than 5 years and not later than 10 years	11,334	11,767	4,422	4,777
Beyond 10 years	31,177	33,521	11,496	11,145
Total expected payments	**52,770**	**55,550**	**19,517**	**19,218**

The components of actuarial losses that re-calculated and recognized immediately in the other comprehensive income for the years ended December 31, 2017 and 2016 are as follows:

	Group		Company	
	2017	2016	2017	2016
Due to experience	1,139	-619	589	41
Due to assumptions (financial)	132	2,635	-	2,026
Due to assumptions (demographic)	-76	-308	-	-
Re-measurement losses on DBO	1,195	1,708	589	2,067
Re-measurement gains on plan assets	-1,083	-230	-	-
Re-measurement losses for the period	**112**	**1,478**	**589**	**2,067**

26. Provisions

(all amounts in Euro thousands)

Group

		1 January 2017	Charge for the year	Unused amounts reversed	Unwinding of discount	Utilized	Exchange differences	31 December 2017
Provisions for restoration of quarries	a	17,191	1,369	-1,786	237	-75	-1,106	15,830
Provisions for other taxes	b	1,784	2,277	-	-	-	-95	3,966
Litigation provisions	c	1,055	7,115	-442	-	-322	-117	7,289
Other provisions	d	9,619	8,381	-1,105	3	-4,998	-255	11,645
		29,649	**19,142**	**-3,333**	**240**	**-5,395**	**-1,573**	**38,730**

		1 January 2016	Charge for the year	Unused amounts reversed	Unwinding of discount	Utilized	Exchange differences	31 December 2016
Provisions for restoration of quarries	a	16,155	2,072	-1,613	265	-38	350	17,191
Provisions for other taxes	b	2,830	249	-72	-	-250	-973	1,784
Litigation provisions	c	1,421	172	-	-	-40	-498	1,055
Other provisions	d	7,410	7,709	-4,971	3	-68	-464	9,619
		27,816	**10,202**	**-6,656**	**268**	**-396**	**-1,585**	**29,649**

	2017	2016
Non-current provisions	30,172	22,498
Current provisions	8,558	7,151
	38,730	**29,649**

Company

		1 January 2017	Charge for the year	Unused amounts reversed	Unwinding of discount	Utilized	31 December 2017
Provisions for restoration of quarries	a	2,433	51	-10	37	-113	2,398
Litigation provisions	c	132	2,236	-	-	-	2,368
Other provisions	d	7,748	8,503	-974	3	-4,834	10,446
		10,313	**10,790**	**-984**	**40**	**-4,947**	**15,212**

		1 January 2016	Charge for the year	Unused amounts reversed	Unwinding of discount	Utilized	31 December 2016
Provisions for restoration of quarries	a	2,119	319	-	40	-45	2,433
Litigation provisions	c	-	132	-	-	-	132
Other provisions	d	5,785	6,796	-100	3	-4,736	7,748
		7,904	**7,247**	**-100**	**43**	**-4,781**	**10,313**

	2017	2016
Non-current provisions	6,944	4,215
Current provisions	8,268	6,098
	15,212	**10,313**

a. This provision represents the present value of the estimated costs to rehabilitate quarry sites and other similar post-closure obligations. It is expected that this amount will be used over the next 1 to 50 years.

b. This provision relates to future obligations that may result from tax audits for other taxes. It is expected that this amount will be fully utilized in the next five years.

c. This provision has been established with respect to claims made against certain companies in the Group by third parties, mainly against the subsidiaries in Egypt. These claims concern labour compensations, labour cases for previous years' benefits and dues and claims for shares revaluation. It is expected that this amount will be utilized mainly in the next twelve months.

d. The other provisions are comprised of amounts relating to risks none of which are individually material to the Group. The Company's existing carrying amount includes, among others, the provision for staff bonuses. It is expected that the remaining amounts will be used over the next 1 to 20 years.

27. Other non-current liabilities

(all amounts in Euro thousands)

	Group		Company	
	2017	2016	2017	2016
Government grants	4,636	4,690	3,669	3,646
Other non-current liabilities	2,075	1,262	126	142
	6,711	**5,952**	**3,795**	**3,788**

Analysis of Government grants:

	Group		Company	
	2017	2016	2017	2016
Non - current	4,636	4,690	3,669	3,646
Current (note 28)	78	78	-	-
	4,714	**4,768**	**3,669**	**3,646**

	Group		Company	
	2017	2016	2017	2016
Opening balance	**4,768**	**5,059**	**3,646**	**3,859**
Additions	209	-	208	-
Amortization (note 29)	-263	-291	-185	-213
Ending balance	**4,714**	**4,768**	**3,669**	**3,646**

Government grants are recognized at fair value when it is certain that the grant will be received and that the Group will comply with the terms and conditions of the grant.

Government grants relating to capital expenses are reflected as long-term liabilities and are amortized on a straight line basis, based on the estimated useful life of the asset for which the grant was received.

Government grants received in respect of expenses are reflected in the income statement when the related expense is incurred so that the expense is matched to the income received.

28. Trade and other payables

(all amounts in Euro thousands)	Group		Company	
	2017	2016	2017	2016
Trade payables	131,885	148,530	20,811	23,924
Amounts due to related parties (note 32)	79	344	16,643	5,685
Other payables	18,563	15,573	5,172	4,055
Deferred consideration for investment in joint venture (note 15)	-	12,772	-	-
Accrued expenses	41,808	42,307	1,424	750
Accrued interest	7,163	12,060	680	4,408
Social security	3,623	3,623	2,660	2,603
Customer down payments/advances	8,614	18,054	378	445
Dividends payable	965	969	268	266
Government grants (note 27)	78	78	-	-
Other taxes	15,655	12,274	2,945	2,303
	228,433	**266,584**	**50,981**	**44,439**

Other payables include liabilities relating to transportation of cement and raw materials, as well as employee benefit payables.

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled in 10-180 days for the Group and the Company.

Other payables are non-interest bearing and have an average term of one month both for the Group and the Company.

29. Cash generated from operations

(all amounts in Euro thousands)	Group		Company	
	2017	**2016**	**2017**	**2016**
Profit after taxes	44,297	127,330	13,391	16,819
Adjustments for:				
Taxes (note 8)	18,929	-63,805	-1,510	5,887
Depreciation (note 11)	107,284	109,550	15,613	14,699
Amortization of intangibles (note 13)	5,273	7,034	289	267
Amortization of government grants received (note 27)	-263	-291	-185	-213
Impairment of assets (note 11,13)	4,135	10,814	2,150	-
Net loss/(profit) on sale of property, plant and equipment (note 4)	2,075	3,337	-21	-52
Provision for impairment of debtors charged to income statement (note 20)	360	-587	1	-719
Provision for inventory obsolescence (note 19)	1,957	122	1,549	-161
Provision for restoration of quarries (note 26a)	-180	724	-35	314
Provision for litigation (note 26c)	293	172	151	132
Other provisions	7,279	4,655	1,770	2,092
Provision for retirement and termination benefit obligations (note 25)	4,565	4,853	317	716
Decrease of investment property (note 12)	-863	243	339	335
Impairment of investments	-	-	178	-
Income from participations and investments	-	-1,580	-	-107
Dividend income	-162	-346	-34,377	-29,272
Finance income (note 6)	-869	-1,569	-2	-24
Interest expense and related expenses (note 6)	64,283	66,502	15,883	22,041
(Gains)/losses on financial instruments (note 6)	-33,611	284	-	-
Losses/(gains) from foreign exchange differences (note 6)	55,907	24,367	1,869	-1,021
Share stock options (note 7)	1,433	1,620	974	1,376
Share in profit of associates and joint ventures (note 15)	7,488	-492	-	-
Changes in working capital:				
(Increase)/decrease in inventories	-28,520	-5,091	-9,192	13,075
(Increase)/decrease in trade and other receivables	-7,037	-48,341	10,760	-5,589
(Increase)/decrease in operating long-term receivables and payables	1,350	-344	-2	37
(Decrease)/increase in trade payables	-14,950	36,122	9,349	1,208
Cash generated from operations	**240,453**	**275,283**	**29,259**	**41,840**

In the cash flow statement, proceeds from the sale of tangible and intangible assets, and investment property are as follows:

	Group 2017	Group 2016	Company 2017	Company 2016
Net book amount	3,542	4,361	74	168
Net (losses)/gains on sales (note 4)	-2,075	-3,337	21	52
Proceeds from disposals	**1,467**	**1,024**	**95**	**220**

30. Business combinations and acquisition of non-controlling interest

Year ended 31 December 2017

On 1 January 2017, the Group completed the acquisition of all the voting rights of the company Titan Investment EAD, which is based in Bulgaria and operates in the construction and trade of real estate, by derecognizing receivables of €980 thousand and recognizing goodwill of €2 thousand. At the date of the acquisition, the company had net assets of €978 thousand. The aforementioned company is incorporated in the consolidated financial statements with the full method.

On 8 March 2017, the Group acquired 100% of the Arresa Marine CO company by paying consideration of €0,5 thousand and recognizing an equal amount of goodwill. The newly acquired company is a shipping company based in the Marshall Islands and it is incorporated in the consolidated financial statements with the full method from the date of acquisition.

Finally, on 30 August 2017, the Group has completed the acquisition of the non-controlling interest of the subsidiary Brazcem Participacoes S.A. for a total consideration of €7.6 million.

Year ended 31 December 2016

On 22 August 2016, the Group acquired the remaining 50% of the joint venture Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. with a consideration transferred of €11.7 million. Since the acquisition date, the company is consolidated in the Group's financial statements with the full consolidation method, instead of equity method.

On 1 September 2016, the Group acquired the companies Esha Material DOOEL in FYROM and Esha Material LLC in Kosovo with a consideration of €89.0 thousand. At the date of acquisition, the net assets of the two companies were €5.0 thousand and as a result the Group has recognized goodwill of €84.0 thousand. Since the acquisition date, the companies are consolidated in the Group's financial statements with the full consolidation method.

Moreover, on 1 September 2016, the Group acquired the Brazilian company Benim Empreendimentos e Patricipacoes S.A. for the consideration of €2.0 thousand that equals the net assets of the company at the date of acquisition. The above company, which was renamed to Brazcem Participacoes S.A. on 2 September 2016, is consolidated in the Group's financial statements with the full consolidation method.

The assets and liabilities of the Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. as they were recorded at the date of acquisition, are as follows:

(all amounts in Euro thousands)	Fair value on acquisition
Assets	
Non-current assets	26,143
Inventory	1,010
Receivables and prepayments	7,006
Cash and cash equivalents	28
Total assets	**34,187**
Liabilities	
Short-term borrowings	5,041
Deferred tax liabilities	3,667
Other liabilities and taxes payable	2,031
Total liabilities	**10,739**
Total identifiable net assets at fair value	**23,448**
Goodwill arising on acquisition (note 13)	2
Total consideration	**23,450**
Cash flow on acquisition:	
Cost of initial investment	10,245
Gain on re-measuring initial investment to fair value (*)	1,480
Fair value of previously held stake in joint venture	11,725
Purchase consideration for remaining 50% stake settled in cash	11,725
Net cash acquired with the subsidiaries	-28
	11,697
Total consideration	**23,422**

(*) Included in the Income Statement in the account "Income from participations and investments"

31. Contingencies and commitments

Contingent liabilities

(all amounts in Euro thousands)	Group		Company	
	2017	2016	2017	2016
Guarantees to third parties on behalf of subsidiaries	-	-	641,497	874,835
Bank guarantee letters	27,906	28,808	3,375	4,499
Other	947	3,512	-	-
	28,853	**32,320**	**644,872**	**879,334**

Litigation matters in Egypt

A. Privatization cases

1. In 2011, two former employees of Beni Suef Cement Company SAE (Beni Suef), filed an action before the Administrative Court of Cairo, seeking the nullification of the privatization of Beni Suef which took place in 1999 through the sale of Beni Suef's shares to Financiere Lafarge after a public auction. Titan Group acquired in 1999 50 per cent and in 2008 the balance of Lafarge's interest in Beni Suef. Approximately 99.98 per cent in the share capital of Beni Suef is held today by Alexandria Portland. 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 Beni Suef. The Court further judged the re-employment of ex-employees who had left the company in the framework of voluntary redundancy schemes. Beni Suef and the plaintiffs have already appealed against the judgment of the first instance court. On 19 January 2015, the Supreme Administrative Court issued a judgment suspending the case until the issuance of a ruling by the Supreme Constitutional Court on a lawsuit challenging the constitutionality of Law no. 32/2014 (''Appeal Procedures on State Contracts Law''). The case is still suspended and no further action has been taken until now. The view of Beni Suef's lawyers is that the plaintiffs' action is devoid of any legal or factual ground.

2. In June 2013, Beni Suef 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 Beni Suef to Financiere Lafarge. The Administrative Court of Cairo issued on 25 June 2015 a first instance judgment referring the case to the Investment Circuit no. 7. The latter has recently referred the case to the commissioners' panel and no hearing date has been scheduled until now. The view of Beni Suef'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 SAE (Alexandria Portland) 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 Alexandria Portland to Blue Circle Cement Group in 1999. Alexandria Portland 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 Alexandria Portland through two private transactions to Titan Group in 2002 and 2008. The Administrative Court of Alexandria issued on 31 January 2015 a first instance judgment which suspended the case initially until 28 May 2016 and subsequently until 15 October 2016, provided that by such date the Supreme Constitutional Court had ruled on the lawsuit challenging the constitutionality of Law no. 32/2014 (''Appeal Procedures on State Contracts Law''). The case has been referred to the Administrative Court of Cairo, Investment Circuit no.1 but no hearing has been scheduled until now. The view of Alexandria Portland's lawyers is that the action is devoid of any legal and factual ground.

4. In May 2013, a new action was filed by three ex-employees of Alexandria Portland seeking as in the above case the annulment of the sale of the shares of Alexandria Portland 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 and the legal representative of Blue Circle industries. The case has been repeatedly adjourned and no judgment will be handed down from the administrative Court until the issuance of a ruling by the Supreme Constitutional Court on the lawsuit challenging the constitutionality of Law no. 32/ 2014. The view of Alexandria Portland's lawyers is that the action is devoid of any legal and factual ground.

31. Contingencies and Commitments (continued)

B. Other cases

1. An individual residing in the vicinity of the plant of Alexandria Portland 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 Alexandria Portland, seeking the abolition of the administrative decision of the competent Egyptian authority which issued the operating license for the Alexandria Portland 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 case has been repeatedly adjourned and on 24 October 2015 it was referred to another division of the Court for deliberation. The case has been again repeatedly adjourned and a new hearing has been set for 18.4.2018. Alexandria Portland's view 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 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 million. The Egyptian Industrial Development Authority subsequently raised the value of the license to EGP 251 million. In October 2008 Beni Suef 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 Beni Suef for EGP 500. Alternatively, if the court rejects this request, Beni Suef is requesting the price of the license to be the amount of EGP 134.5 million offered by Beni Suef in the bid. The court by virtue of decision in case No 2626/63 JY, dismissed the action. Beni Suef has lodged an appeal before the High Administrative Court requesting the reversal of the issued court decision and the upholding of Beni Suef's action. The view of Beni Suef's lawyers is that there is high probability that the High Administrative Court will adopt the bidding price of EGP 134,5 million for the license.

3. A non-governmental organization, the Nile Agricultural Organization, has raised a court case against Beni Suef claiming that Beni Suef has illegally occupied the plaintiff's land and is seeking compensation to the amount of EGP 300 million. The contested land however had been legally allocated to Beni Suef many years ago by the relevant authority, the New Urban Communities Agency, and since 1988 Beni Suef has held the licenses for the exploitation of the quarries on this land. A new hearing of the case has been scheduled for 26 September 2016. The case has been postponed until April 1st, 2018 for decision. The view of Beni Suef's lawyers is that the case has a high probability of being won.

Put option in Antea

The Group had granted to non controlling interest shareholder (International Finance Corporation - IFC) the option, which expires in 2019, to sell its shares in ANTEA Cement SHA (Antea) at predetermined conditions. On 31 December 2017, the option's fair value of €12.1 mil. (31.12.2016: €9.7 mil.) is recognized as a current liability in the statement of financial position.

Contingent tax liability

The financial years, referred to in note 35, 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.

Contingent assets

(all amounts in Euro thousands)	Group		Company	
	2017	**2016**	**2017**	**2016**
Bank guarantee letters for securing trade receivables (note 20)	19,440	20,904	8,463	10,390
Other collaterals against trade receivables (note 20)	7,060	6,385	354	354
	26,500	27,289	8,817	10,744
Collaterals against other receivables	1,410	1,421	1,410	1,421
	27,910	**28,710**	**10,227**	**12,165**

31. Contingencies and Commitments (continued)

Commitments

Capital commitments

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

(all amounts in Euro thousands)	Group		Company	
	2017	**2016**	**2017**	**2016**
Property, plant and equipment	2,227	702	-	-

Purchase commitments

Energy supply contracts (Gas, electricity, etc.)

(all amounts in Euro thousands)	Group		Company	
	2017	**2016**	**2017**	**2016**
	1,019	**600**	**-**	**-**

In addition to the aforementioned purchase commitments, the Group's US subsidiaries have entered a contract to purchase raw materials and manufacturing supplies as part of their on-going 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	
	2017	**2016**	**2017**	**2016**
Not later than 1 year	11,679	9,517	737	672
Later than 1 year and not later than 5 years	27,356	25,040	1,354	1,367
Beyond 5 years	7,462	7,864	-	-
	46,497	**42,421**	**2,091**	**2,039**

32. Related party transactions

Titan Cement Company S.A. is the parent company of the Group. The Company and its subsidiaries enter into various transactions with related parties during the year. The sales to and purchases from related parties are made at normal market prices. Outstanding balances at year-end are unsecured and settlement occurs in cash. Intra-group transactions are eliminated on consolidation. Related party transactions exclusively reflect transactions between the companies of the Group.

The following is a summary of transactions that were carried out with related parties during the year:

(all amounts in Euro thousands)

	Year ended 31 December 2017			
Group	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Other related parties	-	284	11	64
Executives and members of the Board	-	-	-	15
	-	**284**	**11**	**79**

32. Related party transactions (continued)

(all amounts in Euro thousands)

Company	Year ended 31 December 2017			
	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Aeolian Maritime Company	1	-	-	252
Albacem S.A.	2	-	-	-
Interbeton Construction Materials S.A.	26,488	18,908	9,038	16,173
Intertitan Trading International S.A.	6,048	-	2,176	-
Gournon Quarries S.A.	5	12	3	-
Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S.	619	-		-
Adocim Cimento Beton Sanayi ve Ticaret A.S.	271		221	
Titan Cement International Trading S.A.	2	-	-	-
Fintitan SRL	294	-	-	-
Cementi Crotone S.R.L.	-	-	-	-
Titan Cement U.K. Ltd	15,125	-	-	1
Usje Cementarnica AD	7,988	-	829	-
Beni Suef Cement Co.S.A.E.	2,087	-	3,403	-
Alexandria Portland Cement Co. S.A.E	1,215	4	1,516	4
Cementara Kosjeric AD	980	-	279	-
Zlatna Panega Cement AD	1,054	-	222	-
Titan America LLC	5,619	-	1,481	2
Essex Cement Co. LLC	39,640	-	1,369	12
Roanoke Cement Co. LLC	4,690	-	-	-
Titan Florida LLC	12,281	1	-	-
KTIMET Quarries S.A.	-	3	-	-
Antea Cement SHA	3,964	-	1,053	-
Titan Global Finance PLC	-	15,525	788	380,203
Sharrcem SH.P.K.	1,469	-	356	-
Titan Beton & Aggregate Egypt LLC	6	-	25	-
Iapetos Ltd	4,816	-	4,799	-
Salentijn Properties1 B.V.	2,100			
Aemos Cement Ltd	28,267		3	
Other subsidiaries	15	-	3	-
Other related parties	-	284	11	64
Executives and members of the Board	-	-	-	15
	165,046	**34,737**	**27,575**	**396,726**

Receivables from related parties include €12,467 thousand (2016: €16,568 thousand) due to sale of products (note 20), and €6,834 thousand (2016: €6,975 thousand) due to management services provided to other entities of the Group included in other receivables from related parties (note 20). Relative transactions are short term, bearing no interest and they are executed under certain contracts.

Group	Year ended 31 December 2016			
	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Other related parties	-	624	-	344
Executives and members of the Board	-	-	15	-
	-	**624**	**15**	**344**

32. Related party transactions (continued)

(all amounts in Euro thousands)

Company	Year ended 31 December 2016 Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Aeolian Maritime Company	1	-	-	252
Albacem S.A.	2	-	-	-
Interbeton Construction Materials S.A.	19,994	8,024	8,368	4,838
Intertitan Trading International S.A.	6,543	-	1,265	-
Gournon Quarries S.A.	3	-	1	-
Adocim Cimento Beton Sanayi ve Ticaret A.S.	2,208	-	7	-
Titan Cement International Trading S.A.	2	-	-	-
Fintitan SRL	8,378	-	2,990	-
Cementi Crotone S.R.L.	336	-	84	-
Titan Cement U.K. Ltd	21,358	35	2,499	-
Usje Cementarnica AD	8,239	-	730	-
Beni Suef Cement Co.S.A.E.	1,852	-	3,592	-
Alexandria Portland Cement Co. S.A.E	1,053	11	2,126	-
Cementara Kosjeric AD	937	-	188	-
Zlatna Panega Cement AD	887	-	143	-
Titan America LLC	5,058	7	1,499	2
Essex Cement Co. LLC	34,888	105	1,054	12
Roanoke Cement Co. LLC	2,420	-	299	-
Titan Florida LLC	6,614	-	-	-
KTIMET Quarries S.A.	-	2	-	-
Antea Cement SHA	1,617	-	265	-
Titan Global Finance PLC	-	21,490	459	357,996
Sharrcem SH.P.K.	1,476	-	268	-
Titan Beton & Aggregate Egypt LLC	11	-	19	-
Iapetos Ltd	-	-	795	-
Other subsidiaries	13	-	3	-
Other related parties	-	624	-	344
Executives and members of the Board	-	-	15	-
	123,890	**30,298**	**26,669**	**363,444**

Directors	**2017**	**2016**
Executive members on the Board of Directors	7	7
Non-executive members on the Board of Directors	8	8

Key management compensation	Group 2017	Group 2016	Company 2017	Company 2016
Salaries and other short-term employee benefits	7,034	8,187	7,034	8,187

Key management includes executive committee members.

In May 12, 2017 the Annual General Meeting approved the remuneration of the external auditor during financial year 2017. For the statutory audit of the Company's financial statements, the fees would be up to the amount of €115 thousand and for the statutory audit of consolidated financial statements, up to the amount of €120 thousand. Moreover, the external auditor was appointed by the respective Annual General Meetings as the auditor of 45 Group subsidiaries worldwide. The external auditor also undertook the tax compliance audit of the Company and its subsidiaries in Greece. The total fees for the above services, under the exchange rates prevailing at the time of their appointment, amounted to €1,247 thousand (2016: €1,196 thousand).

In 2017, following prior approval by the Audit Committee, the external auditor provided to the Group additional audit related services and the fees paid amounted to €95 thousand (2016: €29 thousand) and non-audit related services for which the fees paid amounted to €234 thousand (2016: €82 thousand).

33. Financial risk management objectives and policies

Financial Risk Factors

The Group, by nature of its business and geographical positioning, is exposed to financial risks. The Group's overall financial risk is managed by Group Finance and Treasury units, aiming to minimize the potential unfavorable impact arising from the markets' fluctuations on Group's financial performance. The Group does not engage in speculative transactions or transactions which are not related to its commercial, investing or borrowing activities.

a) Liquidity risk

The Group, in addition to its operating cash flows, maintains sufficient cash and other liquid assets, as well as extensive committed credit lines with several international banks to ensure the fulfilment of its financial obligations. Group Treasury controls Group funding as well as the management of liquid assets.

The table below summarizes the maturity profile of financial liabilities at 31 December 2017 & 2016 based on contractual undiscounted payments.

(all amounts in Euro thousands)

Group	Year ended 31 December 2017					
	Less than 1 month	**1 to 6 months**	**6 to 12 months**	**1 to 5 years**	**>5years**	**Total**
Borrowings	5,680	49,423	26,176	652,886	281,607	1,015,772
Other non-current liabilities	-	-	-	2,394	-	2,394
Trade and other payables	132,656	55,035	9,859	-	-	197,550
	138,336	104,458	36,035	655,280	281,607	1,215,716
	Year ended 31 December 2016					
Borrowings	100,579	36,979	20,891	848,027	31,172	1,037,648
Other non-current liabilities	-	-	-	1,262	-	1,262
Trade and other payables	162,378	63,798	4,276	-	-	230,452
	262,957	100,777	25,167	849,289	31,172	1,269,362

Company	Year ended 31 December 2017					
	Less than 1 month	**1 to 6 months**	**6 to 12 months**	**1 to 5 years**	**>5years**	**Total**
Borrowings	374	5,822	6,202	313,584	112,932	438,914
Other non-current liabilities	-	-	-	61	65	126
Trade and other payables	17,278	27,718		-	-	44,996
	17,652	33,540	6,202	313,645	112,997	484,036
	Year ended 31 December 2016					
Borrowings	46,881	3,340	5,846	341,721	-	397,788
Other non-current liabilities	-	-	-	142	-	142
Trade and other payables	25,484	9,197		-	-	34,681
	72,365	12,537	5,846	341,863	-	432,611

Borrowings include the floating and fixed rate outstanding principal at year-end plus accrued interest up to maturity.

The amounts that are described as "less than 1 month" are as usual on demand short-term uncommitted facilities and interest accruals.

b) Market risk

Market risk comprises three main types of risk: currency risk, price risk, such as commodity risk and interest rate risk.

Group exposure to exchange rate (FX) risk derives from existing or expected cash flows denominated in currencies other than the Euro (imports / exports) and from international investments.

FX risks are managed using natural hedges, FX derivatives / swaps and FX forwards. Borrowings denominated in the same currency as the assets that are being financed and these create a natural hedge for investments in foreign subsidiaries exposed to FX conversion risk.

However, part of the financing of Group activities in the USA, Egypt, Albania and Turkey, is in different currencies (Euro) than their functional ones. Their refinancing in local currencies along with FX hedging transactions are examined at regular intervals.

33. Financial risk management objectives and policies (continued)

In July 2014, Titan America LLC (TALLC) borrowed €177 million with five year maturity and fixed interest rate from Titan Global Finance PLC (TGF) (use of proceeds of the €300 million bond due July 2019) and entered into cross currency interest rate swap agreements (CCS) with two financial institutions, essentially converting the fixed rate Euro-loan to a US dollar-floating rate based on 6-month LIBOR loan. The transactions were undertaken in order to hedge the foreign currency risk (€/$) on both the notional amount and the interest payments associated with the Euro denominated borrowing.

In July 2016, TALLC entered into interest rate swap agreements (IRS) with two financial institutions, essentially converting the US dollar-6 month LIBOR floating rate loan to a US dollar fixed rate loan. The transactions were undertaken in order to hedge the fluctuation of the US dollar-6 month LIBOR interest rate payments. In conclusion, the terms of the CCS and the IRS agreements result to the conversion of the fixed rate Euro-loan to a US dollar fixed rate loan with effective date 10 January 2017.

Moreover, in March 2017, TALLC entered into €-dollar FX forward agreements until June 2017 and from June to October 2017, as well as from October to January 2018, in order to hedge relative FX risk.

Finally, in March 2017, TALLC entered into an oil swap agreement essentially converting the floating prices of the US oil to fixed oil prices on a monthly basis and up to December 2017.

As at 31 December 2017, the total exposure (mark to market valuations and CSA agreements) of all derivatives (CCS/IRS/FX Forward/Oil swap) was recorded as an asset of €3,446 thousand (31.12.2016: asset amounted to €1,387 thousand) in the statement of financial position.

Sensitivity analysis in foreign exchange rate changes

The following table demonstrates the sensitivity of the Group's profit before tax and the Group's equity to reasonable changes in the USA Dollar, Serbian Dinar, Egyptian Pound, British Pound, Turkish Lira, Albanian Lek and Brazilian Real floating exchange rates, with all other variables held constant:

(all amounts in Euro thousands)	Foreign Currency	Increase/ Decrease of Foreign Currency vs. €	Effect on Profit Before Tax	Effect on equity
Year ended 31 December 2017	USD	5%	4,304	28,198
		-5%	-3,894	-25,513
	RSD	5%	714	1,800
		-5%	-646	-1,629
	EGP	5%	-940	11,793
		-5%	851	-10,670
	GBP	5%	153	318
		-5%	-139	-288
	TRY	5%	-72	1,431
		-5%	65	-1,294
	ALL	5%	199	2,564
		-5%	-180	-2,319
	BRL	5%	-473	8,354
		-5%	428	-7,559
Year ended 31 December 2016	USD	5%	3,517	33,082
		-5%	-3,182	-29,932
	RSD	5%	610	1,647
		-5%	-552	-1,491
	EGP	5%	-1,130	14,674
		-5%	1,023	-13,276
	GBP	5%	86	204
		-5%	-78	-184
	TRY	5%	204	1,973
		-5%	-185	-1,785
	ALL	5%	3	2,333
		-5%	-3	-2,111
	BRL	5%	-152	6,006
		-5%	138	-5,434

Note: Calculation of "Effect on Profit before tax" is based on year average FX rates; calculation of "Effect on Equity" is based on year end FX rate changes.

33. Financial risk management objectives and policies (continued)

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 be used to mitigate the relevant risk and balance the mix of fixed and floating rates of the Group's borrowings.

On 31 December 2017, following the repayment of €88 million 8.75% notes due in January 2017, and the issuance of €250 million notes due in November 2024, by which part of €287 million fixed rate notes of 4.25% coupon rate were refinanced prior their maturity, the Group's ratio of fixed to floating interest rates, taking into account outstanding cross currency swaps and interest rate swaps, stood at 82%/18% (31 December 2016: 62%/38%).

The impact of interest rate volatility is limited in the income statement and cash flow from operating activities of the Group, as shown in the sensitivity analysis table below:

Sensitivity analysis of Group's borrowings due to interest rate changes

(all amounts in Euro thousands)		Interest rate variation (+/-)	Effect on profit before tax (-/+)
Year ended 31 December 2017	EUR	1.0%	189
	USD	1.0%	184
	BGN	1.0%	146
	EGP	1.0%	792
	ALL	1.0%	240
	TRY	1.0%	16
Year ended 31 December 2016	EUR	1.0%	187
	USD	1.0%	2,487
	BGN	1.0%	156
	EGP	1.0%	630
	ALL	1.0%	309
	TRY	1.0%	19

Note: Table above excludes the positive impact of interest received from deposits.

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.

c) Credit Risk

The Group has no significant concentrations of credit risk. Trade accounts receivable consist mainly of a large, widespread customer base. All Group companies monitor the financial position of their debtors on an on-going basis.

When considered necessary, additional collateral is requested to secure credit. Provisions for impairment losses are made for special credit risks. As at 31 December 2017, there are no outstanding doubtful significant credit risks which are not already covered by a provision for doubtful receivables.

Credit risk arising from financial institutions' inability to meet their obligations towards the Group deriving from placements, investments and derivatives, is mitigated by pre-set limits on the degree of exposure to each individual financial institution. These pre-set limits are set in accordance to the Group Treasury policies. At 31 December 2017, the Group's majority financial assets and derivative financial instruments were held with investment grade financial institutions.

As at 31 December 2017, the Group's cash and cash equivalents were held at time deposits and current accounts in highly rated financial institutions. Note 21 includes an analysis on cash & cash equivalents.

33. Financial risk management objectives and policies (continued)

d) Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its operations and maximize shareholder value.

The Group manages its capital structure conservatively with the leverage ratio, as this is shown from the relationship between total liabilities and total equity as well as net debt and profit before interest, taxes, depreciation, amortization and impairment.

Titan's policy is to maintain leverage ratios in line with an investment grade profile.

The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

(all amounts in Euro thousands)	Group		Company	
	2017	**2016**	**2017**	**2016**
Long term borrowings (note 24)	820,382	710,965	379,218	310,678
Short term borrowings (note 24)	56,825	129,499	32	42,442
Debt	**877,207**	**840,464**	**379,250**	**353,120**
Less: cash and cash equivalents (note 21)	154,247	179,710	29,323	11,218
Net Debt	**722,960**	**660,754**	**349,927**	**341,902**
Profit before interest, taxes, depreciation, amortization and impairment.	**273,441**	**278,599**	**14,804**	**30,086**
Total liabilities	**1,225,795**	**1,236,961**	**470,726**	**439,968**
Total equity	**1,369,672**	**1,552,816**	**744,132**	**827,269**

34. Fair value measurement

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

(all amounts in Euro thousands)	Group				Company			
	Carrying amount		Fair value		Carrying amount		Fair value	
	2017	2016	2017	2016	2017	2016	2017	2016
Financial assets								
Available-for-sale financial assets (note 16)	517	1,065	517	1,065	122	122	122	122
Other non-current assets (note 17)	7,273	8,274	7,273	8,274	2,749	2,727	2,749	2,727
Derivative financial instruments	3,446	1,387	3,446	1,387	-	-	-	-
Financial liabilities								
Long-term borrowings (note 24)	820,382	710,965	849,276	737,873	379,218	310,678	388,995	322,419
Short-term borrowings (note 24)	56,825	129,499	56,825	129,843	32	42,442	32	42,608
Other non-current liabilities (note 27)	2,394	1,492	2,394	1,492	126	142	126	142
Put option (note 31)	12,054	9,658	12,054	9,658	-	-	-	-

Note: Derivative financial instruments consist of cross currency interest rate swaps (CCS), interest rate swaps (IRS), FX forwards and commodity swaps.

The management assessed that the cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities (excluding the put option) approximate their carrying amounts largely due to the short-term maturities of these instruments.

Fair value hierarchy

The Group and the Company use the following hierarchy for determining and disclosing the fair value of the assets and liabilities 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 and includes quoted prices for identical or similar assets or liabilities in markets that are not so much actively traded.

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

The following table provides the fair value measurement hierarchy of the Group's and the Company's assets and liabilities as at 31 December 2017 and 2016.

(all amounts in Euro thousands)	Group		Company		Fair value hierarchy
	Fair value		Fair value		
Assets	2017	2016	2017	2016	
Investment property	12,130	9,820	8,937	9,126	Level 3
Available-for-sale financial assets	517	1,065	122	122	Level 3
Derivative financial instruments-non-hedged accounts	3,446	1,387	-	-	Level 2
Liabilities					
Long-term borrowings	849,276	737,873	388,995	322,419	Level 2
Short-term borrowings	56,825	129,843	32	42,608	Level 2
Put option (note 31)	12,054	9,658	-	-	Level 3

During the reporting period there were no transfers into and out of level 3.

34. Fair value measurement (continued)

The fair value of level 3 investment property is estimated by the Group and the Company by external, independent, certified valuators (note 12).

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 in a forced liquidation or sale. The following methods and assumptions were used to estimate the fair values:

Level 2

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 2 derivative financial instruments comprise fx forwards, cross currency interest rate swaps, interest rate swaps and oil 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. The aforementioned contracts have been fair valued using: a) forward exchange rates that are quoted in the active market, b) forward interest rates extracted from observable yield curves, c) oil prices extracted from observable yield curves, which are quoted in the active market.

Level 3

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 3 put option consists of the put option that the Group has granted to non-controlling interest shareholder of its subsidiary in Albania, ANTEA Cement SHA. The put option, which expires in 2019, 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:

	2018-2019	2017-2019
Gross margin growth rate	-4.3%	17.4%
Discount rate	8.0%	8.2%

In addition to the above, forecast cash flows for the following two 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 of the forecast cash flows or the change in gross margin 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 fluctuation of the change in gross margin, as described in the following table:

Sensitivity analysis of Group's gross margin growth changes:

(all amounts in Euro thousands)	Effect on the fair value
Increase by half the gross margin growth rate:	803
Decrease by half the gross margin growth rate:	-810

35. Fiscal years unaudited by the tax authorities

(1)	Titan Cement Company S.A	2011-2017		Aeas Netherlands B.V.	2010-2017
(2)	Aeolian Maritime Company	-		Titan Cement U.K. Ltd	2017
(1)	Albacem S.A.	2011-2017	(3)	Titan America LLC	2014-2017
(1)	Arktias S.A.	2011-2017		Separation Technologies Canada Ltd	2013-2017
(1)	Interbeton Construction Materials S.A.	2011-2017		Stari Silo Company DOO	2008-2017
(1)	Intertitan Trading International S.A.	2011-2017		Cementara Kosjeric AD	2006-2017
(1)	Porfirion S.A.	2011-2017		TCK Montenegro DOO	2007-2017
(1)	Vahou Quarries S.A.	2011-2017		Double W & Co OOD	2007-2017
(1)	Gournon Quarries S.A.	2010-2017		Granitoid AD	2007-2017
(1)	Quarries of Tagaradon Community S.A.	2011-2017		Gravel & Sand PIT AD	2005-2017
(1)	Aitolika Quarries S.A.	2011-2017		Zlatna Panega Beton EOOD	2010-2017
(1)	Sigma Beton S.A.	2011-2017		Zlatna Panega Cement AD	2010-2017
(1)	Titan Atlantic Cement Industrial and Commercial S.A.	2011-2017		Titan Investment EAD	2017
(1)	Titan Cement International Trading S.A.	2011-2017		Cement Plus LTD	2014-2017
(1)	KTIMET Quarries S.A.	2011-2017		Rudmak DOOEL	2006-2017
	Aemos Cement Ltd	2012-2017		Esha Material LLC	2016-2017
	Alvacim Ltd	2010-2017		Esha Material DOOEL	2016-2017
	Balkcem Ltd	2012-2017		Usje Cementarnica AD	2009-2017
	Iapetos Ltd	2007-2017		Titan Cement Netherlands BV	2010-2017
	Rea Cement Ltd	2012-2017		Alba Cemento Italia, SHPK	2012-2017
	Themis Holdings Ltd	2012-2017		Antea Cement SHA	2015-2017
	Tithys Ltd	2012-2017		Sharr Beteiligungs GmbH	2011-2017
	Feronia Holding Ltd	2007-2017		Kosovo Construction Materials L.L.C.	2010-2017
	Vesa DOOL	2006-2017		Sharrcem SH.P.K.	2011-2017
	Trojan Cem EOOD	2010-2017	(2)	Alexandria Development Co.Ltd	-
	Dancem APS	2012-2017		Alexandria Portland Cement Co. S.A.E	2010-2017
	Titan Global Finance PLC	2007-2017		Gaea Green Alternative Energy Assets Limited	2012-2017
	Terret Enterprises Ltd	2012-2017		Beni Suef Cement Co.S.A.E.	2009-2017
	Salentijn Properties1 B.V.	2010-2017		East Cement Trade Ltd	2006-2017
	Titan Cement Cyprus Limited	2011-2017		Titan Beton & Aggregate Egypt LLC	2010-2017
	KOCEM Limited	2007-2017	(2)	Titan Egyptian Inv. Ltd	-
	Fintitan SRL	2015-2017		Green Alternative Energy Assets EAD	2012-2017
	Cementi Crotone S.R.L.	2013-2017		GAEA Zelena Alternative Enerjia DOOEL	2013-2017
	Cementi ANTEA SRL	2010-2017		GAEA Enerjia Alternative e Gjelber Sh.p.k.	2014-2017
	Colombus Properties B.V.	2010-2017		GAEA -Green Alternative Energy Assets	2015-2017
	Brazcem Participacoes S.A.	2016-2017		MILLCO-PCM DOOEL	2016-2017
	Holtitan B.V.	2010-2017		Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S.	-

(1) For the fiscal years 2011-2013, Certified Auditors Accountants tax audited the above companies and issued tax certificates without qualifications, according to the terms of article 82, par. 5 of the Law 2238/1994. For the fiscal years 2014-2016 the tax audit was conducted again by the Certified Auditors Accountants and tax certificates without qualifications have also been issued according to the article 65A, par. 1 of L. 4174/2013. Based on their recent decisions for similar cases (i.e., the decisions of Supreme Administrative Court 1738/2017, 675/2017, and Appeal Administrative Court decision 1490/2016), the Administrative Courts have stated that the fiscal year 2011 forfeited for tax purposes (five years limitation period).

(2) Under special tax status.

(3) Companies operating in the U.S.A. are incorporated in the Titan America LLC subgroup (note 14).

36. Events after the reporting period

In January 2018, Titan Global Finance PLC issued Additional Guaranteed notes of nominal value €100 million. This was in connection with the reopening of €250 million issue of November 2017 and raised the total amount of the issue to €350 million due in November 2024.

On 19 February 2018, the Group's subsidiary in USA, Titan America LLC (TALLC), submitted to the Bank of New York Mellon Trust Company, N.A. the required notification to call for redemption the Miami-Dade County Industrial Revenue Bonds, Series 2004 on April 2, 2018. These bonds, amounting to €18.2 million, are included in debentures of the note 24 and had an original maturity date of 26 April 2034.

Independent Assurance Statement to TITAN Cement Company S.A.

ERM Certification and Verification Services (ERM CVS) was engaged by TITAN Cement Company S.A. (TITAN) to provide assurance in relation to the information set out below and presented in TITAN's Annual Financial Report 2017 and TITAN's Integrated Annual Report 2017 (the Reports). The assurance relates to the English language versions of the Reports.

Engagement Summary	
Assurance Scope	1. Whether the non-financial disclosures presented in *Section 1: Annual Report of the Board of Directors* and the performance data relating to the period January 1 to December 31 2017, indicated with * in *Section 7: Non-financial Statements:* in the tables *'Environmental Performance'* and *'Social Performance'* are fairly presented, in all material respects, with the reporting criteria. 2. Whether the relevant non-financial disclosures in the Reports (**http://www.titan-cement.com/integrated_report_2017_EN.pdf**) are aligned with: a) WBCSD/CSI CO_2 and Energy Accounting and Reporting Standard for the Cement Industry (version 3.0 May 2011) b) CSI guidelines for Emission Monitoring and Reporting in the Cement Industry (version 2 March 2012 for SOx, NOx and dust) c) WBCSD/CSI Safety in the Cement Industry Guidelines for Measuring and Reporting (version 4 May 2013) d) WBCSD/CSI Protocol for Water Reporting (2014) 3. Whether the Integrated Annual Report 2017 meets the UN Global Compact criteria relating to a Communication on Progress (COP) Advanced Level
Reporting Criteria	WBCSD/CSI Guidelines included in scope referenced above UN Global Compact COP Advanced Level TITAN Sustainability Glossary and Guidelines for Non-Financial Reporting in Section 7 of the Reports
Assurance Standard	ERM CVS' assurance methodology, based on the International Standard on Assurance Engagements (ISAE 3000).
Assurance Level	Reasonable Assurance.
Respective Responsibilities	TITAN is responsible for preparing the Reports and for the collection and presentation of the information in them. ERM CVS' responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgement.

Our opinion

We have audited selected sustainability information in TITAN's Annual Financial Report 2017 and Titan's Integrated Annual Report 2017 as detailed under 'Assurance Scope' above. In our opinion:

- The non-financial performance disclosures and data covered by our engagement are fairly presented, in all material respects, in accordance with the reporting criteria;
- The relevant non-financial disclosures in the Reports are aligned with:
  a) WBCSD/CSI CO_2 and Energy Accounting and Reporting Standard for the Cement Industry (version 3.0 May 2011);
  b) CSI guidelines for Emission Monitoring and reporting in the Cement Industry (version 2 March 2012 for SOx, NOx and dust);
  c) WBCSD/CSI Safety in the Cement Industry Guidelines for Measuring and Reporting (version 4 May 2013);
  d) WBCSD/CSI Protocol for Water Reporting (2014);
- The Integrated Annual Report 2017 meets the UN Global Compact criteria relating to a Communication on Progress (COP) Advanced Level.

Our reasonable assurance activities

A multi-disciplinary team of sustainability, GHG and assurance specialists performed the following activities:

- A review of external media reports to identify relevant sustainability issues in the reporting period;
- A review of the internal reporting guidelines, including conversion factors, estimates and assumptions used;
- An initial conference call with TITAN Head Office in Athens, Greece to understand any changes to TITAN's sustainability strategy, reporting systems, processes, internal controls and responsibilities during 2017;
- Visits to TITAN Business Unit offices for Greece and TITAN America to understand sustainability management at the Business Unit level including stakeholder engagement, materiality, strategy implementation, management of environmental and social aspects and of other areas such as procurement;
- Visits to TITAN production operations in Greece (Thessaloniki) and USA (Pennsuco, Florida) to verify the source data underlying the performance information and review local activities regarding environmental and safety management, labour and human

rights and stakeholder/community engagement. These two sites contributed c.18% of the Group's CO_2 emissions for the reporting year;

- An assessment of the conclusions of accredited third-party verification bodies relating to the verification of Scope 1 GHG emissions that fall within the scope of the EU emissions trading scheme (EU ETS). These provided coverage of an additional c.32% of TITAN Group's CO2 emissions;
- An analytical review and desktop testing of the year end data submitted by all sites included in the consolidated performance information;
- A second visit to TITAN Head Office in Athens, Greece to:
    - Review the activities and results of stakeholder engagement and TITAN's materiality assessment;
    - Test the effectiveness of internal controls in relation to the accuracy and completeness of the corporate consolidated data for the relevant indicators;
    - Collect additional evidence through interviews with management (including Environment, Safety, HR, Legal Dept., Internal Audit and Procurement) and documentation review to support management assertions covered by our engagement;
- A review of the presentation of information relevant to the scope of our work in the Reports to ensure consistency.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The limitations of our engagement

The reliability of the assured data is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context. Our independent assurance statement provides no assurance on the maintenance and integrity of the website, including controls used to achieve this, and in particular whether any changes may have occurred to the information since it was first published.

Our Observations

We have provided TITAN with a separate detailed management report. Without affecting the conclusions presented above, we have the following key observations:

- During 2017 TITAN has continued to roll out its corporate policies to its operations including translation of policies into local languages and training programs. In order to monitor the implementation of Group policies consistently over time and across operations we recommend the development of comparable and auditable performance expectations (beyond local legislation and market norms) for each policy in order to monitor and measure local alignment with Group policies through internal and third party audits;
- TITAN's Group wide independent (anonymous) grievance mechanism currently covers Greece and the USA with 62% of TITAN Group employees. We encourage TITAN to give priority in 2018 to its plans to extend this gradually to all countries of operation in order to improve opportunities for the reporting of possible non-compliances, in particular in relation to corruption and conflicts of interest, in countries where these have been identified as higher risk.

ERMCVS

Jennifer Iansen-Rogers
Partner, Head of Corporate Assurance

26 March 2018

ERM Certification and Verification Services, London
www.ermcvs.com; Email: post@ermcvs.com

ERM CVS is a member of the ERM Group. The work that ERM CVS conducts for clients is solely related to independent assurance activities and auditor training. Our processes are designed and implemented to ensure that the work we undertake with clients is free from bias and conflict of interest. ERM CVS and the staff that have undertaken work on this assurance exercise provide no consultancy related services to TITAN Cement Company S.A in any respect.

Principles and boundaries of non-financial performance review

The review of non-financial performance of TITAN Group is presented in the Annual Report of the Board of Directors 01.01.2017 – 31.12.2017, with reference to the issues identified as material for the Group and its key stakeholders. In order to report on material issues TITAN applies the "Advanced level" criteria for Communication on Progress of the UN Global Compact (UNGC) initiative and the respective sectoral Guidelines and protocols of the Cement Sustainability Initiative (CSI).

The basis for the disclosures relating to "Identified material aspects and boundaries" and "Stakeholder engagement" in this report, are the Standard Disclosures G4-17 to G4-27 of the GRI G4 Guidelines.

The review non-financial performance in the Annual Report of the Board of Directors 2017 is independently verified against the above criteria by ERM CVS (ERM CVS's Independent assurance statement to TITAN Cement S.A. is available in this section).

Defining the content of non-financial performance review

The content of the Annual Report of the Board of Directors 2017 follows the outcomes of Group materiality assessment and material issues are presented for consistency purpose with the title and in the order that has been determined and prioritized through the assessment. The boundaries of reporting for each material issue are defined by the principles of materiality and inclusiveness, so as to meet expectations of stakeholders, provide adequate information comparable with performance achieved in previous years and ensure consistency, balance and accuracy.

The definitions and methodology for the calculation of the non-financial indicators that are used in this report to monitor, report and verify the Group's non-financial performance are presented at the end of this Section, with the analysis of the Group's integrated system for reporting on non-financial performance and the related Sustainability Glossary and Guidelines.

Independent assurance

TITAN is committed to independent third party assurance of its non-financial performance at a reasonable level since 2007, in order to safeguard quality, consistency and reliability of information provided to stakeholders. In addition, TITAN aims at improving continuously its performance by listening to stakeholders and the recommendations of independent experts are considered as material feedback covering all key operations, impacts and commitments to meet business priorities regarding sustainable development.

In 2017, independent assurance of the non-financial Group performance review and indicators has been assigned to ERM CVS and their Independent Assurance Statement is included in this section of the Report. Following the conclusion of two years of assurance by ERM CVS of the non - financial performance assurance of the Group, ERM CVS has been invited by TITAN to continue to provide assurance services for 2018 and 2019.

Scope of the 2017 non-financial performance review and indicators

Performance data are provided by all TITAN Group subsidiaries, except that of the new joint venture in Brazil, form the basis of this Report.

Data aggregations and indicators on environmental performance are calculated according to the definitions provided by the Cement Sustainability Initiative Guidelines for air and CO_2 emissions, water withdrawal and consumption, and energy consumption. The basis of calculation is presented in the following table:

TITAN Group basis for calculating environmental performance indicators 2016 - 2017				
Region	**Country**	**Plant**	**2016 equity**	**2017 equity**
USA		Pennsuco	100.00%	100.00%
		Roanoke	100.00%	100.00%
Greece and Western Europe	Greece	Elefsis	100.00%	100.00%
		Kamari	100.00%	100.00%
		Patras	100.00%	100.00%
		Thessaloniki	100.00%	100.00%
Southeastern Europe	Albania	Antea	100.00%	100.00%
	Bulgaria	Zlatna Panega	100.00%	100.00%
	FYROM	Usje	100.00%	100.00%
	Kosovo	Sharr	100.00%	100.00%
	Serbia	Kosjeric	100.00%	100.00%
Eastern Mediterranean	Egypt	Alexandria	100.00%	100.00%
		Beni Suef	100.00%	100.00%
	Turkey	Tokat	50.00%	50.00%
		Antalya	50.00%	50.00%
		Marmara	100.00%	100.00%

TITAN Group units 2017	Greece and Western Europe	USA	South Eastern Europe	Eastern Mediterranean	Total
Cement plants	3	2	5	3	**13**
Grinding plants	1	0	0	2	**3**
Quarries	26	7	20	17	**70**
for raw materials used by cement plants	*13*	*2*	*18*	*16*	*49*
for aggregates production	*13*	*5*	*2*	*1*	*21*
Ready-mix plants	27	84	8	5	**125**
Distribution terminals	8	14	1	2	**25**
for cement	*8*	*10*	*1*	*2*	*21*
for aggregates	*0*	*4*	*0*	*0*	*4*
Concrete block plants	0	10	0	0	**10**
Dry mortar plants	1	0	0	0	**1**
Fly ash processing plants	0	6	0	0	**6**
Processed engineered fuel plants	0	0	1	1	**2**
Total	**66**	**124**	**35**	**30**	**255**

The calculation of key indicators of the Group's environmental performance is based on consolidated data from cement production and cement grinding plants and their attached quarries.

In line with the Kyoto Protocol, 1990 is the base year for CO_2 emissions. For all other environmental performance indicators, the selected base year is 2003, the year in which TITAN Group reported for the first time consolidated non-financial performance indicators.

Avoided emissions and consumption of natural resources were calculated based on historical information regarding annual production and performance for each one of our cement and grinding plants. Missing information was substituted, on a-case-by-case basis, with estimates either using linear interpolation between available data or maintaining other years' performance in relation to information regarding equipment upgrades. For CO_2 emissions, the base year was 1990, according to Kyoto protocol, while for air emissions and natural resources the base year was 2003. Facilities operating during the base year were taken into account in our calculations using the equity TITAN held at the end of 2017. For a specific period, accumulated quantities were calculated by summing yearly avoided quantities. Each yearly avoided quantity was calculated as the difference between the actually emitted quantity and the quantity that would have been emitted if the performance was that of the base year multiplied by the production of the respective year.

Safety performance indicators are also calculated following the respective CSI reporting Guidelines.

Social performance aggregations and indicators are calculated according to TITAN's integrated reporting management system, which comprises of an in-house developed software platform, the CSR Databank, for all data collection and consolidation processes, as well as a glossary which includes the basic terms and definitions, which are the basis of the calculation of the social performance data and which can be found in this Section.

Specifically, on indicators related to employment, the following should be noted:

- Bulgaria employment does not include Karieri Materiali AD, Karieri AD and Vris OOD
- Greece does not include Ecorecovery SA. Also, by "Greece" is identified the regional operations as well as the Group corporate center
- Turkey includes Adocim Cemento Beton Sanayi ve Ticaret AS (50% TITAN) and Adocim Marmara Cemento Beton Sanayi ve Ticaret AS (100% TITAN)
- USA includes Ash venture, Fly Ash Separation Technologies, and STET Trading Company LLC

Regarding references to TITAN's Management, it should be noted that total TITAN Management consists of Managers and Senior Managers.

All kind of social investments such as training and donations presented in the report do not include operational and administration costs.

Donations from TITAN subsidiaries are collected through its software platform in local currencies. The conversion to euros was calculated to the currency rates as of 31 December 2017, as follows:

Currency rates as of 31 December 2017	
Albania – Lek	132.9500
Egypt – EGP	21.3378
Euro	1.0000
FYROM – Denar	61.4950
Serbia – Denar	118.4727
Turkey – Lira	4.5464
USA – Dollar	1.1993
Kosovo	1.000
Bulgaria	1.000

In-kind donations are calculated at sale prices for own products, at purchase cost for trees and other plants, at market value for full depreciated equipment and at net book value (acquisition cost minus depreciations) for partially depreciated equipment as specified by local accounting systems and laws.

"Local" refers to the administrative region within which lies a cement plant, Ready-Mix unit, a quarry, a terminal, company offices or other premises that belong to the Group or one of its subsidiaries. Locally based suppliers are the providers of materials, products, and services that are based in the same geographic market as the reporting organization (i.e. no transnational payments to the supplier are made).

Changes in the structure

The disclosure of non-financial information continues to evolve. The objective is to give all stakeholders a clearer, complete view of TITAN's policies along with relevant information and data for the performance achieved from year to year in respect to material issues.

New elements in this Report are:

- Contents and title of Section 7 "Non – Financial Statements"
- Additional information in Section 7 related to non-financial performance previously included in TITAN's GRI Index
- Changes in the contents of the UNGC Communication on Progress Review 2017
- TITAN Sustainability Glossary of the basic terms and definitions, as it is presented in this Section.

Reporting and feedback expected from stakeholders

The Report is directed to key stakeholders, namely shareholders, employees, customers, suppliers, government and regulatory authorities, local communities and NGOs.

It is also directed to potential investors, analysts and any other interested party. Feedback related to non-financial performance is welcome and should be addressed to the following email address: csr@titan.gr

For more information, please visit our website: www.titan-cement.com or contact: Maria Alexiou, TITAN Group CSR Senior Manager, at csr@titan.gr, or at Halkidos Street, 111 43 Athens, Greece.

UN Global Compact

Titan declares that this Report meets the "Advanced" level criteria for the UN Global Compact Communication on Progress (COP), as well as the WBCSD/CSI guidelines for reporting on non-financial performance related to specific issues. The report incorporates the criteria for the 'advanced' level in this Section and will be also available through the UN GC web site at www.unglobalcompact.org, after July 2018.

More detail on the scope and boundaries of the assurance is included in the "*Independent Assurance Statement"* in this section.

TITAN integrated system for non-financial reporting

Reporting on social and environmental performance is based in an integrated internal system developed by TITAN Group and updated within 2017, which facilitates the process of collecting, compiling, reporting its non-financial performance throughout the Group, in accordance to TITAN's sustainability strategy and commitments and more specifically UNGC COP criteria for advanced level and WBCSD/CSI Guidelines.

TITAN is reporting its non-financial performance data to stakeholders covering most material issues related to social, environmental and governance, utilizing international and sectoral standards and best practice and 10-year long experience of independent verification of the non-financial performance with 'reasonable assurance'.

Glossary and Guidelines for reporting on non-financial performance

All terms and definitions used for the collection and measurement of non-financial information are based in the guidelines provided by TITAN's partners in its main collaborative actions.

Specifically, for reporting on environmental and health and safety performance, the guidelines, terms and definitions are used as presented in the related latest documents and sources referenced in the table here below.

Similarly, for reporting on social performance guidelines, terms and definitions are used as presented by the documents and sources referenced in the below table, as well as in TITAN's glossary and guidelines for reporting on non-financial performance, as presented in the following pages:

TITAN collaborative Initiatives	Principles/Guidelines/Commitments
United Nations Global Compact (UNGC)	The Ten Principles and the "Advanced" level criteria for the UN Global Compact Communication on Progress (COP) GC Advanced COP submission guide COP Policy
World Business Council for Sustainable Development/ Cement Sustainability Initiative (WBCSD/CSI)	**Sectoral Guidelines for reporting on environmental performance** • CSI: The Cement CO_2 and Energy Protocol, v.3.1 (2011) • CSI Guidelines for Quarry Rehabilitation (2011) • CSI Biodiversity Management Plan (BMP) Guidance (2014) • CSI Guidelines for Emissions Monitoring and Reporting in the Cement Industry, v.2.0 (2012) • CSI Protocol for Water Reporting (2014) • CSI Guidance on Good Practices for Water Accounting (2016) • CSI Guidelines for Co-Processing Fuels and Raw Materials in Cement Manufacturing, v.2.0 (2014) and companion document: Creating solutions for safe, resource-efficient waste management (CSI, 2014) • WBCSD publications for the circular economy (2016-2017): CEO Guide to the circular economy, 8 Business cases for the circular economy • The WBCSD Natural Capital Protocol (2015-2016) • The WBCSD Natural Capital Protocol Toolkit • CSI Guidelines for Environmental & Social Impact Assessment (2016) • CSI Cement Sector Scope 3 GHG Accounting and Reporting Guidance (2016) • WBCSD: The Global Water Tool • WBCSD: The Integrated Biodiversity Assessment Tool (IBAT) • WBCSD/CSI: A Sectoral Approach - Greenhouse gas mitigation in the cement industry • WBCSD: Low Carbon Technology Partnerships Initiative (LCTPi) • WBCSD/CSI: Environmental Product Declaration (EPD)
	Sectoral Guidelines for reporting on social performance • CSI: Recommended Good Practice(s) for (a) Driving Safety and (b) Contractor Safety, (2009) • CSI Guidelines for Measuring and Reporting on Safety, amended version 2013 • CSI Health Management Handbook, 2015 • CSI: Sustainable supply chain management principles and guides (3 documents), 2016
Other, International References and Best Practice Documents	**Sources related to reporting on environmental performance** • World Resources Institute • United Nations Framework Convention on Climate Change • Kyoto Protocol • Rio Declaration on Environment and Development (1992), United Nations Conference on Environment and Development • Montreal Protocol (THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEPLETE THE OZONE LAYER) • Business and Biodiversity Offsets Program (BBOP) • Convention on Biological Diversity • The European Cement Association (CEMBUREAU) • The Economics of Ecosystems and Biodiversity (TEEB) • International Union for the Conservation of Nature and Natural Resources (IUCN) • International Energy Agency (IEA) • Inter-Governmental Panel on Climate Change (IPCC) • World Health Organization (WHO) • The EU Emissions Trading System (EU ETS) • United Nations Framework Convention on Climate Change (UNFCCC) • Intended Nationally Determined Contributions (INDCs) • Annex I to the UNFCCC • The Ellen MacArthur Foundation; (ref. report: "Towards the Circular Economy")
	Sources related to reporting on social performance and corporate governance • The European Pact for Youth • European Quality Charter on Internships and Apprenticeships • The International Integrated Reporting Council (IIRC): Principles for Integrated Reporting • International Labor Organization (ILO): ILO Convention 138, 'Minimum Age Convention', 1973; Collective Bargaining Convention, 154, 1981; Forced Labor Convention, 29, 1930; Indigenous and Tribal Peoples Convention, 169, 1991; Declaration on Fundamental Principles and Rights at Work (Guiding principles on Business and Human Rights, United Nations Human Rights, 2011; • Transparency International: Business Principles for Countering Bribery 2013 • Organization for Economic Co-operation and Development (OECD): Guidelines for multinational enterprises, 2011 • United Nations: Guiding Principles on Business and Human Rights, Implementing the United Nations- "Protect, Respect and Remedy" Framework', 2011; Declaration on the Rights of Indigenous Peoples, 2007; Convention on the Elimination of All Forms of Racial Discrimination, 1966; Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), 1979; Convention on the Rights of the Child, 1989; International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families, 1990; Universal Declaration of Human Rights, 1948; International Covenant on Civil and Political Rights, 1966; International Covenant on Economic, Social and Cultural Rights, 1966; International Bill of Human Rights;

TITAN collaborative Initiatives	Principles/Guidelines/Commitments
	• National Safety Council, USA; Occupational Safety and Health Administration (OSHA) of the USA Department of Labor; OSHA Forms for recording work-related injuries and illnesses (instructions only); What's the OSHA Difference? First Aid Incidents vs. Recordable Incidents; • World Health Organization (WHO); The Brundtland Commission • SustainAbility.com • International Finance Corporation (IFC): Performance Standards, 2012 • Danish Institute for Human Rights, June 2006 • ISO26000:2010 • OHSAS 18001:2007

absentee; A worker who is absent from work because of incapacity of any kind, not just as the result of work-related injury or disease; permitted leave absences such as holidays, study, maternity or paternity leave ('parental leave'), and compassionate leave are excluded. TITAN tracks the number of man-days lost as follows: (a) Man-days lost due to occupational health problem – medically justified, (b) Man-days lost due to an LTI, (c) Man-days lost due to occupational health problem – medically unjustified, (d) Other. In the CSR Databank, the user has to record the (absolute) number of the days that were lost.

apprenticeship; Apprenticeships are those forms of Initial Vocational Education and Training (IVET) that formally combine and alternate company based training (periods of practical work experience at a workplace) with school-based education (periods of theoretical/practical education followed in a school or training center) and whose successful completion leads to nationally recognized IVET certification degrees. Most often there is a contractual relationship between the employer and the apprentice. It can be at both secondary and tertiary level (high school or higher education). The duration has to be from three months up to a year.

award and/or recognition; TITAN tracks the awards and recognitions group-wide, by each Business Unit or 'BU'. These are prizes or other marks of recognition given in honor of an achievement or of an excellence in a certain field.

child; TITAN's Group Code of Conduct makes reference to the ILO Convention 138 'Minimum Age Convention'37, which refers to both child labor and young workers. TITAN allows employment only for people who are over 18 years old. To avoid the risk of child labor, TITAN has imposed strict requirements on its contractors and does not allow them to carry out our work with the help of any person younger than 18 years old. All contractors are expected to present a full list showing the profile and training of their employees before being commissioned for any contracted job. All contractors are aware of TITAN's policy against child labor and they are monitored regularly to safeguard compliance with TITAN's standards.

cost center; Cost center is the smallest organizational unit that represents a clearly defined location where costs occur and where all expenses are collected. The definition of a cost center can be based on functional requirements, allocation criteria, physical location or responsibility for costs. Each cost center generally has a single business owner who is responsible for managing actual costs. Cost Centers are typically used to capture the cost of overheads.

contractors;

- contractor is a company or an individual who is not a TITAN company or employee but has been engaged by a TITAN company to carry out specified work, either on a short-term (specific job) or long-term basis (such as drivers or maintenance crews). This definition includes all levels of subsequent subcontractors. Specifically related to the works carried by a contractor, in the majority of cases these are carried within the areas of operations and/or control of ownership by the Company. Works performed by contractors on company premises and transportation activities performed everywhere are under TITAN's supervision regarding the health and safety aspect.
- subcontractor is a company or an individual who is not a TITAN company or employee but has been engaged by a contractor to carry out specified work as part of the contract for a TITAN company. There can be more than one level of subcontractor, all deemed to the contractors.
- contract is a formal agreement between a TITAN company and a contractor to carry out an agreed scope of specified work or jobs, regardless of payment type (such as lump sum, turnkey, unit price, time and materials or cost plus). Excluded from this definition are independent external services where there is no TITAN management control exercisable in the safety aspects of that service provision.
- supplier is a person or organization providing goods or services. The term 'contractor' can be used for denoting the same subject matter, but in specific related to services provided by a person or organization, and where in the majority of cases these services are provided within the areas of operations and/or control of ownership

by the company. The term 'supplier', under the current terminology, is broader and in principle covers also the contractors.

- global suppliers: Suppliers are considered global when they provide goods or services around different geographic areas. Most global suppliers work with local suppliers to perform the job, creating a multiple-tier supply chain.
- local suppliers: Suppliers are considered local when they provide goods or services to the company within a limited scope of geographic area, such as a country, or state as in the case of the USA, or a locality which is neighboring to the operations of the company (municipality or other). In this context local suppliers are all suppliers which are not considered as global. In addition, local suppliers are the suppliers who are headquartered for their business activity and have their tax registration in the same area of operations of the company or in the same geographic area where they provide services to the company, in line with this definition.
- supplier screening is a formal or documented process that applies a set of performance criteria as one of the factors in determining whether to proceed with a relationship with a supplier.
- sustainable supply chain management: The management of environmental, social and economic impacts and the encouragement of good governance practices throughout the life cycles of goods and services.
- third party is considered any person not categorized as directly employed or contractor/subcontractor. Third parties typically include but are not limited to customers and visitors to company locations (whether specifically invited or not), drivers or passengers or other road users involved in off-site motor accidents with company vehicles. These accidents are reported only if there is company or employee (employees or contractors/subcontractors) culpability, workers at someone else's premises, for example construction sites, involved in accidents but only if there is company or employee (directly employed or contractors/subcontractors) culpability. Where transport is carried out as an independent service (for example by a courier) for goods such as parcels or spare parts for equipment, the related drivers may be regarded as third parties.
- worked hours by contractors/subcontractors are all worked hours of all personnel of contractors and subcontractors engaged in activities on company premises, including all overtime and excluding vacation days. Notes: (a) Training hours should be included in the number of hours reported, (b) the reporting of working hours of contracted truck drivers due to loading or unloading activities for in/or outbound logistic activities is excluded, even if performed on the premises of the company. If a truck driver has a lost-time injury (LTI) during such activities, this LTI has to be counted as an on-site LTI, even if no hours are related to this activity. (c)national holidays, maternity leaves, illnesses or occupational diseases and strikes should not be included in the number of hours reported, (e) data should be taken from the plant's kept data. If exact hours worked are not recorded, then these should be estimated to the best possible accuracy.

donations and/or community investments; Total community investments refer to actual expenditures in the reporting period, not commitments. An organization can calculate community investments as voluntary donations plus investment of funds in the broader community where the target beneficiaries are external to the organization. Notes: Voluntary donations and investment of funds in the broader community where the target beneficiaries are external to the organization can include: a) contributions to charities, NGOs and research institutes (unrelated to the organization's commercial research and development); b) funds to support community infrastructure, such as recreational facilities; c) direct costs of social programs, including arts and educational events. If reporting infrastructure investments, an organization can include costs of goods and labor, in addition to capital costs, as well as operating costs for support of ongoing facilities or programs. An example of support for ongoing facilities or programs can include the organization funding the daily operations of a public facility. Community investments exclude legal and commercial activities or where the purpose of the investment is exclusively commercial. Community investments also exclude any infrastructure investment that is driven primarily by core business needs, or to facilitate the business operations of an organization. Infrastructure investments driven primarily by core business needs can include, for example, building a road to a mine or a factory. The calculation of investment can include infrastructure built outside the main business activities of the organization, such as a school or hospital for workers and their families. Under TITAN guidance: The Group tracks the donations by country and per genre (in-cash and in-kind), at the end of the reporting period.

Employees: An employee is an individual who is, according to national law or practices, recognized as an employee of the reporting organization, holding either a full-time, part-time or temporary job for a specified payroll period. TITAN Group tracks various information around employment, covering its reporting requirements towards the headquarters' country's legislation, the CSI, and the UNGC, as follows:

- full-time employee is defined according to national legislation and practice regarding working time (such as national legislation defines that "full-time" means a minimum of nine months per year and a minimum of 30 hours per week). The number of full-time employees should be taken from the BU's data (employees charged to the facility's cost center); e.g. If the number of employees on the last day of the months in a year are as follows: 100 in January, February, March, 95 in April and May, 115 in June, July, August, 110 in September, October and November and 108 in December; then the annual number of full-time employees equals to [(100x3)+(95x2)+(115x3)+(110x3)+108]/12=106.08 . The CSR Databank rounds-up the final number, so that there are no decimals. The allocation of the worked hours of individuals to plants, head offices or other locations follows the charging of salaries to the respective cost centers, not the physical location where they perform their duties.

- part-time employee is an employee whose working hours per week, month, or year are less than 'full-time' as defined above. The number of part-time employees should be taken from the operations' personnel data (employees charged to the facility's cost center). For the annual data, FTEs should be taken into consideration estimated as definition given above. In respect to health and safety issues and according to WBCSD/CSI guidelines, the number of part-time employees should be taken from the operations' personnel data (employees charged to the operations' cost center). For the annual data, Full Time Equivalents (FTEs) should be taken into consideration. e.g. If 10 employees have worked part-time, 50% of their time, for 6 months, the annual number of part-time employees equals to 10x0.50x(6/12)= 2.50
- Special notes on employment for TITAN Group:
  - (a) Bulgaria employment does not include Karieri Materiali AD, Karieri AD and Vris OOD, (b) Greece does not include Ecorecovery SA. Also, by "Greece" is identified the regional operations as well as the Group corporate center, (c) Turkey includes Adocim Cemento Beton Sanayi ve Ticaret AS (50% TITAN) and Adocim Marmara Cemento Beton Sanayi ve Ticaret AS (100% TITAN), (d) USA includes Ash venture, Fly Ash Separation Technologies, and STET Trading Company LLC
  - TITAN Group tracks employment as follows: (a) employment end year: this is the number of employees as of 31 December of the reporting year; it is used in the calculation of the employee turnover; (b) average employment in the CSR Databank: (a) this is the average number of employees or average headcount per year, including staff leaving within the month; It is calculated as follows: the number of employees at the end of each month is recorded. Then the sum of these monthly records is divided by 12. The quotient is the average employment of the 12-month reporting period; (c) for safety performance indicators, average employment is calculated as full-time equivalent (see below full-time equivalent) of the average number of full-time and temporary employees and not as headcount.
- employee category is a breakdown of employees by level (such as senior management, middle management) and function (such as technical, administrative, production); For TITAN, the following employee categories apply: (a) Senior Managers: Regional Directors, BU heads or General Managers, Direct Reports of BU Heads or General Managers (i.e. VPs or Functional Directors/Managers); (b) Managers: Supervisors, Professionals (i.e. Internal Audit Managers, Maintenance Managers); (c) Administration/Technical roles (incl. logistics): Office Personnel, Engineers (i.e. Production Engineers, Sales Representative, Accountant etc.); (d) Semi-skilled/Unskilled Labor
- employee turnover is the number of employees who leave the organization voluntarily or due to dismissal, retirement, or death in service; employee turnover should be reported by 'age group' and gender. Calculation: the employee turnover is equal to the number of employees leaving, divided by the total number of employees (headcount) at the end of period recorded, multiplied by 100 (in order to give a percentage value). The number of employees leaving and the total number of employees are measured over one calendar year.
- full-time equivalent: Sometimes abbreviated as FTE, is a unit to measure employed persons in a way that makes them comparable although they may work a different number of hours per week. The figure is calculated by dividing an employee's average number of hours worked by the average number of hours of a full-time worker. The number of hours of a full-time worker will be defined as per the local legislation.
- local employee is an individual who lives in the same location (municipality, regional, country) as the operational sites. For reporting purposes, TITAN defines (discloses) in each country whether local means: i) Municipality, ii) Regional, iii) Country
- new employee hires are new employees joining the organization for the first time; total new hires should be reported by age group and gender.
- worked hours by employees: Total actual hours by the personnel are defined as all the worked hours of all personnel engaged in the scope of the CSI safety reporting, including all overtime and excluding vacation days. Training hours should be included in the number of hours reported. National holidays, maternity leaves, illnesses and occupational diseases and strikes

should not be included in the number of hours reported. Data should be taken from the facility's records kept by the personnel department.

local community: Individuals or groups of people living and/or working in any areas that are economically, socially or environmentally impacted (positively or negatively) by the organization's operations. The local community can range from people living adjacent to operations (likely for cement plants) through to isolated settlements at large distances from operations that may experience the impacts of these operations. In addition, the definition of local community could be extended to cover regional geographic areas when referring to ready mix sites, quarries for the production of aggregates and raw materials in general, and others facilities such as terminals etc.

lost days are "calendar days". They are calculated as the difference between the date of leaving work and the date of returning to work (as a result of an injury/LTI), less one calendar day. There is general agreement that the counting of lost days' ceases with a return of the injured person to restricted (or light) work or normal work (provided that it is legally acceptable in the country concerned and medically approved). If the return is the day/ shift immediately after an injury, then there is no LTI as no days are lost. It should be noted however that national 'incident and/or accident' reporting requirements might be different from the CSI definitions described here above. In such cases, the national reporting requirements should always be met.

memberships and cooperations: A membership is the company's paid participation in an organization, institution or network. A cooperation is a formal or informal commitment to work or take specific actions jointly with other companies or organizations, without the precondition of a fee.

occupational disease: Disease arising from a work situation or activity, or from a work-related injury. Note: Examples of work situations or activities that can cause 'occupational diseases' can include stress or regular exposure to harmful chemicals. Occupational disease rate: Frequency of occupational diseases relative to the total time worked by all workers during the reporting period. Occupational disease rate can be calculated for a specific category of workers (e.g., employees).

parental leave: Leave granted to men and women employees on the grounds of the birth of a child. This must not be confused with the short-term leave granted due to the actual birth of the child (example given: in the case of Greece the short-term leave is a three-day leave).

reporting period: Specific time span covered by the information reported. For TITAN, the reporting period the year starting from January and ending December.

security personnel consist of individuals employed for the purposes of guarding property of the organization; crowd control; loss prevention; and escorting persons, goods, and valuables.

stakeholders are individuals and groups who have an interest in any decision or activity of an organization, and/or who see themselves as potentially affected by, or who may affect, the group's operations at local, national or international scale. For TITAN, stakeholders may include employees and/or labor unions, government agencies, regulators, non-government organizations (NGOs), academic institutions, research groups, customers, suppliers, religious groups, indigenous people, youth, and the media.

training refers to (a) All types of vocational training and instruction, (b) Paid educational leave provided by the reporting organization for its employees, (c) Training or education pursued externally and paid for in whole or in part by the reporting organization; (d) Training on specific topics such as health and safety, and (e) Training does not include on-site coaching by supervisors

- employees or contractors trained is the absolute number of people trained. It does not take into account the number of participations (repetition) for each employee. When monthly recording trained employees in the CSR Databank there should be no double-counting, when an employee had more than one training events/sessions etc. Therefore, the user has to record the number of new employees trained and not record the same ones, even if they attend another training.
- Specific notes on TITAN training:
  - Training activities are all the in class and on the job programs, e-learning training programs (calculated by the documented hours to the HR Department), the induction (in classroom) days, and post-graduate studies covered by the company.
  - One training hour is 45-60 minutes. Anything less than 45 minutes is not considered a training hour
  - The absolute number of employees trained does not take into account the number of participations (repetition) for each employee
  - Training hours: Time measured in hours dedicated to training. Calculation: participants multiplied by the total duration (hours) of training programs. The duration of a training program is calculated from the time the training starts until it finishes (breaks are not deducted). Training hours should be reported by "gender" and "employee category".

- Training subjects (alphabetically), until end of 2017:
    - Environment: Care and management systems: subjects relevant to Environment care and environment management systems, as well as environmental quality
    - Foreign languages: languages different than native language of the training participant
    - Health and safety: Training addressed to employees and contractors on occupational health and safety issues. In accordance to WBCSD/CSI Guidelines, it includes also non-work related health and safety issues. It should include the "8 hours" safety induction per new employee in each plant. Report per gender.
    - Human rights: specialized programs covering topics related to Human Rights
    - Management and managerial skills: the range of skills (people skills, influencing skills, strategic management skills etc.) which are required of a manager to effectively coordinate, communicate, direct and develop people and oversee processes
    - Non-technical skills and specialization: knowledge obtained relevant to the working object and to the training participant's discipline, linked to non-technical functional activities, e.g. HR, Financial, Sales techniques, IT, etc.
    - Other: Specialized programs that cannot be covered by the above mentioned categories
    - Security: This training subject regards the training of the security personnel on issues of security (techniques and /or management) issues, for example crowed control, fire safety, protection from malicious actions, exercise for facility security etc. See also 'security personnel' here below.
    - Technical know-how / core competence: technical professional training related to the main company business activities such as cement, concrete, aggregates, ready-mix, dry mortar, fly ash, cementitious blocks process technology
    - TITAN Group Code of Conduct: training regarding the understanding of TITAN's Group Code of Conduct

- total investment on training programs addressed to employees: It includes the trainer's cost (including the trainer's travel expenses), hospitality cost of the training participants (e.g. coffee, snacks), the participants' travel expenses (transfer, accommodation, meals), the training material cost (e.g. manuals), any other training material or equipment cost (e.g. audiovisual) relevant to the training execution. It does not include the payroll cost of the participants (this should always be indicated when the data is presented). It must be reported by gender.

total Investment on training programs addressed to contractors: It includes the trainer's cost (including his/her travel expenses), hospitality cost of the training participants (e.g. coffee, snacks), the participants' travel expenses (transfer, accommodation, meals), the training material cost (e.g. manuals), any other training material or equipment cost (e.g. audiovisual) relevant to the training execution. Report per gender.

Environmental performance

Table 1: TITAN Group – All activities performance[1]

WBCSD/CSI	Description	2013	2014	2015	2016	2017
Impact on natural recourses	Raw material extracted	29.2	29.5	30.3	32.2	33.7
	for cement production, million metric tons (wet)	20.5	18.2	19.0	19.5	20.7
	for aggregates, million metric tons (wet)	8.7	11.3	11.3	12.7	13.0
	Raw material consumed					
	for cement production, million metric tons (dry)	20.2	18.2	20.0	21.7	22.6
	for ready mix. dry mortar and block production, million metric tons (wet)[(2)]	6.0	6.9	8.0	8.7	10.7
	Total heat consumption, TJ	43,907	40,093	44,333	47,316	49,192
	Total electrical energy consumption, TJ	6,113	5,698	6,101	6,652	6,805
	*Total water consumption, million m^3	9.4	8.4	9.1	9.1	10.5
	Recycled (externally) waste materials, metric tons	248,940	353,600	294,000	413,553	255,228
	Reused (externally) waste materials, metric tons				9,683	4,395
	Recovered (externally) waste materials, metric tons				3,438	81
Water withdrawal by source million m^3	Ground water	26.0	27.0	28.0	26.8	31.4
	Municipal water	0.9	0.9	1.0	1.0	1.3
	Rain water	0.2	0.2	0.2	0.2	0.2
	Surface water	1.7	1.0	1.2	1.0	1.0
	Quarry water used (from quarry dewatering)	0.0	0.0	0.0	0.1	0.1
	Ocean or sea water	1.1	1.3	1.3	1.3	1.3
	Waste water	0.0	0.0	0.1	0.1	0.1
	***Total**	**29.9**	**30.4**	**31.8**	**30.5**	**35.4**
Water discharge by destination million m^3	Surface (river, lake)	19.3	20.6	21.3	20.0	23.5
	Ocean or sea	1.1	1.3	1.3	1.3	1.3
	Off-site treatment	0.1	0.1	0.1	0.1	0.1
	Total	**20.5**	**22.0**	**22.7**	**21.4**	**24.9**
Local impacts and biodiversity	Active quarry sites with biodiversity issues[(3,5)]	8	8	8	8	10
	Active quarry sites with biodiversity management plans[(4,5)]	3	3	6	6	8
	Active quarry sites with biodiversity management plans[(4,5)], %	37.5	37.5	75.0	75.0	80.0
	Sites with community engagement plans, %	100.0	100.0	100.0	100.0	100.0
	Sites with quarry rehabilitation plans[(5)], %	79.0	80.0	82.0	87.0	81.0
	Active quarry sites (wholly owned) with ISO14001 or similar, %	94.0	94.0	96.0	93.0	81.0

Notes
1) Figures based on specific year equity
2) Figures for years before 2015 were revised to reflect only natural material consumed.
3) Active quarries within, containing or adjacent to areas designated for their high biodiversity value.
4) Sites with high biodiversity value where biodiversity management plans are actively implemented.
5) Since 2011, coverage of wholly owned active quarries has expanded, to include both quarries attached to TITAN's cement plants and quarries for aggregates production.

*** 2017 Data included in scope of ERM Certification and Verification Services (ERM CVS) assurance engagement for 2017 (ERM CVS' "*Independent assurance statement*" is available in this section).**

Table 2: TITAN Group - Cement plants, attached and related quarries performance

WBCSD/CSI	Description	2013	2014	2015	2016	2017
Climate change	*Total gross direct CO_2 emissions, million metric tons	10.2	9.5	10.5	11.4	11.9
	*Total net direct CO_2 emissions, million metric tons	10.1	9.4	10.3	11.1	11.6
	*Specific gross direct CO_2 emissions, $kg/t_{Product}$	664.3	674.4	706.1	718.0	715.5
	*Specific net direct CO_2 emissions, $kg/t_{Product}$	657.3	662.3	691.6	699.5	698.9
	Total indirect(1) CO_2 emissions, million metric tons	1.1	1.1	1.1	1.2	1.2
Alternative fuels and materials	*Alternative fuel substitution rate, $\%_{HB}$	4.30	6.65	6.75	8.58	9.05
	*Biomass in fuel mix, $\%_{HB}$	1.63	2.22	1.57	2.14	2.59
	Alternative raw materials (clinker & cement), $\%_{Dry}$	6.1	7.0	5.5	5.1	5.5
	Clinker to cement ratio	0.844	0.831	0.847	0.844	0.837
Other air emissions	*Overall coverage rate, %	-	61.8	75.1	82.5	77.6
	*Coverage rate continuous measurement, %	-	80.9	53.5	52.8	81.7
	*Total dust particulates, metric tons	524	416	438	316	273
	*Specific dust particulates, $g/t_{Clinker}$	42.2	37.0	35.7	23.9	19.9
	*Coverage rate, %	-	100.0	92.9	100.0	100.0
	*Total NOx, metric tons	22,785	18,088	20,927	22,473	18,409
	*Specific NO_x, $g/t_{Clinker}$	1,832.5	1,610.4	1,705,8	1,702.9	1.340.0
	*Coverage rate, %	-	100.0	100.0	100.0	100.0
	*Total SOx, metric tons	2,351	2,969	2,527	2,713	2,733
	*Specific SO_x, $g/t_{Clinker}$	189.1	264.3	206.0	205.6	199.0
	*Coverage rate, %	-	88.9	100.0	100.0	100.0
	Total TOC, metric tons	-	325	394	607	708
	Specific TOC, $g/t_{Clinker}$	-	29.0	32.1	46.0	51.5
	Coverage rate, %	-	89.0	98.7	100.0	100.0
	Total PCDD/F, mg	-	366	253	160	342
	Specific PCDD/F, $ng/t_{Clinker}$	-	32.6	20.6	12.1	24.9
	Coverage rate, %	-	81.6	96.7	100.0	89.1
	Total Hg, kg	-	514	522	760	477
	Specific Hg, $mg/t_{Clinker}$	-	45.7	42.6	57.6	34.7
	Coverage rate, %	-	91.9	100.0	90.0	95.9
	Total (Cd and Tl), kg		190	208	351	243
	Specific (Cd and Tl), $mg/t_{Clinker}$	-	16.9	16.8	26.6	17.7
	Coverage rate, %	-	72.2	78.5	82.5	77.6
	Total (Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V), kg	-	2,485	5,378	4,804	3,734
	Specific (Sb, As, Pb, Cr, Co, Cu, Mn, Ni and V), $mg/t_{Clinker}$	-	221.3	439.2	364.0	271.8
	Coverage rate, %	-	72.2	78.5	82.5	77.6
Impact on natural recourses	Total thermal energy consumption, TJ					
	*Cement and grinding plants and attached quarries	43,497	39,506	43,965	46,855	48,786
	Cement and grinding plants, attached and related quarries	43,504	39,512	43,970	46,862	48,792

	*Energy efficiency, kcal/$kg_{Clinker}$	835.5	840.1	856.0	848.0	848,2
	Total alternative fuels, metric tons	89,170	122,790	127,665	163,537	202,757
	Total electrical energy consumption, GWh					
	*Cement plants and attached quarries	1,581	1,481	1,600	1,751	1,796
	Cement plants, attached and related quarries	1,581	1,481	1,600	1,752	1,796
	*Total water consumption, million m^3	4.3	3.8	3.9	3.8	4.3
	*Specific water consumption, lt/t_{Cement}	315.5	305.4	287.1	255.1	273.1
	Materials consumption, million metric tons					
	Total extracted raw materials	20.2	18.2	20.0	21.7	22.6
	Total alternative raw materials	1.3	1.4	1.2	1.2	1.3

NOTES
Indirect CO_2 emissions are related to emissions released for the production of the electrical energy consumed at TITAN's facilities. For their calculation we use emission factors provided by the supplier of the electrical energy or other publicly available data. If no such data are available, the most recent data provided by CSI are used.

*** 2017 Data included in scope of ERM Certification and Verification Services (ERM CVS) assurance engagement for 2017 (ERM CVS' "*Independent assurance statement*" is available in this section).**

Table 3: TITAN Group quarry sites with high biodiversity value

Site	Country	Location	Size (area in km^2)	Type of operation	Status
Pennsuco Quarry	USA	Miami Dade, Florida	24.69	Raw materials extraction for cement and aggregates production	Inside area for protection of freshwater ecosystems (wetlands) on local/state level
Center Sand Quarry	USA	Clermont, Florida	2.75	Raw materials extraction for aggregates production	Adjacent to area for preservation of terrestrial ecosystems on local/state level
Corkscrew Quarry	USA	Naples, Florida	2.44	Raw materials extraction for aggregates production	Adjacent to area for protection of freshwater ecosystems (wetlands) on local/state level
Zlatna Panega Quarry	Bulgaria	Zlatna Panega, Lovech	0.95	Raw materials extraction for cement production	Partly inside NATURA 2000 area for protection of terrestrial ecosystems (SAC)
Xilokeratia Quarry	Greece	Milos Island, Cyclades	0.64	Raw materials extraction for cement production	Inside/adjacent to NATURA 2000 area for protection of terrestrial ecosystems (SAC/SPA)
Apsalos (west and east) Quarries	Greece	Apsalos, Pella	0.08	Raw materials extraction for cement production	Inside NATURA 2000 area for protection of terrestrial ecosystems (SPA)
Aspra Homata I+II Quarries	Greece	Apsalos, Pella	0.14	Raw materials extraction for cement production	Inside NATURA 2000 area for protection of terrestrial ecosystems (SPA)
Rethymno Quarry	Greece	Rethymno, Crete Island	0.34	Raw materials extraction for aggregates production	Inside area for protection of terrestrial ecosystems on national level
Leros Quarry	Greece	Leros Island, Dodecanese	0.23	Raw materials extraction for aggregates production	Inside area for protection of terrestrial ecosystems on national level
Agrinio Quarry	Greece	Aitoloakarnania	0.96	Raw materials extraction for aggregates production	Inside area for protection of terrestrial ecosystems on national level

Table 4: Fuel mix (For clinker and cement production)	%Thermal basis
Conventional fossil fuels	
Coal, anthracite, and waste coal	29.69
Petrol coke	51.12
Lignite	1.46
Other solid fossil fuel	6.70
Heavy fuel (ultra)	0.74
Diesel oil	0.56
Gasoline	0.01
LPG (Liquefied petroleum gas or liquid propane gas)	0.05
Natural gas	0.63
Alternative fossil and mixed fuels	
Tyres	2.10
RDF including plastics	0.78
Impregnated saw dust	0.52
Mixed industrial waste	1.06
Other fossil based and mixed wastes (solid)	3.97
Biomass fuels	
Dried sewage sludge	0.08
Wood, non-impregnated saw dust	0.46
Agricultural, organic, diaper waste, charcoal	0.08

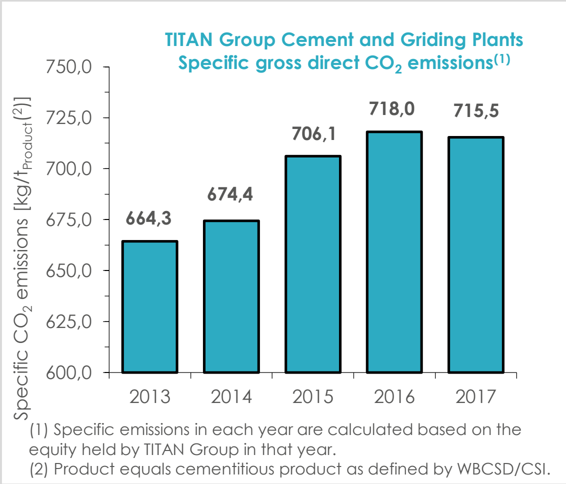
Table 5: Alternative raw materials *(For clinker and cement production)*	Metric tons (Dry)
Industrial gypsum	64,424
Iron lamination scale	9,685
Fayalite	8,409
Limestone (waste/by-product)	39,166
Fly ash (wet)	132,023
Fly ash (dry)	434,980
Bottom ash	82,101
Pyrite-ash	26,557
Blast furnace slag	47,472
Air Cooled Slag	69,827
Water Cooled Slag	46,530
Lead slag	1,180
Steel slag	107,210
Slag (other)	35,632
Cement kiln dust	8,232
Cement by-pass dust	7,786
Demolition wastes/concrete returns	49,814
$FeSO_4*7H_2O$	6,463
$FeSO_4*1H_2O$	2,989
Cupper Powder	7,499
Others	125,799
Total	**1,313,778**

Table 6: Extracted raw Materials *(For clinker and cement production)*	Metric tons (Dry)
Limestone	16,109,179
Marl	2,158,694
Clay	2,022,399
Clay/Marl mix	46,497
Silica-aluminates	832,581
Kaoline	1,618
Gypsum	678,015
Iron oxide	170,007
Natural pozzolanes	236,843
Bauxite	73,393
Lime	1,679
Sand	224,925
Mineralizers (e.g. CaF_2)	4,736
Other	14,658
Total	**22,575,224**

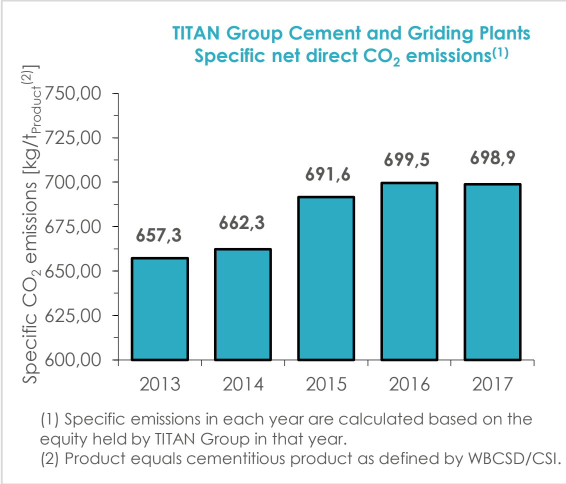
Table 7: Waste disposal	Total metric tons	Non-hazardous metric tons	Hazardous metric tons	%
Incineration	34	11	23	0.01
Landfilled	61,088	60,800	288	19.02
Other	402	381	21	0.13
Recovery (including energy recovery)	81	57	24	0.03
Recycled	255,228	254,789	439	79.45
Reuse	4,395	4,395	0	1.37
Storage	4	0	4	0.00
Total	**321,232**	**320,432**	**800**	**100.00**
%	**100.00**	**99.75**	**0.25**	

Table 8: Environmental expenditures (in million €)	Cement Plants and Plant Quarries	Aggregates Plants and Quarries	Ready Mix Plants	Other	Total	%
Environmental management	12.0	2.3	1.1	0.4	**15.8**	57.45
Reforestation	0.4	0.0	0.0	0.1	**0.5**	1.82
Rehabilitation	0.4	0.1	0.0	0.0	**0.5**	1.82
Environmental training and awareness building	0.1	0.0	0.0	0.1	**0.2**	0.73
Application of environmental friendly technologies	7.2	0.9	0.4	0.1	**8.6**	31.27
Waste management	1.2	0.0	0.5	0.2	**1.9**	6.91
Total	**21.3**	**3.3**	**2.0**	**0.9**	**27.5**	100.00
	77.45	12.00	7.27	3.27	100.00	

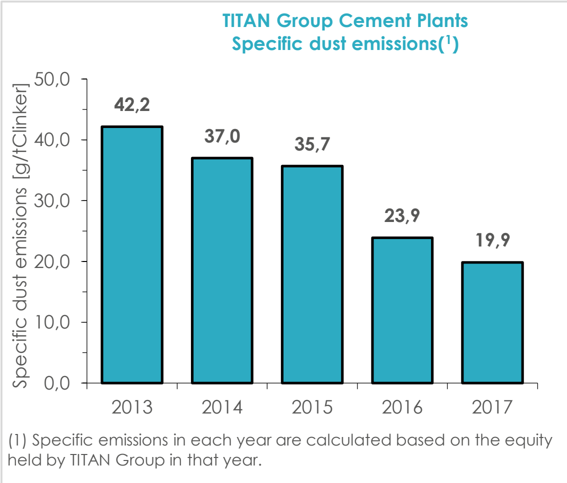
Graph 1: Specific gross direct CO_2 emissions



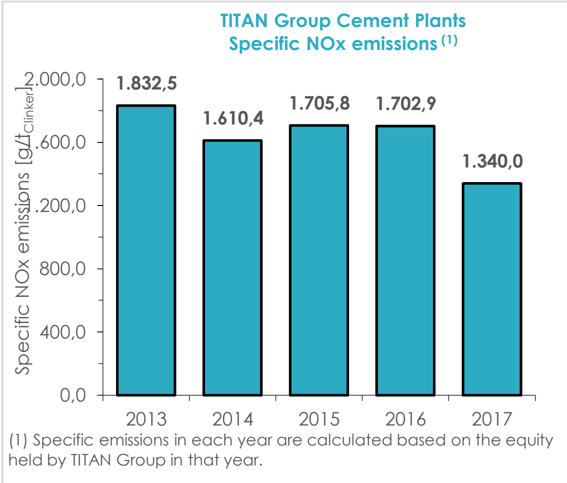
Graph 2: Specific net direct CO_2 emissions



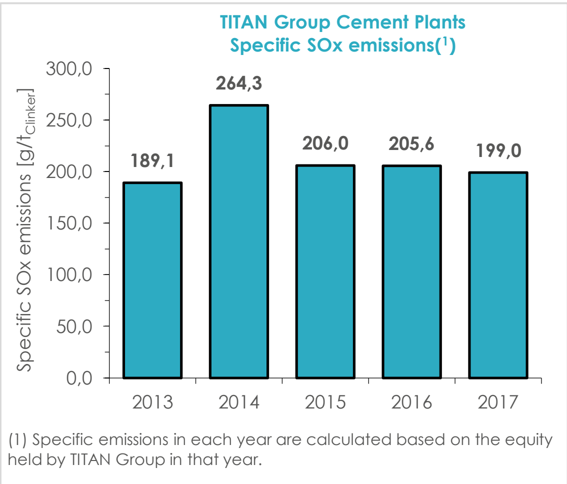
Graph 3: Specific dust emissions



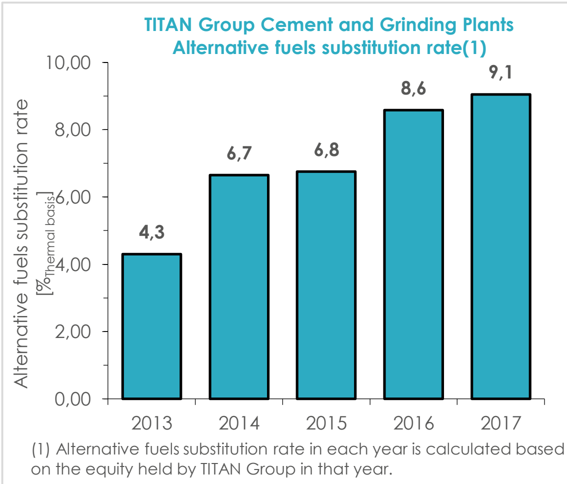
Graph 4: Specific NOx emissions



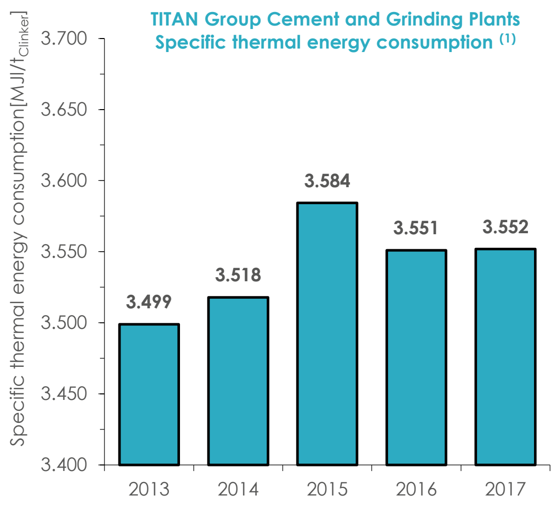
Graph 5: Specific SOx emissions



Graph 6: Alternative fuels substitution rate

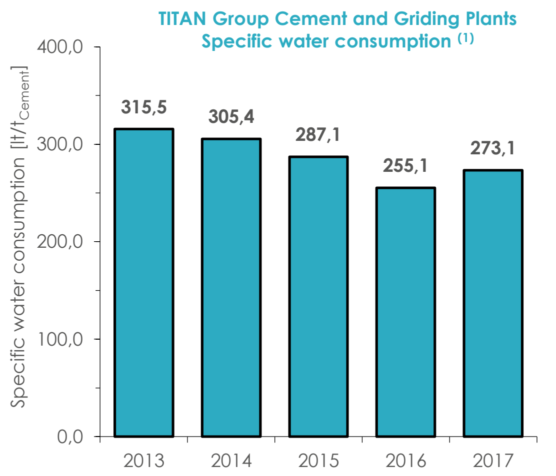


Graph 7: Specific thermal energy consumption



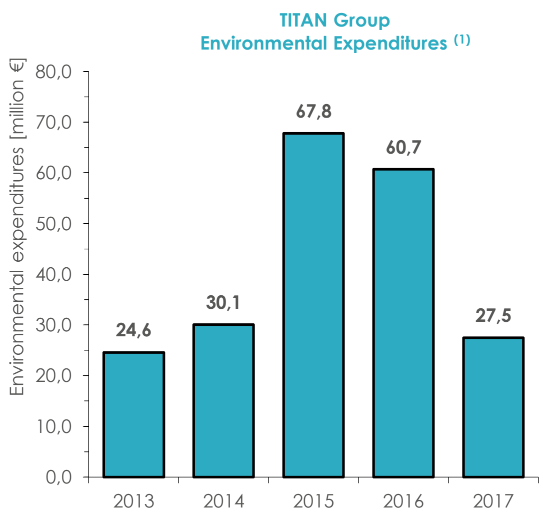
(1) Specific thermal energy consumption in each year is calculated based on the equity held by TITAN Group in that year.

Graph 8: Specific water consumption



(1) Specific water consumption in each year is calculated based on the equity held by TITAN Group in that year.

Graph 9: Environmental Expenditures



(1) Environmental expenditures in each year are calculated based on the equity held by TITAN Group in that year.

Social Performance

Health and safety

Table 9: TITAN Group – All activities performance						
WBCSD/CSI	**Description**	**2013**	**2014**	**2015**	**2016**	**2017**
Health and Safety	*Employee fatalities	0	0	1	0	0
	*Employee fatality rate	0.00	0.00	1.80	0.00	0.00
	*Contractors fatalities	1	1	1	0	0
	Third-party fatalities	1	1	0	1	0
	*Employee Lost Time Injuries (LTIs)	5	18	23	22	27
	*Employee Lost Time Injuries Frequency Rate (LTIFR)	0.47	1.65	2.00	1.92	2.41
	*Employee lost working days	191	1,481	1,624	897	1,220
	*Employee Lost Time Injuries Severity Rate	17.8	135.6	141.4	78.2	109.0
	*Contractors Lost Time Injuries (LTIs)	7	8	11	7	7
	Contractors Lost Time Injuries Frequency Rate (LTIFR)	0.76	0.87	1.10	0.73	0.82
TITAN Group – Cement operations performance						
WBCSD/CSI	**Description**	**2013**	**2014**	**2015**	**2016**	**2017**
Health and Safety	*Employee fatalities	0	0	1	0	0
	*Employee fatality rate	0.00	0.00	2.68	0.00	0.00
	*Contractors fatalities	1	1	1	0	0
	Third-party fatalities	1	1	0	0	0
	*Employee Lost Time Injuries (LTIs)	2	8	13	11	16
	*Employee Lost Time Injuries Frequency Rate (LTIFR)	0.28	1.10	1.75	1.54	2.41
	*Employee lost working days	110	494	936	313	1,014
	*Employee Lost Time Injuries Severity Rate	15.3	67.6	126.0	43.8	152.8
	*Contractors Lost Time Injuries (LTIs)	6	8	7	2	6

*** 2017 Data included in scope of ERM Certification and Verification Services (ERM CVS) assurance engagement for 2017 (ERM CVS' "*Independent assurance statement*" is available in this section).**

Table 10: Health and safety data by region					
Description	**Group**	**Greece and Western Europe**	**USA**	**SEE**	**EM**
Employee fatalities	0	0	0	0	0
Employee fatality rate	0.00	0.00	0.00	0.00	0.00
Contractors fatalities	0	0	0	0	0
Third-party fatalities	0	0	0	0	0
Employee Lost Time Injuries (LTIs)	27	2	12	10	3
Employee Lost Time Injuries Frequency Rate (LTIFR)	2.41	0.93	2.47	4.26	1.63
Employee lost working days	1,220	23	257	870	70
Employee Lost Time Injuries Severity Rate	109.0	10.7	52.9	370.6	38.0
Contractors Lost Time Injuries (LTIs)	7	3	0	2	2
Contractors Lost Time Injuries Frequency Rate (LTIFR)	0.82	1.42	0.00	1.23	0.45

Table 11: TITAN Group – Performance by activity					
Description	**Group**	**Cement**	**Aggregates**	**Ready Mix**	**Other**
Employee fatalities	0	0	0	0	0
Employee fatality rate	0.00	0.00	0.00	0.00	0.00
Contractors fatalities	0	0	0	0	0
Third-party fatalities	0	0	0	0	0
Employee Lost Time Injuries (LTIs)	27	16	3	7	1
Employee Lost Time Injuries Frequency Rate (LTIFR)	2.41	2.41	4.50	2.10	1.80
Employee lost working days	1,220	1,014	140	49	17
Employee Lost Time Injuries Severity Rate	109.0	152.8	209.8	14.7	30.7
Contractors Lost Time Injuries (LTIs)	7	6	0	1	0
Contractors Lost Time Injuries Frequency Rate (LTIFR)	0.82	0.86	0.00	0.91	0.00

Employment and people development

Table 12: Employment end year (as at 31 December 2017)									
Country	2013	2014	2015	2016	2017			% in the Group 2017	2016 vs. 2017
					Males	Females	2017 Total		
Albania	207	198	199	201	174	19	193	3.55%	-4.0%
Bulgaria	289	288	287	290	204	78	282	5.19%	-2.8%
Egypt	773	767	767	661	478	30	508	9.35%	-23.1%
FYROM	331	314	301	284	235	40	275	5.06%	-3.2%
Greece	1,125	1,165	1,176	1,185	975	182	1,157	21.30%	-2.4%
Kosovo	495	408	406	289	268	16	284	5.23%	-1.7%
Serbia	262	236	233	218	181	38	219	4.03%	0.5%
Turkey	242	258	289	305	290	26	316	5.82%	3.6%
USA	1,731	1,867	1,996	2,049	1,978	220	2,198	40.46%	7.3%
Total	**5,455**	**5,501**	**5,654**	**5,482**	**4,783**	**649**	**5,432**	**100%**	**-0.9%**

Table 13: Employee turnover 2017											
Country	End year 2017 Males	End year 2017 Females	End year 2017 Total	Employees left Total	Employees left 2017						Turnover in total
					Under 30		30-50		Over 50		
					M	F	M	F	M	F	
Albania	174	19	193	30	4	1	11	7	5	2	16%
Bulgaria	204	78	282	40	8	8	9	3	10	2	14%
Egypt	478	30	508	179	2	4	44	4	125	0	35%
FYROM	235	40	275	22	1	0	2	1	14	4	8%
Greece	975	182	1,157	62	2	0	16	4	36	4	5%
Kosovo	268	16	284	7	0	1	1	0	5	0	2%
Serbia	181	38	219	12	3	3	3	1	2	0	5%
Turkey	290	26	316	28	8	0	15	3	2	0	9%
USA	1,978	220	2,198	377	48	15	170	22	115	7	17%
Total	**4,783**	**649**	**5,432**	**757**	**76**	**32**	**271**	**45**	**314**	**19**	**14%**
					108		**316**		**333**		

Table 14: New Hires 2017									
Country	Total New Hires 2017		under 30		30-50		over 50		Total by country
	Male	Female	Male	Female	Male	Female	Male	Female	
Albania	19	3	12	2	5	1	2	0	22
Bulgaria	18	14	10	10	6	4	2	0	32
Egypt	22	4	13	2	8	1	1	1	26
FYROM	8	4	3	3	5	1	0	0	12
Greece	24	10	10	5	10	5	4	0	34
Kosovo	2	0	0	0	0	0	2	0	2
Serbia	7	6	5	6	2	0	0	0	13
Turkey	36	5	22	3	13	2	1	0	41
USA	448	77	73	22	257	46	118	9	525
Total	**584**	**123**	**148**	**53**	**306**	**60**	**130**	**10**	**707**
	707		**201**		**366**		**140**		

Table 15: Group employment 2017 average per year by country					
Country	2017 Total	2017 Men	2017 Women	2017 % of women in employment	% of the Group employment by country 2017
Albania	196	174	22	11.22%	3.53%
Bulgaria	295	215	80	27.12%	5.31%
Egypt	606	573	33	5.45%	10.91%
FYROM	277	236	41	14.80%	4.99%
Greece	1,186	1,000	186	15.68%	21.36%
Kosovo	286	270	16	5.59%	5.15%
Serbia	218	181	37	16.97%	3.93%
Turkey	310	284	26	8.39%	5.58%
USA	2,178	1,966	212	9.73%	39.23%
Total	**5,552**	**4,899**	**653**	11.76%	**100.00%**

Table 16: Percentage of women in management 2017 (average)						
Country	Managers total	Men	Women	% or women in country's management	Group Employment 2017 Average	% or women in country's employment
Albania	30	27	3	10.00%	196	1.53%
Bulgaria	37	25	12	32.43%	295	4.07%
Egypt	34	33	1	2.94%	606	0.17%
FYROM	25	18	7	28.00%	277	2.53%
Greece	239	203	36	15.06%	1,186	3.04%
Kosovo	18	16	2	11.11%	286	0.70%
Serbia	28	18	10	35.71%	218	4.59%
Turkey	32	25	7	21.88%	310	2.26%
USA	156	140	16	10.26%	2,178	0.73%
Total 2017	**599**	**505**	**94**	**15.69%**	**5,552**	**1.69%**

Table 17: Group employment per type 2017 - totals		
Employment type	2017	2016
Full time employees	5,461	5,526
Part time employees	35	27
Temporary employees	56	59
Totals	**5,552**	**5,612**

Table 18: Group employment 2017 per category and gender (average)												
Country	Managers			Senior Managers			Administration/Technical			Semi-skilled/Unskilled		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Albania	21	1	**22**	6	2	**8**	45	16	**61**	102	2	**104**
Bulgaria	20	10	**30**	5	2	**7**	41	46	**87**	146	21	**167**
Egypt	25	1	**26**	8	0	**8**	193	32	**225**	348	0	**348**
FYROM	14	6	**20**	4	1	**5**	60	31	**91**	158	3	**161**
Greece	158	25	**183**	45	11	**56**	339	112	**451**	458	38	**496**
Kosovo	11	2	**13**	5	0	**5**	68	11	**79**	185	3	**188**
Serbia	16	9	**25**	2	1	**3**	43	20	**63**	120	7	**127**
Turkey	23	7	**30**	2	0	**2**	68	19	**87**	191	0	**191**
USA	112	12	**124**	28	4	**32**	347	163	**510**	1,479	33	**1,512**

Table 19: Group Employment 2017 per employment type and gender (average)												
Country	Full-time			Part-time			Temporary			Totals		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Males	Females	Total
Albania	173	22	195	1	0	1	0	0	0	174	22	196
Bulgaria	206	77	283	4	1	5	5	2	7	215	80	295
Egypt	573	33	606	0	0	0	0	0	0	573	33	606
FYROM	236	41	277	0	0	0	0	0	0	236	41	277
Greece	973	174	1,147	5	0	5	22	12	34	1,000	186	1,186
Kosovo	270	16	286	0	0	0	0	0	0	270	16	286
Serbia	178	35	213	0	0	0	3	2	5	181	37	218
Turkey	281	26	307	1	0	1	2	0	2	284	26	310
USA	1,939	208	2,147	22	1	23	5	3	8	1,966	212	2,178
Totals	**4,829**	**632**	**5,461**	**33**	**2**	**35**	**37**	**19**	**56**	**4,899**	**653**	**5,552**

Table 20: Group employment 2017 from the local community 2017 (average)							
Country	2017 Average			2017 from the local community			
	2017 Total	2017 Men	2017 Women	Total Group Employment from the local community 2015	Male	Female	% of Group Employment from local community
Albania	196	174	22	86	84	2	43.88%
Bulgaria	295	215	80	250	187	63	84.75%
Egypt	606	573	33	543	510	33	89.60%
FYROM	277	236	41	71	63	8	25.63%
Greece	1,186	1,000	186	1,062	885	177	89.54%
Kosovo	286	270	16	185	178	7	64.69%
Serbia	218	181	37	198	169	29	90.83%
Turkey	310	284	26	204	187	17	65.81%
USA	2,178	1,966	212	N/A	N/A	N/A	N/A
Total	**3,374**	**2,933**	**441**	**2,599**	**2,263**	**336**	**77.03%**

Notes: (a) Compilation for the Group Employment from the local community is not available for the USA, (b) The percentages are calculated excluding USA employment

Table 21: Unionized employees 2017

Country	Total unionized employees	Unionized Males	Unionized Females	% unionized Males	% unionized Females	% Total unionized employees
Albania	95	94	1	54%	5%	48%
Bulgaria	93	66	27	31%	34%	32%
Egypt	306	298	8	52%	24%	50%
FYROM	216	196	20	83%	49%	78%
Greece	521	428	93	43%	50%	44%
Kosovo	222	215	7	80%	44%	78%
Serbia	156	142	14	78%	38%	72%
Turkey	0	0	0	0%	0%	0%
USA	173	172	1	9%	0%	8%
Total	**1,782**	**1,611**	**171**	33%	26%	32%

Training

Table 22: Trained employees 2017

Country	Employees 2017 average	Trained employees 2017	Trained Males 2017	Trained Females 2017	% of trained Women in trained employees 2017	% of trained Women in total employees 2017
Albania	196	214	190	24	11%	12%
Bulgaria	295	314	224	90	29%	31%
Egypt	606	547	520	27	5%	4%
FYROM	277	268	232	36	13%	13%
Greece	1,186	1,128	960	168	15%	14%
Kosovo	286	287	271	16	6%	6%
Serbia	218	225	186	39	17%	18%
Turkey	310	234	218	16	7%	5%
USA	2,178	1,500	1,081	380	26%	17%
Total	**5,552**	**4,717**	**3,882**	**796**	17%	14%

Table 23: Trained employees 2017 per employment category and gender

Country	Managers			Senior Managers			Administration/Technical			Semi-skilled/Unskilled			Totals		
	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total
Albania	22	2	24	6	2	8	55	19	74	107	1	108	190	24	214
Bulgaria	19	10	29	5	2	7	48	55	103	152	23	175	224	90	314
Egypt	28	1	29	5	1	6	175	25	200	312	0	312	520	27	547
FYROM	16	5	21	3	1	4	62	22	84	151	8	159	232	36	268
Greece	158	26	184	36	10	46	332	106	438	434	26	460	960	168	1,128
Kosovo	11	2	13	2	0	2	67	14	81	191	0	191	271	16	287
Serbia	13	9	22	2	1	3	50	22	72	121	7	128	186	39	225
Turkey	28	4	32	2	0	2	49	12	61	139	0	139	218	16	234
USA	220	21	241	62	38	100	450	289	739	387	33	420	1,119	381	1,500
Totals	**515**	**80**	**595**	**123**	**55**	**178**	**1,288**	**564**	**1,852**	**1,994**	**98**	**2,092**	**3,920**	**797**	**4,717**

Table 24: Proportions of training in management 2017

Proportion of management in trained employees	16.39%
Proportion of trained women management in trained managers	17.46%
Proportion of trained women management in trained employees	2.86%

Table 25: Trained employees in Total Management 2017

	Male	Female	Total
Albania	28	4	32
Bulgaria	24	12	36
Egypt	33	2	35
FYROM	19	6	25
Greece	194	36	230
Kosovo	13	2	15
Serbia	15	10	25
Turkey	30	4	34
USA	282	59	341
Totals	**638**	**135**	**773**

Table 26: Trained employees 2017 by country per age group - Totals

Country	Under 30	30-50	Over 50
Albania	57	132	25
Bulgaria	38	205	71
Egypt	38	354	155
FYROM	35	86	147
Greece	42	783	303
Kosovo	32	74	181
Serbia	16	116	93
Turkey	66	153	15
USA	120	822	558
Total	**444**	**2,725**	**1,548**

Table 27: Trained employees 2017 per age group

Country	Under 30			30-50			Over 50			Total M	Total F	Total per country
	Total	M	F	Total	M	F	Total	M	F			
Albania	57	48	9	132	118	14	25	24	1	190	24	214
Bulgaria	38	24	14	205	150	55	71	50	21	224	90	314
Egypt	38	32	6	354	334	20	155	154	1	520	27	547
FYROM	35	29	6	86	71	15	147	132	15	232	36	268
Greece	42	29	13	783	662	121	303	269	34	960	168	1,128
Kosovo	32	27	5	74	67	7	181	177	4	271	16	287
Serbia	16	9	7	116	95	21	93	82	11	186	39	225
Turkey	66	58	8	153	145	8	15	15	0	218	16	234
USA	120	96	24	822	585	237	558	438	120	1,119	381	1,500
Total	**444**	**352**	**92**	**2,725**	**2,227**	**498**	**1,548**	**1,341**	**207**	**3,920**	**797**	**4,717**

Table 28: Training man-hours and distribution of training man-hours per employee 2017

Country	Total training hours 2017	Total training hours for Males 2017	Total training hours for Females 2017	Total Employees (average) 2017	2017 Men (average)	2017 Women (average)	Average training hours 2017			% of training hours in the Group
							per male	per female	per employee	
Albania	10,538	9,799	739	196	174	22	56	34	54	6.77%
Bulgaria	18,379	12,235	6,144	295	215	80	57	77	62	11.81%
Egypt	17,959	16,454	1,505	606	573	33	29	46	30	11.54%
FYROM	11,259	8,663	2,596	277	236	41	37	63	41	7.24%
Greece	42,168	35,473	6,695	1,186	1,000	186	35	36	36	27.10%
Kosovo	9,884	9,198	686	286	270	16	34	43	35	6.35%
Serbia	7,964	5,927	2,037	218	181	37	33	55	37	5.12%
Turkey	12,803	12,169	634	310	284	26	43	24	41	8.23%
USA	24,633	21,754	2,879	2,178	1,966	212	11	14	11	15.83%
Totals	**155,587**	**131,672**	**23,915**	**5,552**	**4,899**	**653**	27	37	28	100.00%

Table 29: Training man-hours 2017 vs. 2016

Country	Total training man-hours 2017	Total training man-hours for Males 2017	Total training man-hours for Females 2017	Country	Total training man-hours 2016	Total training man-hours for Males 2016	Total training man-hours for Females 2016	Variance 2016-2017 Total	Variance 2016-2017 Males	Variance 2016-2017 Females
Albania	10,538	9,799	739	Albania	10,046	9,237	809	4.90%	6.08%	-8.65%
Bulgaria	18,379	12,235	6,144	Bulgaria	18,359	12,767	5,592	0.11%	-4.17%	9.87%
Egypt	17,959	16,454	1,505	Egypt	18,640	17,066	1,574	-3.65%	-3.59%	-4.38%
FYROM	11,259	8,663	2,596	FYROM	14,926	12,194	2,732	-24.57%	-28.96%	-4.98%
Greece	42,168	35,473	6,695	Greece	43,867	38,800	5,067	-3.87%	-8.57%	32.13%
Kosovo	9,884	9,198	686	Kosovo	12,027	10,989	1,038	-17.82%	-16.30%	-33.91%
Serbia	7,964	5,927	2,037	Serbia	8,178	6,457	1,721	-2.62%	-8.21%	18.36%
Turkey	12,803	12,169	634	Turkey	15,520	13,122	2,398	-17.51%	-7.26%	-73.56%
USA	24,633	21,754	2,879	USA	16,647	14,493	2,154	47.97%	50.10%	33.66%
Totals	**155,587**	**131,672**	**23,915**	**Totals**	**158,210**	**135,125**	**23,085**	**-1.66%**	**-2.56%**	**3.60%**

Table 30: Training man-hours 2017 vs. 2016 per subject

Subject	2017	2016	% Variance	% in the Total	
				2017	2016
Environment: care and management systems	4,801	3,647	31.64%	3.09%	2.31%
Foreign languages	6,772	12,493	-45.79%	4.35%	7.90%
Health and safety	68,200	69,317	-1.61%	43.83%	43.81%
Human Rights	211	55	283.64%	0.14%	0.03%
Management and managerial skills	19,883	23,248	-14.47%	12.78%	14.69%
Non-technical skills and specialization	27,725	18,517	49.73%	17.82%	11.70%
Other	4,716	8,885	-46.92%	3.03%	5.62%
Security	754	653	15.47%	0.48%	0.41%
Technical know-how and core competence	22,217	21,331	4.15%	14.28%	13.48%
TITAN Group Code of Conduct	308	64	381.25%	0.20%	0.04%
Totals	**155,587**	**158,210**	**-1.66%**	**100.00%**	**100.00%**

Table 31: Female training man-hours 2017 vs. 2016

Country	2017	2016	% variance
Albania	739	809	-8.65%
Bulgaria	6,144	5,592	9.87%
Egypt	1,505	1,574	-4.38%
FYROM	2,596	2,732	-4.98%
Greece	6,695	5,067	32.13%
Kosovo	686	1,038	-33.91%
Serbia	2,037	1,721	18.36%
Turkey	634	2,398	-73.56%
USA	2,879	2,154	33.66%
Totals	**23,915**	**23,085**	**3.60%**

Table 32: Training hours by subject per county and gender 2017

Subject	Albania		Bulgaria		Egypt		FYROM		Greece		Kosovo		Serbia		Turkey		USA		Total hours per subject	% in total training hours
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F		
Environment: care and management systems	171	16	52	87	160	0	782	233	1,334	83	252	28	502	148	901	46	6	0	**4,801**	3.09%
Foreign languages	452	0	1,352	1,670	345	0	0	0	651	436	512	43	614	465	116	116	0	0	**6,772**	4.35%
Health and safety	3,514	105	7,195	2,205	7,287	90	3,292	318	11,398	534	5,355	249	2,382	266	8,861	85	14,383	681	**68,200**	43.83%
Human Rights	142	57	0	0	0	0	8	4	0	0	0	0	0	0	0	0	0	0	**211**	0.14%
Management and managerial skills	1,565	313	396	291	6,825	1,087	947	465	1,271	264	472	72	1,193	662	628	102	2,519	811	**19,883**	12.78%
Non-technical skills and specialization	454	190	499	626	615	328	1,190	720	15,505	5,020	0	0	128	235	0	0	1,535	680	**27,725**	17.82%
Other	0	0	0	0	40	0	893	597	0	0	1,485	196	512	170	0	0	434	389	**4,716**	3.03%
Security	0	0	0	0	0	0	0	0	750	4	0	0	0	0	0	0	0	0	**754**	0.48%
Technical know-how and core competence	3,483	56	2,741	1,265	1,182	0	1,551	259	4,564	354	1,122	98	360	39	1,663	285	2,877	318	**22,217**	14.28%
TITAN Group Code of Conduct	18	2	0	0	0	0	0	0	0	0	0	0	236	52	0	0	0	0	**308**	0.20%
Total hours	**9,799**	**739**	**12,235**	**6,144**	**16,454**	**1,505**	**8,663**	**2,596**	**35,473**	**6,695**	**9,198**	**686**	**5,927**	**2,037**	**12,169**	**634**	**21,754**	**2,879**	**155,587**	
	10,538		**18,379**		**17,959**		**11,259**		**42,168**		**9,884**		**7,964**		**12,803**		**24,633**			

Table 33: Training investment by country in Euros 2017							
Country	employees (average) 2017	Total investment in Euros	Total investment per employee €	% of total investment in Euros	employees (average) 2017	Investment in € for Males 2017	Investment in € for Females 2017
Albania	196	€ 75,438	€ 384,9	8.65%	196	€ 64,161	€ 11,277
Bulgaria	295	€ 66,682	€ 226,0	7.65%	295	€ 44,848	€ 21,834
Egypt	606	€ 111,713	€ 184,3	12.81%	606	€ 102,386	€ 9,327
FYROM	277	€ 41,044	€ 148,2	4.71%	277	€ 31,750	€ 9,294
Greece	1,186	€ 343,553	€ 289,7	39.40%	1,186	€ 275,634	€ 67,919
Kosovo	286	€ 40,402	€ 141,3	4.63%	286	€ 35,739	€ 4,663
Serbia	218	€ 66,879	€ 306,8	7.67%	218	€ 42,193	€ 24,686
Turkey	310	€ 11,915	€ 38,4	1.37%	310	€ 8,571	€ 3,344
USA	2,178	€ 114,366	€ 52,5	13.12%	2,178	€ 75,078	€ 39,289
Total	**5,552**	**€ 871,992**	**€ 157,1**		**5,552**	**€ 680,359**	**€ 191,633**

Stakeholder engagement

Table 34: Definition and boundaries of TITAN Group material issues

Material issues	Sub-topics	Boundary inside the organization	Boundary outside the organization
Financial liquidity and access to funding Access to bank credit facilities and capital markets financing provides liquidity to meet our obligations, to grow our business sustainably and meet any challenges that might arise. SDG4, SDG8, SDG17	Economic: Economic performance	TITAN Group	Employees, governments, local communities, suppliers
	Access to bank credit facilities and capital markets financing is essential to us in running and growing our operations sustainably,	TITAN Group	Contractors, governments, local communities, suppliers
	Economic: Market presence	TITAN Group, all TITAN operated sites	Contractors, governments, local communities, suppliers
Governance, transparency and ethics Ensuring good governance and maintaining the integrity and transparency of our business means upholding our Code of Conduct, ensuring ethical business practices, lobbying responsibly and ensuring our suppliers do the same. SDG4, SDG8, SDG17	Governance	TITAN Group, all TITAN operated sites	All suppliers and contractors, governments, joint venture partners, local communities, NGOs
	Economic: Procurement practices	TITAN Group, all TITAN operated sites	All suppliers and contractors
	Social – Human rights: Investment	All TITAN employees	Contractors, security personnel
	Social – Human rights: Security practices	All TITAN operated sites	Contractors, security personnel, suppliers
	Social – Human rights: Human rights grievance mechanism	TITAN Group	Contractors, governments, local communities and organizations, suppliers
	Social – Society: Anti-corruption	All TITAN operated sites	Contractors, joint venture partners, suppliers
	Social – Society: Public policy	TITAN Group	Governments
	Social – Product responsibility: Marketing communications	TITAN Group	Customers, governments, suppliers
	Social – Society: Anti-competitive behavior	TITAN Group	Joint venture partners
	Social – Society: Supplier assessment for impact on society	TITAN Group, all TITAN operated sites	Contractors, suppliers
	Social – Labor practices and decent work: Supplier assessment for labor practices	TITAN Group, all TITAN operated sites	Contractors, suppliers
	Social – Human rights: Supplier human rights assessment	TITAN Group, all TITAN operated sites	Contractors, suppliers
	Environmental: Supplier environmental assessment	TITAN Group, all TITAN operated sites	All suppliers and contractors

Table 34: Definition and boundaries of TITAN Group material issues

	Social – Society: Public policy	TITAN Group	Governments
Sustainability of communities TITAN is working toward building an inclusive relationship, through ongoing engagement with stakeholders at all levels. At site level, building strong relationships with local communities is part of this and is key to our ability to share direct and indirect value with our stakeholders. SDG4, SDG9, SDG11, SDG17	Economic: Indirect economic impacts	TITAN Group	Contractors, governments, local communities and suppliers
	Social – Society: Local communities	TITAN Group, all TITAN operated sites	Contractors, governments, local communities and suppliers
	Economic: Market presence	All TITAN operated sites	Contractors, governments, local communities and suppliers
	Social – Society: Compliance	All TITAN operated sites	Customers, local communities, NGOs, regulators
	Environmental: Environmental grievance mechanisms	All TITAN sites	Communities local to TITAN operations, representative organizations of the local community
	Social – Society: Grievance mechanisms for impacts on society	All TITAN operated sites	Contractors, governments, local communities, local organizations
	Economic: Economic performance	TITAN Group	Employees, governments, local communities, suppliers
Climate change We recognize that our operations and the cement industry as a whole contributes to climate change, That's why we are reducing our Co_2 emissions in line with the Kyoto Protocol and working with our peers to further improve our efficiency. SDG7, SDG13, SDG17	Environmental: Energy	All TITAN operated sites	Customers, governments, NGOs, SUPPLIERS
	Environmental: Emissions	All TITAN operated sites	Governments, local communities, NGOs
Circular economy We use a number of resources to make our products, such as raw materials, traditional and alternative fuels, water and energy, and waste materials. We can support the circular economy and have a positive impact by re-using and recycling our products and by increasing the use of alternative fuels, Innovation and out-of-the-box thinking is key to supporting closed-loop thinking. SDG12, SDG17	Environmental: Effluents and waste	All TITAN operating sites, GAEA	Local communities, NGOs, regulators
	Environment: Materials	All TITAN operating sites, GAEA	Customers, local communities, NGOs, regulators, suppliers

Table 34: Definition and boundaries of TITAN Group material issues

Health and safety We are committed to keeping all our employees, contractors and third-party workers safe and healthy. This also means ensuring that our products are safe to use and that they are transported safely to our customers' construction sites. SDG3, SDG17	Social – Labor practices and decent work: Occupational health and safety	All TITAN employees	Contractors, customers, third parties, suppliers
	Social – Product responsibility: Customers health and safety	TITAN Group	Customers
People management and development Being a responsible employer means providing training and development opportunities, and equal remuneration between men and women, embracing diversity with a work environment free from discrimination or harassment and supporting employees in exercising their right to freedom of association and collective bargaining. It also means ensuring that there is no child labor or compulsory labor in our operations or supply chain. SDG4, SDG5, SDG17	Social – Labor practices and decent work: Employment	All TITAN employees	Contractors, suppliers
	Social – Labor practices and decent work: Training and education	All TITAN employees	Contractors, suppliers
	Social – Labor practices and decent work: Diversity and equal opportunities	All TITAN employees	Contractors, suppliers
	Economic: Market presence	All TITAN operated sites	Contractors, governments, local communities, suppliers
	Social – Labor practices and decent work: Labor practices grievance mechanisms	All TITAN employees	Contractors, suppliers
	Social – Human rights: Non-discrimination	TITAN Group	Contractors, suppliers
	Social – Human rights: Freedom of association and collective bargaining	TITAN Group	Contractors, suppliers
	Social – Human rights: Child labor and compulsory labor	All TITAN operated sites	Contractors, suppliers
	Social – Human rights: Assessment	TITAN Group	Contractors, joint venture partners, suppliers
Environmental management TITAN ensures that it adheres to international best practices and is focused on contributing to improve its performance and keep its license to operate. SDG6, SDG7, SDG15, SDG17	Environmental: Biodiversity	All TITAN operated sites	Areas potentially affected by our activities outside of our operations, quarries,
	Environmental: Compliance	All TITAN operated sites	Governments, local communities, local organizations
	Environmental: Overall	All TITAN operated sites	Local communities, governments
	Environmental: Environmental grievance mechanisms	All TITAN sites	Communities local to TITAN operations, representative organizations of the local community

Table 34: Definition and boundaries of TITAN Group material issues			
	Environmental: Water	All TITAN operated sites	Local communities, governments
	Environmental: Transport of goods and services	TITAN operating sites	Customers, local communities, suppliers
Social and political risks, and instability	Social – Society: Local communities	All TITAN operated sites	Local communities
TITAN has plans in place to maintain control and normal operations during political instability, riots, uprisings and various conditions that lead to extreme volatility. We work to safeguard TITAN's local investments by protecting our people, business partners and the communities near our operations. SDG8, SDG17	Social – Society: Public policy	TITAN Group	Governments
In addition to reporting on the material issues identified by our materiality assessment, we have also chosen to report on the following aspect which reflects our impacts and its importance to our strategy,			
Other issues – not material	**Sub topics**	**Boundary inside the organization**	**Boundary outside the organization**
Sustainable products and services: We collaborate with stakeholders to develop more sustainable products to create value through our cement such as ProAsh,	Environmental: Products and services	GAEA, TITAN group	Customers, NGOs, regulators, society

Table 35: Stakeholder engagement 2017

Stakeholder Group	How we engage	Frequency of engagement	What matters to them and concerns raised	Actions taken as a result
Business partners and suppliers	Procurement policy and practice training Safety guidelines for contractors	Ongoing long term	Sustainability of communities Circular economy Governance, transparency and ethics	Awareness and capacity building sessions through business associations and networks Inclusion of sustainability criteria in prequalification of suppliers Examination of industry best practice
Customers	Customer satisfaction surveys Marketing activity Project consulting and product support Bilateral meetings	Annually Ongoing product support through Sales and Technical Department Ongoing evaluation of requests for new product development through R&D	Service and reliability Quality and payment conditions Innovation Circular economy	Development of new products and services Expand collaboration to support R&D initiatives Respond to sustainability assessment questionnaires
Employees	Performance management Training Employee surveys Sustainability reviews and assessments	Annually Ongoing Every 3-5 years annually	Health and safety People management and development Pay, benefits and recognition Equal opportunities and diversity Communication and engagement Sustainability of communities	Work with the International Integrated Reporting Council (IIRC) to increase transparency and unITe to improve data management efficiency and internal cross functional collaboration Improve internal communication and capabilities through intranet updates, focus groups and specialized workshops
Investors and analysts	AGM, roadshows and conferences Financial result and investor presentation Investor relations website, Annual Report Conference calls and bilateral meetings	Ongoing Every quarter Annual	Opportunities for growth and climate change Transparency and harmonization in reporting Timely, consistent and accurate disclosures Commitment to advanced standards for reporting and accountability Human rights in specific countries	Report non – financial performance following international standards Cover with reasonable assurance on non-financial performance. Expand the scope of 2020 targets to incorporate all material issues identified by the Group
Local communities and governments	Communication of commitments and non-financial performance at BU level Educational and awareness building meetings Volunteering and social initiatives Bilateral meetings and stakeholder forums European Pact for Youth	Ongoing long term	Environmental management Climate change Circular economy Health and Safety People management and development Sustainability of communities Governance, transparency and ethics Social and political risks and instability	Supporting the European Pact for Youth to promote collaboration for education and vocational training Participating in UN GC Local Networks and CSR or Sustainability initiatives

NGO's	Participation in industry bodies UNGC campaign on anti-corruption Thematic stakeholder forums and public events Low Carbon Technology Partnerships initiative (LCTPi)	Ongoing long term Annual	Environmental management Climate change Sustainability of communities Governance, transparency and ethics People management and development Diversity Health and safety	Support and coordinate events and activities in the context of the UN Human Rights and anti –corruption initiatives Support for the UN Sustainability Development Goals (SDGs Supporting the LCTPi
Regulators/Authorities	Participation in industry bodies UNGC campaign on anti-corruption Participation in employment bodies Thematic stakeholder forums and public events Integrated Report and other public disclosures	Ongoing long term Annual/regular Annual	Environmental management Climate change Circular economy Health and safety Governance, transparency and ethics Compliance with International and European standards	Fourth Integrated Report in compliance with GRI G4 core level Further expand our independent verification process, according to international accountability standards Participation in consultation for the SDGs and the European Pact for Youth
Shareholders	Annual General Meeting (AGM) Quarterly reports Annual reports	Ongoing long term Annual/regular	Improve profitability Improve sustainability performance Improve transparency	Performance assessment reviews Report verification
Youth	European Pact for Youth Quality internships programs New skills for jobs programs	Ongoing	Opportunities for employment Professional orientation Equal opportunities and meritocracy	Fully recorded programs directed to local communities Evaluated all partnerships with the Academic community New Group Guide for Quality Internships launched and implemented

Table 36: Donations 2017 in Euros

Country	Total donations 2017	Donations in Cash	Donations in Kind	% of Group total	Variance Total donations 2016-2017	Variance Donations in cash 2016-2017	Variance Donations in kind 2016-2017
Albania	€ 103.076	€ 82.038	€ 21.038	5%	103%	447%	-41%
Bulgaria	€ 124.675	€ 78.974	€ 45.701	6%	12%	30%	-10%
Egypt	€ 502.161	€ 391.606	€ 110.555	24%	16%	1000%	-72%
FYROM	€ 98.011	€ 93.884	€ 4.127	5%	-9%	20%	-86%
Greece	€ 508.535	€ 240.153	€ 268.382	24%	-22%	-35%	-4%
Kosovo	€ 258.256	€ 258.256	0	12%	-47%	#DIV/0!	-100%
Serbia	€ 133.643	€ 95.338	€ 38.304	6%	-9%	71%	-58%
Turkey*	€ 113.126	€ 32.245	€ 80.881	5%	-73%	-92%	#DIV/0!
US	€ 241.887	€ 225.988	€ 15.899	12%	3%	1038%	-93%
Total	**€ 2.083.370**	**€ 1.498.483**	**€ 584.887**	**100%**	**-21%**	**42%**	**-63%**

* The amount for the donations in Turkey has been recorded in base of our proportion in equity of the company (50%)

Table 37: Internships/Traineeships for 2017

Country	Internships /Traineeships 2017	Business-Education Partnerships 2017	Learners 2017	New entry-level jobs 2017	% of new entry-level jobs in new hires 2017	% of new entry-level jobs in Internships/Traineeships 2017
Albania	16	10	56	1	5%	6%
Bulgaria	15	6	450	2	6%	13%
Egypt	610	38	724	2	8%	0%
FYROM	42	26	42	1	8%	2%
Greece	143	128	3.943	15	16%	10%
Kosovo	3	50	367	0	0%	0%
Serbia	11	9	609	7	54%	64%
Turkey	36	34	537	11	27%	31%
USA	34	17	1.486	0	0%	0%
Total	**910**	**318**	**8.214**	**39**		**4%**

Table 38: Awards and recognitions 2017

Country	Award, Recognition or other	Who was awarded	Name of the award or recognition	Why this award/recognition was awarded
Albania	Recognition by DDAER (Earth Environment)	Antea cement plant	Thank You Letter	For the implementation of the project "Healthy eyes for a successful education"
Albania	Recognition by Liburnetik	Antea cement plant	Thank You Letter	For the implementation of the project "Learning computer literacy"
Albania	Recognition by SOS Village	Antea cement plant	Award	For the continuous contribution if the "Strengthening the families in Thumana" project
Albania	Recognition by Duart e Pajtimit (DEP) (hands of reconciliation)	Antea cement plant	Thank You Letter	For the implementation of the Project "Recycle our waste"
Albania	Recognition by the Professional Academy of Business	Antea cement plant	Thank You Letter	For organizing the academicals conference on CSR in Albania
Albania	Recognition by the Agricultural University of Tirana	Antea cement plant	Thank You Letter	For the partnership in organizing study visits and internships with the students of this University
Albania	Recognition by the National Environmental Agency	Antea cement plant	Thank You Letter	For being a contributor and supporter for other business in implementing the PRTR register for Albania
Bulgaria	no awards in 2017			
Egypt	Appreciation Shield by the Alexandria Governorate & Egyptian Environmental Affairs Agency during World Environment Day Celebration (July 2017)	Alexandria cement plant Senior Environmental Engineer	World Environment Day Shield	For Environmental and CSR efforts by the Alexandria cement plant
Egypt	Appreciation Shield by the Alexandria Public University, during Environmental Forum of Alexandria University , Faculty of Science, "Green sustainable City" event (April 017)	Alexandria cement plant Senior Environmental Engineer	Green Sustainable City Shield	For Sustainability efforts by the Alexandria cement plant, especially for the usage of alternative fuels
Egypt	Health and Safety Shield by the Ministry of Labor, during the World Health and Safety day	Alexandria cement plant Safety Manager	The shield of health and safety	Best industrial companies in Alexandria in health and safety
FYROM	Certificate of Appreciation by the Universithy American College Skopje	Usje cement plant	USJE - member of the Business Council of the University American College Skopje	For continuous support and commitment to provide quality education to talented young graduates and create a better society
FYROM	Award by the National Coordinating Body for Corporate Social Responsibility and the Ministry of Economy	Usje cement plant	Jubilee award for Usje	For Usje's continuous contribution in Corporate Social Responsibility and active implementation of projects in the past 10 years

Table 38: Awards and recognitions 2017

Country	Award, Recognition or other	Who was awarded	Name of the award or recognition	Why this award/recognition was awarded
FYROM	Recognition by the M-6 Educational Center	Usje cement plant	Recognition for trustee membership	Recognition for trustee membership
FYROM	Recognition by the Faculty of natural and technical sciences	Usje cement plant	Recognition for member of the honorary board	For the establishment of an honorary board on the occasion of 40 years of existence of the Faculty of natural and technical sciences
Greece	TITAN ranked eleventh in the "Most Admired Companies" (22 July 2017) by the Fortune magazine	TITAN Greece	Most Admired Companies in Greece 2017	For performance in nine criteria: Innovation, Human Resources Management, Social Responsibility, Resource Management, Characteristics-Quality of Administration, Financial Soundness, Long-term Investment value, Product and Service Quality, Outreach/Competitiveness.
Greece	Award by the Corporate Affairs of the Hellenic Management Association (March 2017)	TITAN Greece	Corporate Affairs Excellence Awards /CSR Action-Program	For the importance and value of employee volunteerism and the dissemination of expertise and experience to the local communities through the 'Safety at Home' program (awareness-raising and training on accident prevention by TITAN employees-volunteers to students)
Greece	Corporate Social Responsibility Award by the Federation of industries of Northern Greece -FING (8 March 2017)	TITAN Greece, Thessaloniki cement plant	"Greek Value" - Northern Greece	For the plant's overall CSR performance and activities in 2016
Greece	Corporate Social Responsibility Recognition by the Federation of Industries of Peloponnese & Western Greece (14 May 2017)	Patras Cement Plant		For the plant's overall CSR performance and activities in 2016
Greece	Award by ICAP Group (16 December 2017)	TITAN Greece	True Leaders Award	For its overall performance in 2016, based on the following criteria (published results): One of the 500 most profitable Companies or the 200 most profitable Groups based on EBITDA, for 2015, One of the 500 companies or 200 Groups which also increased the number of employees, Ranked among the top positions in the specific industry (based on Revenues), High ICAP Score (for Group the main company has been evaluated)
Greece	Award by Active Business Publishing (20 March 2017)	TITAN Greece	Creative Greece	For being one of the leading exporters in the industrial sector
Kosovo	Recognition by the Sharr cement plant Trade Union	Sharr cement plant CSR & HR Manager and CSR & Local Community Officer	Gratitude	For their support and cooperation
Kosovo	Recognition by the HandiKOS Kaqanik, Association of Persons with Disability	Sharr cement plant	Gratitude	For their support and cooperation
Kosovo	Recognition by Handikos Hani I Elezit	Sharr cement plant CSR & Local Community Officer	Gratitude	For its contribution and support

Table 38: Awards and recognitions 2017

Country	Award, Recognition or other	Who was awarded	Name of the award or recognition	Why this award/recognition was awarded
Kosovo	Recognition by the University Clinique Center of Kosovo	Sharr cement plant	Gratitude	For its contribution
Kosovo	Recognition by the Public Health Center of Hani I Elezit	Sharr cement plant CSR & Local Community Officer	Gratitude	For her contribution
Kosovo	Recognition by the SOS Children's Village of Kosovo	Sharr cement plant	Thank You Letter	For its support
Kosovo	Recognition by the European Investors Council	Sharr cement plant Managing Director	Thank You Letter	For his cooperation
Kosovo	Recognition by the School for Children with Special Needs	Sharr cement plant	Gratitude	For its donation
Kosovo	Recognition by the War Invalid Association	Sharr cement plant	Gratitude	For its donation
Kosovo	Recognition by the Football Club SHARRI	Sharr cement plant	Gratitude	For its donation
Kosovo	Recognition by the Social Labor Department of Hani i Elezit	Sharr cement plant	Thank You Letter	For its cooperation and support
Kosovo	Award by the Kosovo Chamber of Commerce and the Tax Authorities	Sharr cement plant	Award	For its cooperation and responsibility
Serbia	Recognition by the Responsible Business Forum	Kosjeric cement plant	Contribution to the Development of Non-Financial Reporting in Serbia	For publishing the annual non-financial corporate social responsibility report for 2016 according to international reporting standards, the Global Reporting Initiative (GRI).
Turkey	Recognition by the Zile Chamber of Commerce and Industry	Adocim cement plant	Thank You Plaque	For its contribution to Tokat and the country's economy in terms of production, recruitment and exports
Turkey	Recognition by the Artova Provincial Mufti	Adocim cement plant	Thank You Plaque	For its contribution to holy birth week
Turkey	Recognition by the Ministry of National Education	Adocim cement plant	Thank You Plaque	For its contribution to pre-school festivals
Turkey	Recognition by the Ministry of Environment and Urban Planning	Adocim cement plant	Thank You Plaque	For the protection of environment and it's development, and Adocim's effort to prevent the environmental pollution
USA	Recertification by Wildlife Habitat Council	Roanoke Cement Company (4 terminal locations)	Wildlife Habitat Conservation Certification	For its best practices of global recognition programs, contemporary conservation efforts, and its collective learning to the future of biodiversity in the U.S. and around the globe
USA	Award by the National Ready-Mix Concrete Association (NRMCA)	TITAN USA, Ready Mix Division - Mid-Atlantic and Florida	NRMCA Excellence in Quality Award	For following and and exceeding quality management principles over a broad range of activities from commitment to quality, materials management, managing production facilities, product quality control and maintaining high levels of customer satisfaction
USA	Recognition by the Virginia Ready-Mix Concrete Association	TITAN USA, Virginia Ready-Mix	VRMCA Gold & Silver Safety Recognition	For its performance on safety

Table 38: Awards and recognitions 2017

Country	Award, Recognition or other	Who was awarded	Name of the award or recognition	Why this award/recognition was awarded
USA	Certification by the US Zero Waste Business Council	Pennsuco cement plant	Zero Waste Certification	For being the only facility of its kind in the United States to achieve Zero Waste Status

Table 39: Memberships 2017

Country	Memberships	Websites
Albania	American Chamber of Commerce	www.amcham.com.al
Albania	Embassy of Netherlands	www.albania.nlembassy.org
Albania	Foreign Investment Association	www.fiaalbania.al
Albania	Hellenic Albanian Business Association	www.hbaa.al
Albania	Albanian Banks Association	www.aab.al
Albania	Albanian Institute for Corporate Governance	www.cgi-albania.org
Bulgaria	American Chamber of Commerce and Industry (since 2010)	www.amcham.bg
Bulgaria	Bulgarian Association of Aggregates Producers (since 2009)	www.bapim.org
Bulgaria	Bulgarian Association of Cement Industry (since 2007)	www.bacibg.org
Bulgaria	Bulgarian Federation of Industrial Energy Consumers (since 2013)	www.bfiec.org
Bulgaria	Hellenic Business Council in Bulgaria (since 2010)	www.hbcbg.com
Bulgaria	Bulgarian Chamber of Mining and Geology (since 2015)	www.bmgk-bg.org
Bulgaria	Association Education Bulgaria 2030 (since 2017)	www.edu2030.bg
Egypt	The Egyptian Financial Supervisory Authority (EFSA)	www.efsa.gov.eg
Egypt	The Egyptian Exchange (EGX)	www.egx.com.eg/arabic/homepage.aspx
Egypt	Real Estate Publicity District and Documentation	-
Egypt	General Authority For Investment and Free Zones (GAFI)	www.gafi.gov.eg
Egypt	Central Agency for Public Mobilization and Statistics (CAPMAS)	www.capmas.gov.eg
Egypt	Egyptian Chamber of Building Materials Industries - Federation of Egyptian Industries	www.fei.org.eg
Egypt	Cement Association- Federation of Egyptian Industries	
Egypt	Energy Committee - Federation of Egyptian Industries	www.fei.org.eg
Egypt	United Nations Global Compact Local Network (UNGC)	www.gcnetworkegypt.com

Table 40: Cooperations 2017

Country	Organizations	Websites
Albania	Albanian CSR Network	www.albaniancsrnetwork.org
Albania	GIZ Albania	www.giz.de
Albania	Ministry of Economic development, Toursim, Trade and Entrepreneurship	www.ekonomia.gov.al
Albania	Ministry of Environment	www.moe.gov.al
Albania	Ministry of Social Welfare and Youth	www.sociale.gov.al
Albania	High school in Borizana	n/a
Albania	High school in Thumana	n/a
Albania	High school in Fushe Mamurras	n/a
Albania	Polytechnic University of Tirana	www.upt.al
Albania	United Nations Development Program (UNDP)	www.undp.org.al
Albania	University of Agriculture	www.ubt.gov.al
Albania	Professional Business Academy	www.apb.edu.al
Albania	SOS Children's village	www.soskd.org.al
Albania	Albanian Roads Association	www.aace.al
Albania	Junior Achievement Albania	www.junior-albania.org/
Albania	Regional Environmental Agency	www.albania.rec.org
Albania	Aarhus Center	www.aic.org.al
Albania	Ministry of Energy and Industry	www.energjia.gov.al
Albania	Institute of Calibration	www.dpm.gov.al
Albania	National Agency for Natural resources	www.akbn.gov.al
Albania	Faculty of Geology	www.fgjm.edu.al
Albania	Tirana Municipality	www.tirana.gov.al

Table 39: Memberships 2017

Country	Memberships	Websites
Egypt	Egyptian Business Men Association (EBA)	www.eba.org.eg
Egypt	Egyptian Junior Business Men Association (EJBA)	www.ejb.org.eg
Egypt	Egyptian Environment Affairs Agency	www.eeaa.gove.eg
Egypt	The American Chamber of Commerce	www.amcham.org.eg
FYROM	Chamber of Commerce	www.mchamber.org.mk
FYROM	American Chamber of Commerce (AmCham)	www.amcham.com.mk
FYROM	Organization of Employers	www.orm.org.mk
FYROM	UN Global Compact	www.unglobalcompact.org
FYROM	UN Global Compact Local Network	www.konekt.org.mk/web
FYROM	Macedonian Occupational Health & Safety Association (MOSHA)	www.mzzpr.org.mk
FYROM	Foreign Investors Council	www.mchamber.org.mk
FYROM	Macedonian HR Association	www.mhra.mk
FYROM	Institute of Internal Auditors of Macedonia	www.aiam.orm.mk
Greece	Association of SAs and LTDs	www.sae-epe.gr
Greece	Alliance for Greece	www.symmaxiagiatinellada.gr
Greece	American-Hellenic Chamber of Commerce (AMCHAM)	www.amcham.gr
Greece	Arab-Hellenic Chamber of Commerce and Development	www.arabhellenicchamber.gr
Greece	Athens Chamber of Commerce and Industry (ACCI)	www.acci.gr

Table 40: Cooperations 2017

Country	Organizations	Websites
Albania	Kruja Municipality	www.kruja.gov.al
Albania	Kurbin Municipality	www.kurbin.gov.al
Albania	DDAER	www.ddaer.com
Albania	Liburnetik	www.liburnetik.org
Albania	Labor Inspectorate	www.inspektoriatipunes.gov.al
Egypt	Sustainability Center For Development (SCD)	-
Egypt	Protocol of Cooperation between Alexandria Portland Cement Company and Arab Contractors Company "The Safe Disposal of Bypass Dust By Using for Paving"	-
Egypt	Cooperation agreement with the Technische Universität Berlin (TUB-Campus El Gouna) and Sawiris Foundation for Social Development re Annual Scholarship Programme (Stamatis Douzinas Scholarship) to support the graduates from Beni Suef and Alexandria to pursue their post-graduate studies	www.campus-elgouna.tu-berlin.de
Egypt	Egyptian-Greek Business Council	-
Egypt	Alexandria Businessmen Association CSR Network As a consequence of our future partnership with ABA in new Vo-Tech school, ABA added TCE to their CSR Network	www.aba.org.eg
FYROM	University American College Skopje	www.uacas.edu.mk
FYROM	Faculty of Technology and Metallurgy	www.arh.ukim.edu.mk
FYROM	BEST-Board of European Students of Technology	www.best.org.mk
FYROM	IAESTE	MACEDONIA@IAESTE.ORG
FYROM	Red cross organization in Macedonia	www.ckrm.org.mk
FYROM	Standardization Institute of the Republic of Macedonia	isrm.gov.mk
FYROM	Responsible business club	www.konekt.org.mk/web
FYROM	MaSWA - Macedonian Solid Waste Association	maswa.org

Table 39: Memberships 2017

Country	Memberships	Websites
Greece	British Safety Council	www.britsafe.org
Greece	Chambre de Commerce et d'Industrie Franco-Hellénique (CCIFH)	www.ccifhel.org.gr
Greece	Deutsch-Griechische Industrie und Handelskammer	www.griechenland.ahk.de/gr/
Greece	DIAZOMA	www.diazoma.gr
Greece	Federation of Industries of Northern Greece (FING)	www.sbbe.gr
Greece	Federation of Recycling and Energy Recovery Industries and Enterprises (SEPAN)	www.sepan.gr
Greece	Foundation for Economic & Industrial Research (IOBE)	www.iobe.gr
Greece	Greece-Kuwait Business Council	www.greecekuwaitbc.org
Greece	Greece-Qatar Business Council	www.greeceqatarbc.org
Greece	Greece-Serbia Business Council	N/A
Greece	Greece-Saudi Arabia Business Council	www.greecesaudiarabiabc.org
Greece	Greece-UAE Business Council	www.greeceuaebc.org
Greece	Greek Mining Enterprises Association	www.sme.gr
Greece	Greek-Turkish Chamber of Northern Greece	www.grtrchamber.org
Greece	Hellenic Cement Industry Association	www.hcia.gr
Greece	Hellenic Federation of Enterprises (SEV)	www.sev.org.gr
Greece	Hellenic Federation of Enterprises of the Peloponnese and Western Greece	www.sevpde.gr
Greece	Hellenic Foundation for European and Foreign Policy (ELIAMEP)	www.eliamep.gr
Greece	Hellenic Management Association (EEDE)	www.eede.gr/
Greece	Hellenic Network for Corporate Social Responsibility	www.csrhellas.org
Greece	Hellenic Recovery-Recycling Corporation SA (HERRCo)	www.herrco.gr

Table 40: Cooperations 2017

Country	Organizations	Websites
FYROM	BEnA - Balcan Environmental Association	benaweb.gr
FYROM	Association of Mining Engineers of R. Macedonia	-
FYROM	Faculty of Mining Engineering	-
Greece	Hellenic Ornithological Society	www.ornithologiki.gr
Greece	Hellenic Society for the Protection of Nature	www.eepf.gr
Greece	Center of Bone Marrow Donor Volunteer of the University of Patras	www.xarisezoi.gr
Greece	Let's do it Greece	www.letsdoitgreece.org
Greece	Board of European Students of Technology (BEST) of the University of Patras	www.bestpatras.gr
Greece	Board of European Students of Technology (BEST) of the Aristotle University of Thessaloniki	www.best.eu.org/thessaloniki
Greece	Board of European Students of Technology(BEST) of the National Technical University of Athens	www.best.ntua.gr
Greece	ReGeneration by Global Shapers Athens Hub	www.regeneration.gr
Greece	Massachusetts Institute of Technology (MIT)	www.web.mit.edu
Greece	École Polytecnhique de Lausanne (EPFL)	www.epfl.ch
Greece	Katholieke Universiteit Leuven (KULeuven)	www.kuleuven.be
Greece	Aristotle University of Thessaloniki	www.auth.gr
Greece	National Technical University of Athens	www.ntua.gr
Greece	Deree – The American College of Greece	www.acg.edu
Greece	Athens University of Economics and Business	www.aueb.gr
Greece	University of Piraeus	www.unipi.gr
Greece	National and Kapodistrian University of Athens	www.uoa.gr
Greece	University of Macedonia	www.uom.gr

Table 39: Memberships 2017

Country	Memberships	Websites
Greece	Hellenic Solid Waste Management Association	www.eedsa.gr
Greece	Hellenic Union of Industrial Consumers of Energy (UNICEN)	www.unicen.gr
Greece	I.V.EP.E - Vocational Training Center: Industrial & Business Education & Training Institute - SEV (Hellenic Federation of Enterprises)	www.ivepe.gr
Greece	Junior Achievement Greece (JA Greece)	www.senja.gr
Greece	Panhellenic Exporters Association (PEA)	www.pse.gr
Greece	Pediatric Trauma Care	www.pedtrauma.gr/el
Greece	Piraeus Chamber of Commerce and Industry	www.pcci.gr
Greece	Professional Chamber of Piraeus	www.eep.gr
Greece	SEV Council for Sustainable Development	www.sevbcsd.org.gr
Greece	Sustainable Greece 2020	www.sustainablegreece2020.co m
Greece	Thessaloniki Chamber of Commerce and Industry (TCCI)	www.ebeth.gr
Greece	Union of Listed Companies	www.eneiset.gr
Group	CSR EUROPE	www.csreurope.org
Group	European Cement Association (CEMBUREAU)	www.cembureau.be
Group	European Round Table of Industrialists (ERT)	www.ert.eu
Group	Marine Traffic	www.marinetraffic.com/gr
Group	World Business Council for Sustainable Development (WBCSD)	www.wbcsd.org

Table 40: Cooperations 2017

Country	Organizations	Websites
Greece	International Hellenic University	www.ihu.edu.gr
Greece	Anatolia College	www.anatolia.edu.gr
Greece	Democritus University of Thrace	www.duth.gr
Greece	ICBS Business College	www.icbs.gr
Greece	University of the Aegean - Department of Business Administration	www.ba.aegean.gr
Greece	Aristotle University of Thessaloniki - School of Mechanical Engineering	www.auth.gr
Greece	Aristotle University of Thessaloniki - School of Electrical Engineering	www.auth.gr
Greece	Aristotle University of Thessaloniki - School of Chemical Engineering	www.auth.gr
Greece	Aristotle University of Thessaloniki - School of Chemistry	www.auth.gr
Greece	Aristotle University of Thessaloniki - School of Geology	www.auth.gr
Greece	Aristotle University of Thessalonik - School of Economics	www.auth.gr
Greece	National Technical University of Athens - School of Chemical Engineering	www.chemeng.ntua.gr
Greece	National Technical University of Athens - School of Mining and Metallurgical Engineering	www.metal.ntua.gr
Greece	MBA / Athens University of Economics and Business	www.mba.aueb.gr
Greece	Executive MBA / Athens University of Economics and Business	www.executivemba.aueb.gr
Greece	Athens MBA / National Technical University of Athens	www.athensmba.ntua.gr
Greece	MBA / University of Piraeus	www.mba.unipi.gr

Table 39: Memberships 2017

Country	Memberships	Websites
Group	World Economic Forum	www.weforum.org
Group	Young Presidents' Organization (YPO)	www.ypo.org
Kosovo	EIC - (European Investors Council)	www.eic-ks.eu
Kosovo	German-Kosovo Chamber of Commerce	www.kdwv.eu
Kosovo	Kosovo Chamber of Commerce	www.oek-kcc.org
Kosovo	Kosovo CSR Network	www.csrkosovo.org
Kosovo	CIGRE Kosovo	www.cigre.org
Serbia	American Chamber of Serbia	www.amcham.rs
Serbia	Association of Cement Industry of Serbia	www.cis.org.rs/en
Serbia	Foreign Investors Council	www.fic.org.rs
Serbia	Hellenic Business Association of Serbia	www.en.hba.rs
Serbia	National Alliance for Local Economic Development	www.naled-serbia.org/en
Serbia	Responsible Business Forum	www.odgovornoposlovanje.rs
Serbia	UN Global Compact in Serbia	www.ungc.rs
Turkey	Antalya Chamber of Commerce and Industry	www.atso.org.tr
Turkey	Cement Industry Employers' Union	www.ceis.org.tr
Turkey	İstanbul Chamber of Commerce	www.ito.org.tr
Turkey	Samsun Chamber of Commerce and Industry	www.samsuntso.org.tr
Turkey	Sivas Chamber of Commerce and Industry	www.sivastso.org
Turkey	Central Anatolian Exporters Union	www.oaib.org.tr/en
Turkey	Tokat Chamber of Commerce and Industry	www.tokattso.org.tr
Turkey	Turkish Cement Manufacturers' Association	www.tcma.org.tr
Turkey	Turkish Ready Mix Concrete Association	www.thbb.org/Default.aspx?language=EN
Turkey	Zile Chamber of Commerce and Industry	www.ziletso.org.tr

Table 40: Cooperations 2017

Country	Organizations	Websites
Greece	MBA TQM / University of Piraeus	www.mbatqm.unipi.gr
Greece	ALBA Graduate Business School	www.alba.edu.gr
Greece	Athens University of Applied Sciences	www.teiath.gr
Greece	Piraeus University of Applied Sciences	www.teipir.gr
Greece	Alexander University of Applied Sciences	www.teithe.gr
Greece	Technological Educational Institute of Central Macedonia	www.teicm.gr
Greece	Western Macedonia University of Applied Sciences	www.teiwm.gr
Greece	Eastern Macedonia and Thrace Institute of Technology	www.teikav.edu.gr
Greece	Western Greece University of Applied Sciences	www.teiwest.gr
Greece	Technological Educational Institute of Crete	www.teicrete.gr
Group	Yale University	http://ocs.yale.edu/yale-college/international-internships-program
Group	Reload Greece	www.reloadgreece.com
Kosovo	Sharr cement plant Trade Union	-
Kosovo	LAB	www.lab-ks.org
Kosovo	BOPAL	-
Kosovo	Children's Board	-
Kosovo	KOSHA	www.oshkosova.webs.com
Kosovo	Ministry of Health	www.msh-ks.org
Kosovo	Handikos	www.handi-kos.org
Kosovo	SOS Children's Village	www.sos-childrensvillages.org
Kosovo	Ministry of Environment and Spatial Planning	www.mmph-rks.org
Kosovo	Ministry of Labor and Social Welfare	mpms.rks-gov.net
Kosovo	Ministry of Trade and Industry	www.mti.rks-gov.net
Kosovo	Ministry of Economic Development	www.mzhe-ks.net

Table 39: Memberships 2017

Country	Memberships	Websites
Turkey	Corlu Chamber of Commerce and Industry	www.eng.corlutso.org.tr
USA	Portland Cement Association	www.cement.org
USA	NRMCA (National Ready Mix Concrete Association)	www.nrmca.org
USA	AIA (American Institute of Architects)	www.aia.org
USA	Wildlife Habitat Council	www.wildlifehc.org
USA	FLA (Florida Limerock Association)	www.myflai.org
USA	Florida Home Builders Association	www.fhba.com
USA	Home Builders Association of Virginia	www.hbav.com
USA	National Sand Stone and Gravel Association	www.NSSGA.org
USA	National Concrete Masonry Association (NCMA)	www.ncma.org
USA	Roanoke Valley Cool Cities Coalition	www.rvccc.org
USA	US Green Building Council	www.usgbc.org
USA	Public Relations Society of America	www.prsa.org
USA	International Association of Business Communicators	www.IABC.org
USA	Society for Human Resource Management	www.shrm.org

Table 40: Cooperations 2017

Country	Organizations	Websites
Kosovo	Ministry of Agriculture, Forestry and Rural Development	www.mbpzhr-ks.net
Kosovo	Customs Authorities	www.dogana.rks-gov.net
Kosovo	ERO	www.ero-ks.org
Kosovo	KOSTT	www.kostt.com
Kosovo	ICMM	www.kosovo-mining.org
Kosovo	Government of Kosovo	www.rks-gov.net
Kosovo	Municipality of Hani i Elezit	www.kk.rks-gov.net/hanielezit
Kosovo	Education Department - Hani i Elezit	-
Kosovo	Infrastructure Department - Hani i Elezit	-
Kosovo	Agriculture and Forestry Dpt. - Hani i Elezit	-
Kosovo	Elementary Schools - Hani i Elezit	-
Kosovo	High School - Hani i Elezit	-
Kosovo	Medical Health Center - Hani i Elezit	-
Kosovo	Fire Fighting Brigade - Hani i Elezit	-
Kosovo	Police Authorities - Hani i Elezit	-
Kosovo	University of Pristina	www.fna.uni-pr.edu
Kosovo	University of Mitrovica	www.umib.net
Kosovo	REC	www.kos.rec.org
Kosovo	RDA	www.arda-kosovo.eu
Kosovo	German Embassy	www.pristina.diplo.de
Kosovo	HELLENIC Republic Liaison Office in Pristina	www.mfa.gr
Kosovo	GIZ	www.giz.de
Kosovo	IADK	www.iadk.org
Kosovo	AFS	www.afs.edu.gr
Kosovo	UBT	www.ubt-uni.net

Table 40: Cooperations 2017

Country	Organization	Websites
Kosovo	HELVETAS	www.easterneurope.helvetas.org
Kosovo	NOA KOS	www.usaid.gov
Kosovo	Raiffeisen BANK	www.raiffeisen-kosovo.com
Kosovo	ProCredit Bank	www.procreditbank-kos.com
Kosovo	AL TRADE	www.altrade-ks.com
Kosovo	THE WORLD BANK	www.worldbank.org
Kosovo	IFC	www.ifc.org
Kosovo	EBRD	www.ebrd.com

Governance and Group sustainability policies update

Table 41: Board of Directors per gender	2017	
	male	female
Independent/Non-Executive	4	3
Chairman	1	0
CEO	1	0
Executive	5	1
Totals	**11**	**4**
	15	
% of Independent / Non Executive members in the BOD	**36,4%**	

Table 42: Board of Directors per age group	2017		
	Under 30 years old	30-50 years old	Over 50 years old
Percentage of individuals within the organization's governance bodies	0%	7%	93%
Note: The TITAN Group Board does not have any individuals from minority groups (0%)			

Table 43: BOD members within the organization's governance bodies	2017	
	Male	Female
Percentage of individuals within the organization's governance bodies	73%	27%

Table 44: Board members and Board Committees at a glance 2017

Name	Title	Executive, Non-executive Director	Independent Director	Board Committee memberships	Other Committee memberships
Efstratios – Georgios (Takis) Arapoglou	Chairman	Non-executive Director	No	Nomination and Corporate Governance Committee	-
Hiro Athanassiou	-	Non-executive Director	Yes	Remuneration Committee (Chair) Nomination and Corporate Governance Committee	-
Nellos Canellopoulos	Vice Chairman	Executive Director	No	-	Advisory Council Sustainability Committee
Takis-Panagiotis Canellopoulos	-	Executive Director	No	-	Advisory Council Sustainability Committee
Michael Colakides	Chief Financial Officer	Executive Director	No		Executive Committee
Doros Constantinou	-	Non-executive Director	Yes	Audit Committee (Chair)	-
Alexandros Macridis	-	Non-executive Director	Yes	Remuneration Committee	
Domna Mirasyesi-Bernitsa	-	Non-executive Director	Yes	Nomination and Corporate Governance Committee (Chair)	-
Dimitri Papalexopoulos	Chief Executive Officer	Executive Director	No	-	Executive Committee (Chair), Sustainability Committee(Chair) Advisory Council
Ioanna Papadopoulou		Non-executive Director	Yes	Audit Committee	
Alexandra Papalexopoulou-Benopoulou	Group Strategic Planning Director	Executive Director	No	-	Executive Committee
Petros Sabatacakis	-	Non-executive Director	Yes	Remuneration Committee	-
Ploutarchos Sakellaris	-	Non-executive Director	Yes	Audit Committee	-
Efthichios Vassilakis – until 17 June 2016	-	Non-executive Director	Yes	-	-
Efthymios Vidalis	Group Advisor on Strategy and Sustainable Development	Executive Director	No	-	Advisory Council Sustainability Committee
Vassilios Zarkalis	USA Region Director	Executive Director	No	-	Executive Committee,

Table 45: Group policies update 2017	**Albania**	**Bulgaria**	**Egypt**	**FYROM**	**Greece**	**Kosovo**	**Serbia**	**Turkey**	**USA**
Group People Management Framework									
Group Occupational Health and Safety Policy, and Framework									
Group CSR Policy									
Group Human Rights Policy (Freedom of association, child labor)									
Group Environmental Policy									
Group Climate Mitigation Strategy									
Group Anti-Bribery and Corruption Policy (Compliance, grants, donations and contributions)									
Group Sanctions Policy									
Group Competition Law Compliance Policy and Guidelines (compliance, customers and suppliers)									

Notes: (1) The new Group Environmental Policy and Climate Change Mitigation Strategy (2017) will be communicated with all BUs in 2018, and set as reference for amending the local Policies where needed; (2) 'Conflict of Interest' Policy will be issued in 2018.

Legend	
	Launched at Business Unit level : The policy has been translated in local languages spoken by employees at BU level and communicated through corporate means (i.e. Intranet, Announcement Boards, or else)
	Implemented at Business Unit level : Policy implementation is supported with induction courses and formal training sessions directed to managers and employees
	Assessed at Business Unit level: Policy is incorporated in regular audit activities either conducted by third parties or by corporate experts and results are used for improving performance and sharing best practice throughout the region or the Group.

UNGC Communication on Progress Review 2017

Implementing the Ten Principles	
Criterion 1 **The Review describes mainstreaming into corporate functions and business units** TITAN commitments a. TITAN Group CSR Policy b. TITAN Commitments TITAN Website: Other Committees **Criterion 2** **The Review describes value chain implementation** TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct c. TITAN Group Code of Conduct for Procurement TITAN Website: Suppliers and business partners, Rights of shareholders	**TITAN IAR2017** CEO message Section 1: Risks and uncertainties; Value creation; Environmental management, Health and safety, Sustainability of communities; Governance, transparency and ethics, Value chain management Section 2: Corporate Governance Statement; Composition of the Board of Directors, Conflicts of interests; Internal audit and risk management systems in relation to the financial statements; Information required by Article 10(1) of European Parliament and Council Directive 2004/25/EC Section 7: Principles and boundaries of non-financial performance review; Tables: 10-12, 45 Notes: 1) An overview of our governance and management structure is detailed in the Corporate Governance section. Along with our Board Committees (Audit, Remuneration, and Nomination and Corporate Governance), we have established Other Committees, among which is the Sustainability Committee operating under the Executive Committee, and the Sustainability Advisory Council at Board level demonstrating how sustainability is incorporated in governance and decision making. 2) We extract raw materials such as limestone, clay, aggregates, pozzolan and gypsum. We use thermal and electrical energy in our extraction and manufacturing processes. We crush, grind, heat and cool raw materials to produce clinker, which is then processed further to produce cement. We combine cement, water and aggregates to produce ready mix concrete. In specific plants we also process fly ash, which can be used as an alternative raw material. Our supply chain comprises a variety of business partners who provide us with services (as contractors or licensees) and products (as brokers or wholesalers). We mainly use local contractors for the maintenance of machinery and operations, which are largely capital intensive activities, as well as cleaning and catering, which are labor intensive activities. We also source centrally through international suppliers who provide goods such as fuels, technology and machinery. We also use logistics and transportation services. 3) Suppliers screened using labor and environmental criteria: We have set ourselves the target of assessing our supply chain using labor and environmental criteria and reporting against this indicator by 2020. 4) Our procurement purchasing manual mandates that all of our contractors must provide official proof of payment and paid insurance of their employees, in order to be compensated for their services according to contractual agreements. 5) In total, twenty-seven grievances related to environmental issues were reported in 2017, in Albania, Egypt, FYROM, Greece, Kosovo and USA.
Robust Human Rights Management policies and procedures **Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights** **Principle 2: Businesses should make sure they are not complicit in human rights abuses**	
Criterion 3 **The Review describes robust commitments, strategies or policies in the area of human rights** TITAN commitments a. TITAN Corporate Values b. TITAN Group Code of Conduct c. TITAN Group CSR Policy d. TITAN Group Code of Conduct for Procurement e. TITAN People Management Framework f. TITAN Occupational Health and Safety Vision and Policy	**TITAN IAR2017** Section 1: Value creation; Material issues; People management and development; Sustainability of communities; Governance, Transparency and ethics; Tables: 20-21, 22-31, 34-36, 45 Notes 1) Two incidents were filed with the Equal Employment Opportunity Commission (EEOC) in the US: a. Florida Ready-Mix: a former employee submitted claim for religious discrimination with EECO. TITAN USA submitted position statement to EEOC. EEOC requested additional information, which was provided by TITAN USA in November 2017. Awaiting response from EEOC. b. Florida Ready-Mix: Claim for discrimination by a former employee filed in 2016 was dismissed in 2017.

<table>
<tr><th colspan="2">Implementing the Ten Principles</th></tr>
<tr><td>g. Charter of the TITAN Occupational Health and Safety Council

h. TITAN Group Anti-Bribery and Corruption policy

i. TITAN Group Human Rights policy

Criterion 4

The Review describes effective management systems to integrate the human rights principles

TITAN commitments

a. TITAN Group CSR Policy

b. TITAN People Management Framework

c. TITAN Group Code of Conduct

d. TITAN Group Code of Conduct for Procurement

Criterion 5

The Review describes effective monitoring and evaluation mechanisms of human rights integration

TITAN commitments

a. TITAN Group CSR Policy

b. TITAN Group Code of Conduct

c. TITAN Group Code of Conduct for Procurement

d. TITAN People Management Framework</td><td>2) Unions, where established, operate freely according to each country's laws and regulations.
3) Our procurement purchasing manual mandates that all of our contractors must provide official proof of payment and paid insurance of their employees, in order to be paid.
4) Security is fundamental for safeguarding a safe and peaceful working environment for our employees and business partners while protecting assets and intellectual property. To meet our expectations, we request from all third parties providing security services to train their employees appropriately and respect the international standards and principles.</td></tr>
<tr><th colspan="2">Robust labor management policies and procedures

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labor;

Principle 5: the effective abolition of child labor; and

Principle 6: the elimination of discrimination in respect of employment and occupation</th></tr>
<tr><td>Criterion 6

The Review describes robust commitments, strategies or policies in the area of labor

TITAN commitments

a. TITAN Group CSR Policy

b. TITAN Corporate Values

c. TITAN Group Code of Conduct

d. TITAN Group Code of Conduct for Procurement

e. TITAN People Management Framework

f. TITAN Occupational Health and Safety Vision and Policy

g. Charter of the TITAN Occupational Health and Safety Council

h. TITAN Occupational Health and Safety Framework

i. TITAN Group Human Rights policy</td><td>TITAN IAR2017

CEO message

Section 1: Business model; Material issues; Health and safety (training); People management and development; Sustainability of communities; Governance, transparency and ethics; Risks and uncertainties

Section 2: Board committees

Section 6: Employee benefits (Note to the financial statements 1.16); Retirement and termination benefit obligation (Note to the financial statements 25)

Tables: 9-11, 12-19, 21, 24-42, 34, 45

TITAN Website: Group profile, Business activities

Notes
1) We apply and respect collective bargaining agreements for all employees in all countries that such agreements exist. This amounts to a total of 61% of Group employees.
2) In respect to the right to parental leave and to job retention after parental leave, TITAN Group acknowledges this right and guarantees job retention in all countries, despite existing local legislation. All employees are entitled to parental leave according to local legislation. In 2017, 223 Group employees were entitled to parental leave (188 males and 35 females) and 14 women took parental leave.
3) Union representatives have regular meetings with the management to discuss employee issues and propose improvements to meet employees' expectations,</td></tr>
</table>

Implementing the Ten Principles

including among else wages and additional benefits, as well as proposals to improve health and safety conditions at work. Health and Safety Councils of Committees comprising of management and employee representatives are formed at plant level to support continuous improvement in safety conditions and performance. All formal agreements with trade unions also cover health and safety topics.

4) A health surveillance program addressing dust, crystalline silica and noise was introduced in 2017.
5) TITAN Group invests in steady long-term work relationships with its employees and encourages life - long learning building and advancing skills and capabilities and thus increasing the intellectual capital of the Company on multiple levels. In addition, TITAN participates in selected sustainability initiatives and collaborative efforts with academia, experts and key stakeholders transferring and developing know - how and expertise continuously. By introducing a new calibration process in the recently updated Performance Development Process (PDP). All senior managers attended each an eight-hour training that was in total 1,424 training man-hours took place for all 127 senior managers, while further cascade down has followed for the rest of the managers, so that they were further prepared to effectively develop and manage the performance of their people. Out of 155,587 training hours provided to our 5,552 (average) employees in 2017, 14% are related to topics that build management skills.
6) We pay the same salary to men and women who do the same job and ensure that there is no difference through in-cash and in-kind provisions due to gender or type of contract.
7) Although the Group operates globally, over 77% of our employees are from the local community, and most of them are local nationals. This excludes data from the USA, as data is not available as it is subject to confidentiality restraints. Most of our local management teams are local nationals. Most of the senior managers are hired from the local community. Expatriates support the integration of new plants or acquisitions into the Group. In 2017, only 26 senior managers were expatriates.

Criterion 7

The Review describes effective management systems to integrate the labor principles

TITAN commitments

a. TITAN Group Code of Conduct

b. TITAN Group Code of Conduct for Procurement

c. TITAN People Management Framework

d. TITAN Occupational Health and Safety Vision and Policy

e. TITAN Occupational Health and Safety Framework

Criterion 8

The Review describes effective monitoring and evaluation mechanisms of labor principles

TITAN commitments

a. TITAN Group CSR Policy

b. TITAN Group Code of Conduct

c. TITAN People Management Framework

d. Charter of the TITAN Occupational Health and Safety Council

e. The Company Charter of the Cement Sustainability Initiative

TITAN Website: Suppliers and business partners

Robust environmental management policies and procedures

Principle 7: Business should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies

Criterion 9

The Review describes robust commitments, strategies or policies in the area of environmental stewardship

TITAN commitments, strategies or policies

a. TITAN Corporate Values

b. TITAN Group CSR Policy

c. TITAN Group Code of Conduct

d. The Company Charter of the Cement Sustainability Initiative

e. TITAN Group Environmental Policy

f. TITAN Climate Change Mitigation Strategy

TITAN IAR2017

Section 1: Non-financial performance review; Environmental management; Forward looking; Strategic and operational risks

Section 7: Principles and boundaries of non-financial performance review; WBCSD/CSI non-financial performance indicators; Independent Assurance Statement;

Tables: 1-8, 45

Graphs: 1-9

Notes:

1) Materials used by weight and volume
   a. Cement production: In 2017, we used 23.9 million metric tons (dry basis) of extracted and alternative raw materials. TITAN does not use semi-manufactured parts or goods to produce cement and thus weight of semi-manufactured goods is not applicable. Currently there are no data available regarding associated process materials or materials used for packing.
   b. Ready-mix production: In 2017, we used 10.0 million metric tons (wet basis) of aggregates (extracted raw materials) and 1.8 million metric tons (wet basis) of cement, fly ash, slag and chemical admixtures (semi-manufactured

Criterion 10

Implementing the Ten Principles	
The Review describes effective management systems to integrate the environmental principles TITAN commitments a. TITAN Group CSR Policy b. The Company Charter of the Cement Sustainability Initiative c. TITAN Group Environmental Policy d. TITAN Climate Change Mitigation Strategy	materials). Currently there are no data available regarding associated process materials or materials used for packing. c. Blocks production: In 2017, we used 750,000 metric tons (wet basis) of aggregates (extracted raw materials) and 51,000 metric tons (wet basis) of cement, fly ash and chemical admixtures (semi-manufactured materials). Currently there are no data available regarding associated process materials or materials used for packing. d. Dry mortar production: In 2017, we used 18,235 metric tons (wet basis) of aggregates (extracted raw materials) and 2,450 metric tons (wet basis) of cement and chemical admixtures (semi-manufactured materials). Currently there are no data available regarding associated process materials or materials used for packing. 2) Percentage of materials used that are recycled input materials: Of the materials we use for the production of our products, the percentage of alternative raw materials, mostly derived from by-products and waste from other industries, was: a. Cement production 5.5% b. Ready-mix production 2.2% c. Blocks production 0.0% d. Dry mortar production 0.0%
Criterion 11 **The Review describes effective monitoring and evaluation mechanisms for environmental stewardship** TITAN commitments a. TITAN Climate Change Mitigation Strategy b. The Company Charter of the Cement Sustainability Initiative	3) TITAN's reporting on water is compliant with the requirements set out in the WBCSD/CSI Protocol for Water Reporting. At Group level, a total 35.4 million m^3 of water was withdrawn, 10.5 million m^3 consumed and 24.9 million m^3 discharged in 2017. The volume of the water withdrawal, sourced from surface and ground water resources, is in most cases directly measured with water flow meters installed at the withdrawal points, whereas municipal water volume is usually determined by invoices or bills from the water supply company. In the few cases where direct measurements are not possible, water withdrawal is estimated by multiplying pump manufacturer rated capacity and pump operating hours. 4) Based on the assessment tools available to us, no water source was significantly affected by our operations 5) The water we recycle is determined by direct measurements (using water flow meters) whenever this is possible. If this is not possible, estimates are used (pumping hours multiplied by the pump rated capacity, or simply by recording the number of water trucks of known capacity needed for yard washing and dust suppression). 6) Ten of our Group quarry sites have been recognized as areas of high biodiversity value and eight out of the ten (80%) operate under a Biodiversity Management Plan (BMP), in principle according to the WBCSD/CSI Biodiversity Management Plan (BMP) Guidance. 7) Total gross direct carbon emissions from our cement and grinding plants in 2017 were 11.9 million metric tons. In addition, 114,695 metric tons of biogenic CO_2 is also emitted. Our direct CO_2 emissions are calculated and reported in accordance with the corresponding WBCSD/CSI protocol (CO_2 and Energy Accounting and Reporting Standard for the Cement Industry, version 3.0, May 2011). According to the protocol, no other greenhouse gas (GHG) is considered material to cement plant operations. The base year for CO_2 emissions is 1990 in accordance with the Kyoto Protocol. 8) Total indirect carbon emissions from our cement and grinding plants in 2016 were 1.2 million metric tons. Our indirect CO_2 emissions, are calculated and reported in accordance with the corresponding WBCSD/CSI protocol (CO_2 and Energy Accounting and Reporting Standard for the Cement Industry, version 3.0, May 2011). Indirect CO_2 emissions are related to emissions released for the production of the electrical energy consumed at our facilities. For their calculation we use emission factors provided by the supplier of the electrical energy or other publicly available data. If no such data are available, the most recent data provided by CSI are used. 9) We currently do not collect Scope 3 emissions data. 10) Air emissions reporting follows CSI guidance (version2.0, March 2012). 11) Disposal method was based on information provided by the waste disposal contractor 12) No significant spills were reported during 2017 13) Waste materials used in or produced by our operations are not considered to be hazardous under the terms of the Basel Convention 14) We aim to develop more sustainable products and services for our customers to minimize the impact our products have on society and the environment as demonstrated by our ProAsh® product 15) Extent of impact mitigation of environmental impacts of products and services: Innovations in our products and in our engagement with local customers help to give us a competitive edge in the markets we work in. We actively promote new products that will improve quality and durability, such as ProAsh®, as well as methods and materials that will make construction easier or help to reduce its environmental impact. 16) There are no significant fines (over €10,000) paid by the Group in 2017 in relation to non-compliance with environmental laws and regulations. However, there is a claim of Sharr Beteiligungs GmbH Sh.P.K. (Kosovo) against the Independent Commission for Mines and Minerals ("ICMM") with regard to the Administrative Act No. 973, dated 22 April 2010, by which ICMM has imposed royalty fees to Sharr Beteiligungs GmbH Sh.P.K. This claim has been approved by the Basic Court in

<table>
<tr><th colspan="2">Implementing the Ten Principles</th></tr>
<tr><td></td><td>Prishtina, Department for Administrative Matters and confirmed by the Appellate Court of Kosovo and now the case has been remanded for reconsideration before ICMM
17) The environmental impacts of transporting our products, materials used in our operations and our employees are mainly GHG emissions, fugitive dust and noise. We actively implement programs adopting best practices to reduce these impacts, such as the introduction of trucks with low emission engines and the installation of covering mechanisms as well as truck washing prior to leaving our facilities premises to reduce fugitive dust. Based on past studies, the environmental impact of such activities was deemed not material compared to the impact of our direct operations. We therefore do not currently collect data on transport impacts.
18) Our efforts to address environmental concerns such as water and energy use, biodiversity, CO_2 emissions and waste management are not add-ons to our business, but are central to what we do. They underpin both our operational efficiency and our focus on sustainability. They also help us secure the permits we need to run our business.
19) Environmental expenditure across all our operations (including emissions treatment, waste and remediation costs) in 2017 was €27.5 million.
20) 100% of new suppliers are screened using the criteria of compliance with environmental legislation.</td></tr>
<tr><td colspan="2">Robust anti-corruption management policies and procedures

Principle 10: Business should work against corruption in all its forms, including extortion and bribery</td></tr>
<tr><td>Criterion 12

The Review describes robust commitments, strategies, or policies in the area of anti-corruption

TITAN commitments

a. TITAN Corporate Values

b. TITAN Group CSR Policy

c. TITAN Group Code of Conduct

d. TITAN Group Code of Conduct for Procurement

Criterion 13

The Review describes effective management systems to integrate the anti-corruption principle

TITAN commitments

a. TITAN Group Code of Conduct

b. TITAN Group Code of Conduct for Procurement

Criterion 14

The Review describes effective monitoring and evaluation mechanisms for the integration of anti-corruption

TITAN commitments

a. TITAN Group Code of Conduct
b. TITAN Group Code of Conduct for Procurement</td><td>TITAN IAR2017

CEO message

Section 1: Business model; Non-financial performance review; Risks and uncertainties;

Section 6: Financial statements

Section 7: Principles and boundaries of non-financial performance review; Independent Auditors' Assurance Statement;

Tables: 34-35, 45

TITAN Website: Business activities, Group profile, Global locations, Suppliers and business partners

Notes

1) 100% of operations have been assessed for risk of corruption.
2) Our Code of Conduct training includes our expectations regarding anti-corruption. The Code of Conduct is translated into all languages spoken by TITAN employees and contractors. It is signed by managers and employees every time it is reviewed and updated by the Board. The Code of Conduct is also provided as part of the "personnel file" given to any new employee and they are required to read and sign it with their contract. The Code of Conduct is also an important element of induction courses provided to employees, and Group HR runs periodically a training program for managers in all countries to help them train employees appropriately and ensure they are familiar with it.
3) No incidents of corruption have taken place in 2017 in the Group
4) TITAN Group defines as significant all fines over €10,000.
5) Public policy: We continue to engage with governments and take public positions on different business issues through business associations and business driven initiatives such as the European Pact 4 Youth regarding quality education and internships in a transparent and responsible way.
6) An amount of $2,000 was given to "Treasure Florida PC", a local political committee by TITAN America, in the USA, in 2017.
7) There have been no incidents of legal action for anti-competitive behavior, anti-trust or monopoly practices during 2017
8) Although we report only significant fines (see above item 4), for transparency reasons, we note that during 2017 there was one employee complaint matter that was brought through a government agency and was settled under EEO law for €4,014.
9) Grievance mechanisms about impacts on society: All of our operations have mechanisms for members of the community to report grievances through our ISO14001 management system. Communities in the USA have access to the same ethics hotline as our employees. In 2017, in the Group, we received 24 written and 8 verbal complaints from six countries (Albania, Egypt, FYROM, Kosovo, Serbia Turkey).</td></tr>
</table>

Implementing the Ten Principles	
Taking action in support of broader UN goals and issues	
Criterion 15 **The Review describes core business contributions to UN goals and issues** TITAN commitments a. TITAN Corporate Values b. TITAN Group CSR Policy c. TITAN CSR pledges and commitments d. TITAN Group Code of Conduct e. TITAN Group Code of Conduct for Procurement	**TITAN IAR2017** CEO message Section 1: Business model; Non-financial performance review; Risks and uncertainties; Section 6: Financial statements; Section 7: Principles and boundaries of non-financial performance review; Independent Auditors' Assurance Statement; Non-financial performance review according to the UNGC criteria (see criteria 2-14) TITAN Website: TITAN IAR2016, TITAN History, TITAN pledges and commitments, TITAN Stakeholder engagement, Communication policy and dialogue, Collaborative action, CSR in action, Care for our people, Occupational health and safety, Human rights and labor relations, Sustainable development
Criterion 16 **The Review describes strategic social investments and philanthropy** TITAN commitments a. TITAN Group CSR Policy	
Criterion 17 **The Review describes advocacy and public policy engagement** TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct	
Criterion 18 **The Review describes partnerships and collective action** TITAN commitments a. TITAN Group CSR Policy b. The Company Charter of the Cement Sustainability Initiative c. TITAN Climate Change Mitigation Strategy d. TITAN Occupational Health and Safety Framework	
Corporate sustainability governance and leadership	
Criterion 19 **The Review describes CEO commitment and leadership** TITAN commitments a. TITAN Group CSR Policy b. The Company Charter of the Cement Sustainability Initiative c. TITAN Climate Change Mitigation Strategy d. TITAN Group Code of Conduct	**TITAN IAR2017** CEO message Section 1: Business model; Non-financial performance review; Risks and uncertainties; Section 2: Corporate Governance Statement; Section 7: Independent Auditors' Assurance Statement; Non-financial performance review according to the UNGC criteria (see criteria 2-14) TITAN Website: TITAN IAR2016, TITAN History, TITAN pledges and commitments, TITAN Stakeholder engagement, Communication policy and dialogue, Collaborative action, CSR in action, Care for our people, Occupational health and safety, Human rights and labor relations, Sustainable development

Implementing the Ten Principles	
Criterion 20 **The Review describes Board adoption and oversight** TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct	Notes See above, criteria 1-18
Criterion 21 **The Review describes stakeholder engagement** TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct c. TITAN People Management Framework	
Business and peace	
Criterion 22 **The Review describes policies and practices related to the Company's core business operations in high-risk conflict-affected areas stewardship** TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct c. TITAN Group Code of Conduct for Procurement	**TITAN IAR2017** CEO message Section 1: Business model; Non-financial performance review; Risks and uncertainties; Section 2: Corporate Governance Statement; Section 7: Independent Auditors' Assurance Statement; Non-financial performance review according to the UNGC criteria (see criteria 2-14) Tables: 34-35, 45 TITAN Website: TITAN pledges and commitments, TITAN Stakeholder engagement, Communication policy and dialogue, Collaborative action, CSR in action, Care for our people, Occupational health and safety, Human rights and labor relations, Sustainable development Notes See above, criteria 1-21
Criterion 23 **The Review describes policies and practices related to the Company's government relations in high-risk or conflict-affected areas stewardship** TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct c. TITAN Group Code of Conduct for Procurement	
Criterion 24 **The Review describes local stakeholder engagement and strategic social investment activities of the Company in high-risk or conflict-affected areas stewardship** TITAN commitments a. TITAN Group CSR Policy b. TITAN Group Code of Conduct c. TITAN Group Code of Conduct for Procurement	

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

DATA AND INFORMATION for the year ended 31 December 2017

The figures illustrated below provide summary information about the financial position of Titan Cement S.A. and its subsidiaries. We advise the reader who seeks a complete picture of the financial position to visit the Company's web site, where the full year financial statements according to International Financial Reporting Standards together with the auditor's report, are presented.

Supervising Authority:	Ministry of Economy, Development and Tourism (Department for Companies and G.E.MI.)
Company's web address:	www.titan-cement.com
Board of Directors:	Efstratios-Georgios Arapoglou** - Chairman, Nellos Canellopoulos - Vice Chairman, Dimitrios Papalexopoulos - Chief Executive Officer. Michael Colakides, Doros Constantinou*, Hiro Athanassiou*, Takis-Panagiotis Canellopoulos, Alexander Macridis*, Domna Mirasyesi-Bernitsa*, Ioanna Papadopoulou*, Alexandra Papalexopoulou-Benopoulou, Petros Sabatacakis*, Ploutarchos Sakellaris*, Efthimios Vidalis, Vassilios Zarkalis. **Non-executive director *Independent non-executive directors
Date of approval of the Financial Statements :	28 March 2018
Name of the auditor:	Konstantinos Michalatos (SOEL R.N. 17701)
Auditing firm:	PricewaterhouseCoopers S.A.
Report of the Auditors:	Without qualification

CONDENSED STATEMENT OF FINANCIAL POSITION
(Amounts in € thousand)

	GROUP		COMPANY	
ASSETS	**31/12/2017**	**31/12/2016**	**31/12/2017**	**31/12/2016**
Tangible assets	1.466.046	1.573.235	252.944	242.777
Investment properties	12.130	9.820	8.937	9.126
Intangible assets	345.971	375.116	8.093	4.458
Other non current assets	177.223	206.863	782.302	865.998
Inventories	258.204	248.924	65.410	57.768
Trade receivables	115.429	123.466	37.883	54.072
Other current assets	66.217	72.643	29.966	21.820
Cash and cash equivalents	154.247	179.710	29.323	11.218
TOTAL ASSETS	2.595.467	2.789.777	1.214.858	1.267.237
SHAREHOLDERS EQUITY AND LIABILITIES				
Share Capital 84,632,528 shares of € 3.00 (2016: € 4.00)	253.897	338.530	253.897	338.530
Share Premium	22.826	22.826	22.826	22.826
Share stock options	3.003	2.978	3.003	2.978
Treasury Shares	-105.384	-101.453	-105.384	-101.453
Retained earnings and other reserves	1.132.871	1.213.470	569.790	564.388
Total share capital and reserves (a)	1.307.213	1.476.351	744.132	827.269
Non-controlling interests (b)	62.459	76.465	-	-
Total Equity (c)=(a)+(b)	1.369.672	1.552.816	744.132	827.269
Long-term borrowings	820.382	710.965	379.218	310.678
Provisions and other long-term liabilities	108.967	119.008	32.227	36.311
Short-term borrowings	56.825	129.499	32	42.442
Other short-term liabilities	239.621	277.489	59.249	50.537
Total liabilities (d)	1.225.795	1.236.961	470.726	439.968
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES (c)+(d)	2.595.467	2.789.777	1.214.858	1.267.237

CONDENSED INCOME STATEMENT
(Amounts in € thousand)

	GROUP		COMPANY	
	1/1-31/12/2017	**1/1-31/12/2016**	**1/1-31/12/2017**	**1/1-31/12/2016**
Revenue	1.505.803	1.509.153	233.805	262.475
Cost of sales	-1.070.349	-1.072.139	-182.851	-199.836
Gross profit before depreciation,amortization and impairment	435.454	437.014	50.954	62.639
Other operating (expenses)/income	-13.984	-14.679	8.629	10.994
Administrative expenses	-125.459	-122.108	-44.526	-43.276
Selling and marketing expenses	-22.570	-21.628	-253	-271
Profit before interest, taxes, depreciation, amortization and impairment	273.441	278.599	14.804	30.086
Depreciation, amortization and impairment of tangibles/ intangibles assets	-116.429	-127.107	-17.867	-14.753
Profit/(loss) before interest and taxes	157.012	151.492	-3.063	15.333
Gains from participations and investments	162	1.926	34.377	29.379
Losses from participations and investments	-	-	-178	-
Finance costs	-86.460	-90.385	-19.255	-22.006
Share on profit of associates and joint ventures	-7.488	492	-	-
Profit before taxes	63.226	63.525	11.881	22.706
(Less)/Plus: Income tax expense	-18.929	63.805	1.510	-5.887
Profit after taxes (a)	44.297	127.330	13.391	16.819
Attributable to:				
Equity holders of the parent	42.680	127.444	13.391	16.819
Non-controlling interests	1.617	-114	-	-
Basic earnings per share (in €)	0,5292	1,5612	0,1660	0,2060
Diluted earnings per share (in €)	0,5256	1,5521	0,1649	0,2048

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
(Amounts in € thousand)

	GROUP		COMPANY	
	1/1-31/12/2017	**1/1-31/12/2016**	**1/1-31/12/2017**	**1/1-31/12/2016**
Profit after taxes (a)	44.297	127.330	13.391	16.819
Other comprehensive (loss)/income:				
Exchange differences on translation of foreign operations	-110.229	-200.509	-	-
Currency translation differences on transactions designated as part of net investment in foreign operation	-8.753	-40.174	-	-
Net losses on available-for-sale financial assets	-577	-234	-	-139
Revaluation of land and buildings	252	577	150	-
Re-measurement losses on defined benefit plans	-112	-1.475	-589	-2.067
Share of other comprehensive losses of associates and joint ventures	-6	-13	-	-
Income tax relating to components of other comprehensive income	1.715	9.704	127	639
Other comprehensive loss net of tax (b)	-117.710	-232.124	-312	-1.567
Total comprehensive (loss)/income net of tax (a)+(b)	-73.413	-104.794	13.079	15.252
Total comprehensive (loss)/income attributable to:				
Shareholders	-70.161	-61.137	13.079	15.252
Non-controlling interests	-3.252	-43.657	-	-

CONDENSED STATEMENT OF CHANGES IN EQUITY
(Amounts in € thousand)

	GROUP		COMPANY	
	31/12/2017	**31/12/2016**	**31/12/2017**	**31/12/2016**
Equity balance at beginning of the year (1/1/2017 and 1/1/2016 respectively)	1.552.816	1.705.285	827.269	860.544
Total comprehensive (loss)/income	-73.413	-104.794	13.079	15.252
Share capital decrease	-84.633	-	-84.633	-
Dividends distributed to ordinary and preferred shares	-8.463	-25.390	-8.463	-25.390
Dividends distributed to non-controlling interests	-3.867	-4.500	-	-
Purchase of treasury shares	-4.951	-25.193	-4.951	-25.193
Sale - disposal of treasury shares for option plan	398	436	398	436
Non-controlling interest's participation in share capital increase of subsidiary	807	6.695	-	-
Share based payment transactions	1.433	1.620	1.433	1.620
Non-controlling interest's put option recognition	-2.396	-1.343	-	-
Acquisition of non-controlling interest	-7.578	-	-	-
Costs for share capital increase in subsidiaries	-481	-	-	-
Equity balance at year end (31/12/2017 and 31/12/2016 respectively)	1.369.672	1.552.816	744.132	827.269

CASH FLOW STATEMENT
(Amounts in € thousand)

	GROUP		COMPANY	
	1/1-31/12/2017	**1/1-31/12/2016**	**1/1-31/12/2017**	**1/1-31/12/2016**
Cash flows from operating activities				
Profit before taxes	63.226	63.525	11.881	22.706
Adjustments for:				
Depreciation	112.294	116.293	15.717	14.753
Impairment of tangible and intangible assets	4.135	10.814	2.150	-
Provisions	14.274	9.939	3.753	2.374
Income from participations and investments	-	-1.580	-	-107
Dividend income	-162	-346	-34.377	-29.272
Exchange differences	55.907	24.367	1.869	-1.021
Interest (income)/expense	63.414	64.933	15.881	22.017
Other adjustments	-23.478	4.992	1.470	1.659
Adjusted profit before changes in working capital	289.610	292.937	18.344	33.109
(Increase)/decrease in inventories	-28.520	-5.091	-9.192	13.075
(Increase)/decrease in trade and other receivables	-7.037	-48.341	10.760	-5.589
Decrease/(increase) in operating long-term receivables/payables	1.350	-344	-2	37
(Decrease)/increase in trade & other payables (excluding banks)	-14.950	36.122	9.349	1.208
Cash generated from operations	240.453	275.283	29.259	41.840
Income tax paid	-14.359	-6.065	-3.422	-326
Net cash flows from operating activities (a)	226.094	269.218	25.837	41.514
Cash flows from investing activities				
Purchase of tangible assets	-119.950	-148.294	-27.924	-20.115
Purchase of intangible assets	-2.568	-2.262	-2.930	-1.080
Proceeds from the sale of tangible/intangible and investment properties	1.467	1.024	95	220
Proceeds from dividends	4.686	5.266	30.458	28.579
Acquisition of subsidiaries, net of cash	-	-11.781	-	-
Investment in associates and joint ventures	-21.106	-84.953	-	-
Share capital decrease/(increase) in subsidiaries	-	-	84.133	-18.000
Share capital increase in associates and joint ventures	-28.678	-2.234	-	-
Net (payments)/proceeds from the (acquisition)/sale of available-for-sale financial assets	-29	2.128	-	2.128
Interest received	854	1.059	2	24
Net cash flows (used in)/from investing activities (b)	-165.324	-240.047	83.834	-8.244
Net cash flows after investing activities (a)+(b)	**60.770**	**29.171**	**109.671**	**33.270**
Cash flows from financing activities				
Proceeds from non-controlling interest's participation in subsidiary's establishment	807	-	-	-
Payments from share capital decrease of the Parent Company	-84.136	-	-84.136	-
Payments for shares bought back	-4.951	-25.193	-4.951	-25.193
Proceeds from sale of treasury shares	398	436	398	436
Proceeds from government grants	209	-	208	-
Interest paid	-60.183	-64.713	-22.591	-23.774
Dividends & reserves paid to shareholders	-8.438	-25.243	-8.438	-25.243
Dividends written-off and paid to the Greek state	-23	-24	-23	-24
Dividends paid to non-controlling interests	-3.868	-5.281	-	-
Proceeds from borrowings	691.159	674.505	122.645	220.601
Payments of borrowings	-613.538	-511.820	-94.266	-177.906
Net cash flows (used in)/from financing activities (c)	-82.564	42.667	-91.154	-31.103
Net (decrease)/increase in cash and cash equivalents (a)+(b)+(c)	**-21.794**	**71.838**	**18.517**	**2.167**
Cash and cash equivalents at beginning of the year	179.710	121.733	11.218	8.626
Effects of exchange rate changes	-3.669	-13.861	-412	425
Cash and cash equivalents at end of the year	**154.247**	**179.710**	**29.323**	**11.218**

NOTES

1. In implementation of decision dated 17th June 2016 of the Annual General Meeting of Shareholders and resolution dated 17th June 2016 of the Board of Directors, pursuant to article 16 par. 1 of Law 2190/1920, the Company purchased in 2017 222,356 own common shares of a total purchase value of €4,563,765 and 24,959 own preference shares of a total purchase value of €386,736. The corresponding nominal value of the total own shares purchased in 2017 was €741,945 representing 0.29% of the share capital of the Company. On 31.12.2017 the total number treasury shares held by the Company was 4,164,719, of a total purchase value of €105,384 thousand, which has been deducted from the Shareholders Equity of the Company and the Group.

2. The assets of the Company have not been pledged. On the Turkish subsidiary Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. assets, there is mortgage of €4.6 million, securing its bank credit facilities.

3. Number of employees at the end of the reporting period: Group 5,432 (2016: 5,482), Company 811 (2016: 842).

4. Capital expenditure excluding acquisitions and intangible assets for the fiscal year of 2017 amounted to: Group €120.0 mil. (2016: €148.3 mil.), Parent Company €27.9 mil. (2016: €20.1 mil.).

5. Transactions during the fiscal year 2017 and balances as of 31 December 2017 with related parties, as defined in IAS 24, are as follows:

Amounts in € thousand	Group	Company
a) Income	-	165.046
b) Expenses	284	34.737
c) Receivables	11	27.575
d) Payables	64	396.711
e) Key management compensations	7.034	7.034
f) Payables to key management	15	15

6. Companies included in the consolidated financial statements of fiscal year 2017 are presented in the note 14 of the Group's annual financial statements including locations, percentage Group ownership and consolidation method.

7. The unaudited by the tax authorities fiscal years for the Company and the Group's subsidiaries are presented in detail in the note 35 of the annual financial statements. The provision for other taxes concerns returning governmental subsidy amounting to €2.1 mil. that was found to be incompatible with European Legal framework according to the Law 4099/2012. Except for the aforementioned case, there are no other 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.

8. The balance of other provisions (short and long term) as of 31.12.2017 amounted to €38.7 mil for the Group (31.12.2016: €29.6 mil.) and €15.2 m. for the Company (31.12.2016: €10.3 m.).

9. On 16 November 2017, TITAN GLOBAL FINANCE Plc (a subsidiary of the Company) issued a 7-year bond of a total nominal amount of €250 million with a coupon of 2.375% per annum, guaranteed by the Company.

10. In January 2018, Titan Global Finance PLC issued Additional Guaranteed notes of nominal value €100 million. This was in connection with the reopening of €250 million issue of November 2017 and raised the total amount of the issue to €350 million due in November 2024.

11. Earnings per share have been calculated on the total weighted average number of common and preference shares, excluding the average number of treasury shares.

12. The Annual General Meeting of Shareholders of Titan Cement Company S.A., which was held on 12th May 2017, approved the distribution of dividend for the financial year 2016 of a total amount of €8,463,253, corresponding to €0.10 per share (ordinary or preference). The said amount was proportionately increased by the dividend corresponding to the treasury stock held by the Company and thus the dividend/per share amounted to €0.10488. The Company withheld on behalf of the Shareholders 15% tax and, as a result, the net amount received by the Shareholders was €0.08915 per share.

13. The Annual General Meeting of Shareholders of Titan Cement Company S.A., which was held on 12th May 2017, decided the reduction of the share capital of the Company by €84,632,528 with the purpose of capital return to the shareholders, through reduction of the nominal value of each share by €1.0 (from €4.0 to €3.0). Pursuant to article 16 paragraph 8 of L. 2190/1920, the final amount of capital return per share was 1,04884, as it was increased by the amount of capital return corresponding to the treasury shares held by the Company.

14. The Board of Directors will propose to the Annual General Assembly of Shareholders, scheduled to take place on 1 June 2018, the distribution of dividend of a total amount of €4,231,626 i.e. €0.05 per share and, in addition, a return of capital of a total amount of €42,316,264 i.e. €0.50 per share. Pursuant to article 16.8(b) of L. 2190/1920, the final amounts to be distributed per share will be increased by the amount, corresponding to the treasury shares held by the Company.

15. The newly acquired companies Titan Investment EAD and Arresa Marine CO are incorporated in the consolidated financial statements of 31 December 2017 with the full method of consolidation (note 30 of the annual financial statements).

Athens 28 March 2018

Chairman of the Board of Directors	**Chief Executive Officer**	**Chief Financial Officer**	**Finance Director Greece**	**Financial Consolidation Director**
EFSTRATIOS -GEORGIOS ATH. ARAPOGLOU	DIMITRIOS TH. PAPALEXOPOULOS	MICHAEL H. COLAKIDES	GRIGORIOS D. DIKAIOS	ATHANASIOS S. DANAS
ID No AB309500	I.D.No AK031353	Passport No K00373844	I.D No AB291692	I.D.No AN023225