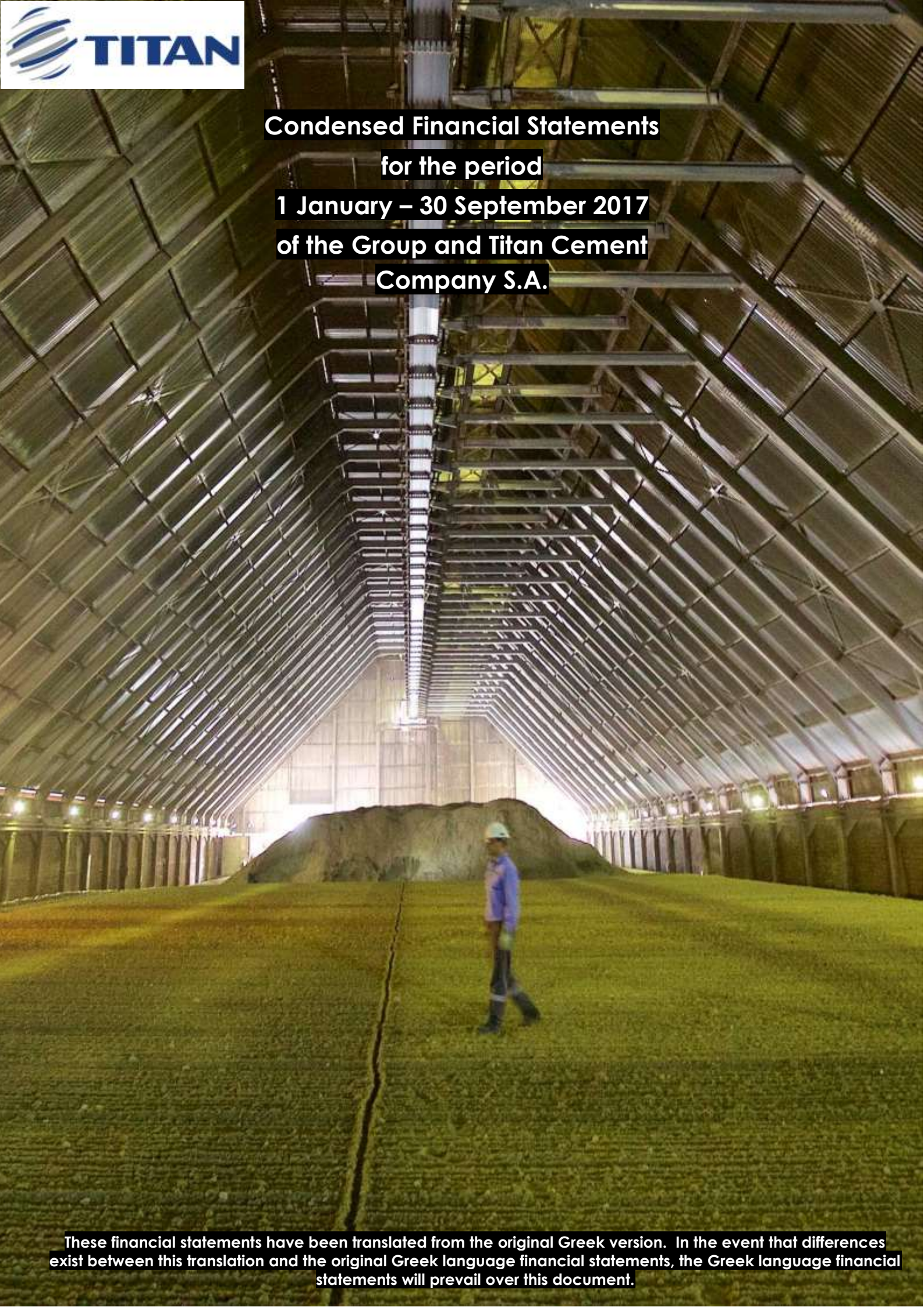


**Condensed Financial Statements  
for the period  
1 January – 30 September 2017  
of the Group and Titan Cement  
Company S.A.**



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





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The Interim Condensed Financial Statements presented through pages 3 to 29 both for the Group and the Parent Company, have been approved by the Board of Directors on 1st of November 2017.

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 Senior  
Manager

MICHAEL H. COLAKIDES  
Passport No K00215552

GRIGORIOS D. DIKAIOS  
ID No AB291692

ATHANASIOS S. DANAS  
ID No AN023225



# Interim Condensed Income Statement

(all amounts in Euro thousands)

|   | Note | Group                          |                | Company                        |               |
|---|------|--------------------------------|----------------|--------------------------------|---------------|
|   |      | For the nine months ended 30/9 |                | For the nine months ended 30/9 |               |
|   |      | 2017                           | 2016           | 2017                           | 2016          |
| Sales of goods  | 5    | 1,144,533                      | 1,124,225      | 180,962                        | 194,256       |
| Cost of sales   |      | -812,404                       | -805,318       | -141,385                       | -147,334      |
| <b>Gross profit before depreciation, amortization and impairment</b>            |      | <b>332,129</b>                 | <b>318,907</b> | <b>39,577</b>                  | <b>46,922</b> |
| Other income  |      | 8,865                          | 6,439          | 12,089                         | 11,005        |
| Administrative expenses   |      | -92,829                        | -91,219        | -32,450                        | -29,764       |
| Selling and marketing expenses  |      | -17,149                        | -16,614        | -204                           | -187          |
| Other expenses  |      | -16,496                        | -12,517        | -1,735                         | -2,304        |
| <b>Profit before interest, taxes, depreciation, amortization and impairment</b> |      | <b>214,520</b>                 | <b>204,996</b> | <b>17,277</b>                  | <b>25,672</b> |
| Depreciation and amortization related to cost of sales                          | 8,9  | -79,070                        | -81,238        | -10,831                        | -9,817        |
| Depreciation and amortization related to administrative and selling expenses    | 8,9  | -4,725                         | -5,200         | -892                           | -850          |
| Impairment of tangible and intangible assets related to cost of sales           | 8,9  | -1,589                         | -3,029         | -                              | -             |
| <b>Profit before interest and taxes</b>   |      | <b>129,136</b>                 | <b>115,529</b> | <b>5,554</b>                   | <b>15,005</b> |
| Income from participations and investments                                      |      | -                              | -              | -                              | 20,625        |
| Finance income  |      | 862                            | 2,702          | 39                             | 180           |
| Finance costs   |      | -42,519                        | -53,126        | -12,117                        | -17,601       |
| Losses from foreign exchange differences  | 26   | -20,797                        | -30,026        | -3,043                         | -1,584        |
| Share of (loss)/profit of associates and joint ventures                         | 10   | -7,602                         | 4,820          | -                              | -             |
| <b>Profit/(loss) before taxes</b>   |      | <b>59,080</b>                  | <b>39,899</b>  | <b>-9,567</b>                  | <b>16,625</b> |
| Income tax  | 7    | -24,194                        | 82,292         | -1,448                         | -208          |
| <b>Profit/(loss) for the period</b>   |      | <b>34,886</b>                  | <b>122,191</b> | <b>-11,015</b>                 | <b>16,417</b> |
| <b>Attributable to:</b>   |      |                                |                |                                |               |
| Equity holders of the parent  |      | 33,101                         | 121,931        |                                |               |
| Non-controlling interests   |      | 1,785                          | 260            |                                |               |
|   |      | <b>34,886</b>                  | <b>122,191</b> |                                |               |
| <b>Basic earnings per share (in €)</b>  | 19   | <b>0.4103</b>                  | <b>1.4906</b>  |                                |               |
| <b>Diluted earnings per share (in €)</b>  | 19   | <b>0.4072</b>                  | <b>1.4807</b>  |                                |               |

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

# Interim Condensed Statement of Comprehensive Income

(all amounts in Euro thousands)

|  | Note | Group                          |                | Company                        |               |
|--|------|--------------------------------|----------------|--------------------------------|---------------|
|  |      | For the nine months ended 30/9 |                | For the nine months ended 30/9 |               |
|  |      | 2017                           | 2016           | 2017                           | 2016          |
| <b>Profit/(loss) for the period</b>  |      | <b>34,886</b>                  | <b>122,191</b> | <b>-11,015</b>                 | <b>16,417</b> |
| <b>Other comprehensive (loss)/income:</b>  |      |                                |                |                                |               |
| <i>Other comprehensive loss to be reclassified to profit or loss in subsequent periods:</i>                |      |                                |                |                                |               |
| Exchange differences on translation of foreign operations  | 18   | -88,648                        | -73,683        | -                              | -             |
| Net losses on available-for-sale financial assets  |      | -398                           | -570           | -                              | -460          |
| Reclassification to income statement   |      | -                              | 321            | -                              | 321           |
| Deferred tax benefit   | 7    | -                              | 40             | -                              | 40            |
|  |      | <b>-398</b>                    | <b>-209</b>    | <b>-</b>                       | <b>-99</b>    |
| Currency translation differences on transactions designated as part of net investment in foreign operation |      | -6,925                         | -              | -                              | -             |
| Deferred tax benefit   | 7    | 1,558                          | -              | -                              | -             |
|  |      | <b>-5,367</b>                  | <b>-</b>       | <b>-</b>                       | <b>-</b>      |
| <b>Net other comprehensive loss to be reclassified to profit or loss in subsequent periods:</b>            |      | <b>-94,413</b>                 | <b>-73,892</b> | <b>-</b>                       | <b>-99</b>    |
| <i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>          |      |                                |                |                                |               |
| Asset revaluation surplus  |      | 140                            | -              | 150                            | -             |
| Deferred tax expense   | 7    | -44                            | -              | -44                            | -             |
|  |      | <b>96</b>                      | <b>-</b>       | <b>106</b>                     | <b>-</b>      |
| <b>Net other comprehensive income not being reclassified to profit or loss in subsequent periods:</b>      |      | <b>96</b>                      | <b>-</b>       | <b>106</b>                     | <b>-</b>      |
| <b>Other comprehensive (loss)/income for the period, net of tax</b>  |      | <b>-94,317</b>                 | <b>-73,892</b> | <b>106</b>                     | <b>-99</b>    |
| <b>Total comprehensive (loss)/income for the period net of tax</b>   |      | <b>-59,431</b>                 | <b>48,299</b>  | <b>-10,909</b>                 | <b>16,318</b> |
| <b>Attributable to:</b>  |      |                                |                |                                |               |
| Equity holders of the parent   |      | -57,029                        | 58,351         |                                |               |
| Non-controlling interests  |      | -2,402                         | -10,052        |                                |               |
|  |      | <b>-59,431</b>                 | <b>48,299</b>  |                                |               |

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

# Interim Condensed Income Statement for the 3rd Quarter

(all amounts in Euro thousands)

|   | <b>Group</b>                               |                | <b>Company</b>                             |               |
|---|--|----------------|--|---------------|
|   | <b>For the three months ended<br/>30/9</b> |                | <b>For the three months ended<br/>30/9</b> |               |
| Note  | <b>2017</b>                                | <b>2016</b>    | <b>2017</b>                                | <b>2016</b>   |
| Sales of goods  | 370,712                                    | 400,417        | 55,535                                     | 63,296        |
| Cost of sales   | -257,743                                   | -274,504       | -42,781                                    | -47,331       |
| <b>Gross profit before depreciation, amortization and impairment</b>            | <b>112,969</b>                             | <b>125,913</b> | <b>12,754</b>                              | <b>15,965</b> |
| Other income  | 1,676                                      | 1,412          | 3,225                                      | 3,236         |
| Administrative expenses   | -29,166                                    | -30,794        | -10,441                                    | -10,634       |
| Selling and marketing expenses  | -5,547                                     | -5,759         | -57  | -76           |
| Other expenses  | -7,530                                     | -5,255         | -389                                       | -1,478        |
| <b>Profit before interest, taxes, depreciation, amortization and impairment</b> | <b>72,402</b>                              | <b>85,517</b>  | <b>5,092</b>                               | <b>7,013</b>  |
| Depreciation and amortization related to cost of sales                          | -25,967                                    | -27,254        | -3,486                                     | -3,400        |
| Depreciation and amortization related to administrative and selling expenses    | -1,507                                     | -1,711         | -296                                       | -283          |
| Impairment of tangible and intangible assets related to cost of sales           | -587                                       | -              | -  | -             |
| <b>Profit before interest and taxes</b>   | <b>44,341</b>                              | <b>56,552</b>  | <b>1,310</b>                               | <b>3,330</b>  |
| Finance income  | 298  | 1,000          | 37   | 23            |
| Finance costs   | -13,428                                    | -16,685        | -4,009                                     | -4,807        |
| Losses from foreign exchange differences  | -3,657                                     | -10,576        | -1,037                                     | -648          |
| Share of (loss)/profit of associates and joint ventures                         | -176                                       | 2,233          | -  | -             |
| <b>Profit/(loss) before taxes</b>   | <b>27,378</b>                              | <b>32,524</b>  | <b>-3,699</b>                              | <b>-2,102</b> |
| Income tax  | -7,654                                     | 80,748         | 807  | -541          |
| <b>Profit/(loss) for the period</b>   | <b>19,724</b>                              | <b>113,272</b> | <b>-2,892</b>                              | <b>-2,643</b> |
| <b>Attributable to:</b>   |  |                |  |               |
| Equity holders of the parent  | 19,164                                     | 112,725        |  |               |
| Non-controlling interests   | 560  | 547            |  |               |
|   | <b>19,724</b>                              | <b>113,272</b> |  |               |
| <b>Basic earnings per share (in €)</b>  | <b>0.2376</b>                              | <b>1.3782</b>  |  |               |
| <b>Diluted earnings per share (in €)</b>  | <b>0.2358</b>                              | <b>1.3691</b>  |  |               |

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

# Interim Condensed Statement of Comprehensive Income for the 3rd Quarter

(all amounts in Euro thousands)

|   | <b>Group</b>                       |                | <b>Company</b>                     |               |
|---|------------------------------------|----------------|------------------------------------|---------------|
|   | For the three months ended<br>30/9 |                | For the three months ended<br>30/9 |               |
|   | 2017                               | 2016           | 2017                               | 2016          |
| <b>Profit/(loss) for the period</b>   | <b>19,724</b>                      | <b>113,272</b> | <b>-2,892</b>                      | <b>-2,643</b> |
| <b>Other comprehensive loss:</b><br><i>Other comprehensive loss to be reclassified to profit or loss in subsequent periods:</i> |                                    |                |                                    |               |
| Exchange differences on translation of foreign operations   | -20,179                            | -8,379         | -                                  | -             |
| Net loss on available-for-sale financial assets   | -398                               | -110           | -                                  | -             |
|   | <b>-398</b>                        | <b>-110</b>    | <b>-</b>                           | <b>-</b>      |
| Currency translation differences on transactions designated as part of net investment in foreign operation                      | -541                               | -              | -                                  | -             |
| Deferred tax benefit  | 121                                | -              | -                                  | -             |
|   | <b>-420</b>                        | <b>-</b>       | <b>-</b>                           | <b>-</b>      |
| <b>Net other comprehensive loss to be reclassified to profit or loss in subsequent periods:</b>                                 | <b>-20,997</b>                     | <b>-8,489</b>  | <b>-</b>                           | <b>-</b>      |
| <b>Total comprehensive (loss)/income for the period net of tax</b>  | <b>-1,273</b>                      | <b>104,783</b> | <b>-2,892</b>                      | <b>-2,643</b> |
| <b>Attributable to:</b>   |                                    |                |                                    |               |
| Equity holders of the parent  | -1,213                             | 104,834        |                                    |               |
| Non-controlling interests   | -60                                | -51            |                                    |               |
|   | <b>-1,273</b>                      | <b>104,783</b> |                                    |               |

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



# Interim Condensed Statement of Financial Position

(all amounts in Euro thousands)

(all amounts in Euro thousands)

|   |       | Group      |            | Company    |            |
|---|-------|------------|------------|------------|------------|
| Assets  | Note  | 30/09/2017 | 31/12/2016 | 30/09/2017 | 31/12/2016 |
| Property, plant & equipment                         | 8     | 1,482,063  | 1,573,235  | 241,845    | 242,777    |
| Investment properties                               | 15    | 10,936     | 9,820      | 9,276      | 9,126      |
| Intangible assets and goodwill                      | 9     | 344,216    | 375,116    | 5,385      | 4,458      |
| Investments in subsidiaries                         | 11    | -          | -          | 778,839    | 862,657    |
| Investments in associates & joint ventures          | 10,11 | 173,581    | 170,803    | -          | -          |
| Derivative financial instruments                    | 15    | -          | 1,386      | -          | -          |
| Available-for-sale financial assets                 | 15    | 667        | 1,065      | 122        | 122        |
| Other non-current assets                            | 15,16 | 10,697     | 12,638     | 3,630      | 3,219      |
| Deferred tax asset                                  | 7     | 1,420      | 20,971     | -          | -          |
| Non-current assets                                  |       | 2,023,580  | 2,165,034  | 1,039,097  | 1,122,359  |
| Inventories   | 23    | 268,874    | 248,924    | 70,829     | 57,768     |
| Trade receivables                                   |       | 131,199    | 123,466    | 36,956     | 54,072     |
| Other receivables and prepayments                   |       | 63,743     | 72,642     | 28,400     | 21,820     |
| Derivative financial instruments                    | 15    | 2,457      | 1          | -          | -          |
| Cash and cash equivalents                           |       | 67,265     | 179,710    | 3,640      | 11,218     |
| Current assets                                      |       | 533,538    | 624,743    | 139,825    | 144,878    |
| Total Assets  |       | 2,557,118  | 2,789,777  | 1,178,922  | 1,267,237  |
| Equity and Liabilities                              |       |            |            |            |            |
| Share Capital (84,632,528 shares of €3.00)          | 17    | 253,897    | 338,530    | 253,897    | 338,530    |
| Share premium                                       | 17    | 22,826     | 22,826     | 22,826     | 22,826     |
| Share options                                       | 27    | 2,904      | 2,978      | 2,904      | 2,978      |
| Treasury shares                                     | 17    | -101,393   | -101,453   | -101,393   | -101,453   |
| Other Reserves                                      | 18    | 764,356    | 839,364    | 540,399    | 538,403    |
| Retained earnings                                   |       | 381,793    | 374,106    | 5,281      | 25,985     |
| Equity attributable to equity holders of the parent |       | 1,324,383  | 1,476,351  | 723,914    | 827,269    |
| Non-controlling interests                           |       | 63,387     | 76,465     | -          | -          |
| Total equity (a)                                    |       | 1,387,770  | 1,552,816  | 723,914    | 827,269    |
| Long-term borrowings                                | 15,25 | 764,494    | 710,965    | 377,110    | 310,678    |
| Derivative financial instruments                    | 15    | 6,011      | -          | -          | -          |
| Deferred tax liability                              | 7     | 47,338     | 56,597     | 9,362      | 12,438     |
| Retirement benefit obligations                      |       | 32,572     | 33,961     | 16,017     | 15,870     |
| Provisions  | 14    | 22,275     | 22,498     | 4,501      | 4,215      |
| Other non-current liabilities                       | 15    | 6,738      | 5,952      | 3,650      | 3,788      |
| Total non-current liabilities                       |       | 879,428    | 829,973    | 410,640    | 346,989    |
| Short-term borrowings                               | 15,25 | 60,576     | 129,499    | 107        | 42,442     |
| Trade and other payables                            | 24    | 219,322    | 266,584    | 37,404     | 44,439     |
| Current income tax payable                          |       | 2,260      | 3,754      | -          | -          |
| Provisions  | 14    | 7,762      | 7,151      | 6,857      | 6,098      |
| Total current liabilities                           |       | 289,920    | 406,988    | 44,368     | 92,979     |
| Total liabilities (b)                               |       | 1,169,348  | 1,236,961  | 455,008    | 439,968    |
| Total Equity and Liabilities (a+b)                  |       | 2,557,118  | 2,789,777  | 1,178,922  | 1,267,237  |

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

# Interim Condensed Statement of Changes in Equity

(all amounts in Euro thousands)

## Group

|  | Attributable to equity holders of the parent |               |                           |               |                          |                           |                          |                   |                  | Non-controlling interests | Total equity     |
|--|--|---------------|---------------------------|---------------|--------------------------|---------------------------|--------------------------|-------------------|------------------|---------------------------|------------------|
|  | Ordinary shares                              | Share premium | Preferred ordinary shares | Share options | Ordinary treasury shares | Preferred treasury shares | Other reserves (note 18) | Retained earnings | Total            |                           |                  |
| <b>Balance at 1 January 2016</b>                                   | <b>308,254</b>                               | <b>22,826</b> | <b>30,276</b>             | <b>1,807</b>  | <b>-78,960</b>           | <b>-117</b>               | <b>1,017,304</b>         | <b>285,504</b>    | <b>1,586,894</b> | <b>118,391</b>            | <b>1,705,285</b> |
| Profit for the period  | -  | -             | -                         | -             | -                        | -                         | -                        | 121,931           | 121,931          | 260                       | 122,191          |
| Other comprehensive loss   | -  | -             | -                         | -             | -                        | -                         | -63,580                  | -                 | -63,580          | -10,312                   | -73,892          |
| <b>Total comprehensive (loss)/income for the period</b>            | <b>-</b>                                     | <b>-</b>      | <b>-</b>                  | <b>-</b>      | <b>-</b>                 | <b>-</b>                  | <b>-63,580</b>           | <b>121,931</b>    | <b>58,351</b>    | <b>-10,052</b>            | <b>48,299</b>    |
| Dividends distributed to ordinary and preferred shares (note 20)   | -  | -             | -                         | -             | -                        | -                         | -                        | -25,390           | -25,390          | -                         | -25,390          |
| Dividends distributed to non-controlling interests                 | -  | -             | -                         | -             | -                        | -                         | -                        | -                 | -                | -3,856                    | -3,856           |
| Treasury shares purchased (note 17)                                | -  | -             | -                         | -             | -10,033                  | -467                      | -                        | -                 | -10,500          | -                         | -10,500          |
| Sale - disposal of treasury shares for option plan                 | -  | -             | -                         | -             | 1,806                    | -                         | -                        | -1,540            | 266              | -                         | 266              |
| Non-controlling interest's participation in share capital increase | -  | -             | -                         | -             | -                        | -                         | -                        | -                 | -                | 6,189                     | 6,189            |
| Non-controlling interest's put option recognition (note 22)        | -  | -             | -                         | -             | -                        | -                         | -2,164                   | -                 | -2,164           | 179                       | -1,985           |
| Share based payment transactions                                   | -  | -             | -                         | 1,156         | -                        | -                         | -                        | -                 | 1,156            | -                         | 1,156            |
| Transfer among reserves  | -  | -             | -                         | -202          | -                        | -                         | 31,122                   | -30,920           | -                | -                         | -                |
| <b>Balance at 30 September 2016</b>                                | <b>308,254</b>                               | <b>22,826</b> | <b>30,276</b>             | <b>2,761</b>  | <b>-87,187</b>           | <b>-584</b>               | <b>982,682</b>           | <b>349,585</b>    | <b>1,608,613</b> | <b>110,851</b>            | <b>1,719,464</b> |
| <b>Balance at 1 January 2017</b>                                   | <b>308,254</b>                               | <b>22,826</b> | <b>30,276</b>             | <b>2,978</b>  | <b>-100,408</b>          | <b>-1,045</b>             | <b>839,364</b>           | <b>374,106</b>    | <b>1,476,351</b> | <b>76,465</b>             | <b>1,552,816</b> |
| Profit for the period  | -  | -             | -                         | -             | -                        | -                         | -                        | 33,101            | 33,101           | 1,785                     | 34,886           |
| Other comprehensive loss   | -  | -             | -                         | -             | -                        | -                         | -90,130                  | -                 | -90,130          | -4,187                    | -94,317          |
| <b>Total comprehensive (loss)/income for the period</b>            | <b>-</b>                                     | <b>-</b>      | <b>-</b>                  | <b>-</b>      | <b>-</b>                 | <b>-</b>                  | <b>-90,130</b>           | <b>33,101</b>     | <b>-57,029</b>   | <b>-2,402</b>             | <b>-59,431</b>   |
| Share capital decrease (note 20)                                   | -77,064                                      | -             | -7,569                    | -             | -                        | -                         | -                        | -                 | -84,633          | -                         | -84,633          |
| Dividends distributed to ordinary and preferred shares (note 20)   | -  | -             | -                         | -             | -                        | -                         | -                        | -8,463            | -8,463           | -                         | -8,463           |
| Dividends distributed to non-controlling interests                 | -  | -             | -                         | -             | -                        | -                         | -                        | -                 | -                | -3,867                    | -3,867           |
| Treasury shares purchased (note 17)                                | -  | -             | -                         | -             | -565                     | -86                       | -                        | -                 | -651             | -                         | -651             |
| Costs for share capital increase in subsidiaries                   | -  | -             | -                         | -             | -                        | -                         | -                        | -481              | -481             | -                         | -481             |
| Sale - disposal of treasury shares for option plan                 | -  | -             | -                         | -             | 711                      | -                         | -                        | -436              | 275              | -                         | 275              |
| Acquisition of non-controlling interests (notes 11, 12)            | -  | -             | -                         | -             | -                        | -                         | -                        | -748              | -748             | -5,967                    | -6,715           |
| Non-controlling interest's put option recognition (note 22)        | -  | -             | -                         | -             | -                        | -                         | -1,264                   | -                 | -1,264           | -842                      | -2,106           |
| Share based payment transactions                                   | -  | -             | -                         | 1,026         | -                        | -                         | -                        | -                 | 1,026            | -                         | 1,026            |
| Transfer among reserves  | -  | -             | -                         | -1,100        | -                        | -                         | 16,386                   | -15,286           | -                | -                         | -                |
| <b>Balance at 30 September 2017</b>                                | <b>231,190</b>                               | <b>22,826</b> | <b>22,707</b>             | <b>2,904</b>  | <b>-100,262</b>          | <b>-1,131</b>             | <b>764,356</b>           | <b>381,793</b>    | <b>1,324,383</b> | <b>63,387</b>             | <b>1,387,770</b> |

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

## Interim Condensed Statement of Changes in Equity (continued)

(all amounts in Euro thousands)

### Company

|  | Ordinary<br>shares | Share premium | Preferred<br>ordinary<br>shares | Share options | Ordinary<br>treasury<br>shares | Preferred<br>treasury<br>shares | Other reserves<br>(note 18) | Retained<br>earnings | Total equity   |
|--|--------------------|---------------|---------------------------------|---------------|--------------------------------|---------------------------------|-----------------------------|----------------------|----------------|
| <b>Balance at 1 January 2016</b>                                 | <b>308,254</b>     | <b>22,826</b> | <b>30,276</b>                   | <b>1,807</b>  | <b>-78,960</b>                 | <b>-117</b>                     | <b>519,750</b>              | <b>56,708</b>        | <b>860,544</b> |
| Profit for the period  | -                  | -             | -                               | -             | -                              | -                               | -                           | 16,417               | 16,417         |
| Other comprehensive loss   | -                  | -             | -                               | -             | -                              | -                               | -99                         | -                    | -99            |
| <b>Total comprehensive (loss)/income for the period</b>          | <b>-</b>           | <b>-</b>      | <b>-</b>                        | <b>-</b>      | <b>-</b>                       | <b>-</b>                        | <b>-99</b>                  | <b>16,417</b>        | <b>16,318</b>  |
| Dividends distributed to ordinary and preferred shares (note 20) | -                  | -             | -                               | -             | -                              | -                               | -                           | -25,390              | -25,390        |
| Treasury shares purchased (note 17)                              | -                  | -             | -                               | -             | -10,033                        | -467                            | -                           | -                    | -10,500        |
| Sale - disposal of treasury shares for option plan               | -                  | -             | -                               | -             | 1,806                          | -                               | -                           | -1,540               | 266            |
| Share based payment transactions                                 | -                  | -             | -                               | 1,156         | -                              | -                               | -                           | -                    | 1,156          |
| Transfer among reserves  | -                  | -             | -                               | -202          | -                              | -                               | 34,955                      | -34,753              | -              |
| <b>Balance at 30 September 2016</b>                              | <b>308,254</b>     | <b>22,826</b> | <b>30,276</b>                   | <b>2,761</b>  | <b>-87,187</b>                 | <b>-584</b>                     | <b>554,606</b>              | <b>11,442</b>        | <b>842,394</b> |
| <b>Balance at 1 January 2017</b>                                 | <b>308,254</b>     | <b>22,826</b> | <b>30,276</b>                   | <b>2,978</b>  | <b>-100,408</b>                | <b>-1,045</b>                   | <b>538,403</b>              | <b>25,985</b>        | <b>827,269</b> |
| Loss for the period  | -                  | -             | -                               | -             | -                              | -                               | -                           | -11,015              | -11,015        |
| Other comprehensive income                                       | -                  | -             | -                               | -             | -                              | -                               | 106                         | -                    | 106            |
| <b>Total comprehensive income/(loss) for the period</b>          | <b>-</b>           | <b>-</b>      | <b>-</b>                        | <b>-</b>      | <b>-</b>                       | <b>-</b>                        | <b>106</b>                  | <b>-11,015</b>       | <b>-10,909</b> |
| Share capital decrease (note 20)                                 | -77,064            | -             | -7,569                          | -             | -                              | -                               | -                           | -                    | -84,633        |
| Dividends distributed to ordinary and preferred shares (note 20) | -                  | -             | -                               | -             | -                              | -                               | -                           | -8,463               | -8,463         |
| Treasury shares purchased (note 17)                              | -                  | -             | -                               | -             | -565                           | -86                             | -                           | -                    | -651           |
| Sale - disposal of treasury shares for option plan               | -                  | -             | -                               | -             | 711                            | -                               | -                           | -436                 | 275            |
| Share based payment transactions                                 | -                  | -             | -                               | 1,026         | -                              | -                               | -                           | -                    | 1,026          |
| Transfer among reserves  | -                  | -             | -                               | -1,100        | -                              | -                               | 1,890                       | -790                 | -              |
| <b>Balance at 30 September 2017</b>                              | <b>231,190</b>     | <b>22,826</b> | <b>22,707</b>                   | <b>2,904</b>  | <b>-100,262</b>                | <b>-1,131</b>                   | <b>540,399</b>              | <b>5,281</b>         | <b>723,914</b> |

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

# Interim Condensed Cash Flow Statement

(all amounts in Euro thousands)

|  | Note | Group                     |          | Company                   |          |
|--|------|---------------------------|----------|---------------------------|----------|
|  |      | For the nine months ended |          | For the nine months ended |          |
|  |      | 30/9                      | 30/9     | 30/9                      | 30/9     |
|  |      | 2017                      | 2016     | 2017                      | 2016     |
| <b>Cash flows from operating activities</b>  |      |                           |          |                           |          |
| Profit/(loss) before taxes   |      | 59,080                    | 39,899   | -9,567                    | 16,625   |
| Adjustments for:   |      |                           |          |                           |          |
| Depreciation/amortization & impairment of tangible and intangible assets                               | 8,9  | 85,384                    | 89,155   | 11,723                    | 10,667   |
| Provisions   |      | 5,241                     | 2,483    | 860                       | -607     |
| Exchange differences   |      | 20,797                    | 30,026   | 1,570                     | 271      |
| Income from participations & investments   |      | -                         | -        | -                         | -20,625  |
| Interest expense/income  |      | 41,305                    | 49,856   | 11,854                    | 17,364   |
| Other adjustments  |      | 10,063                    | -741     | 696                       | 796      |
| Adjusted profit before changes in working capital  |      | 221,870                   | 210,678  | 17,136                    | 24,491   |
| (Increase)/decrease in inventories   |      | -34,979                   | 4,012    | -13,061                   | 7,789    |
| (Increase)/decrease in trade and other receivables   |      | -19,871                   | -48,884  | 8,689                     | -3,838   |
| Increase/(decrease) in operating long-term payables/receivables  |      | 1,533                     | 2,770    | -5                        | -        |
| (Decrease)/increase in trade and other payables (excluding banks)                                      |      | -25,511                   | 8,261    | -8,687                    | -4,682   |
| Cash generated from operations   |      | 143,042                   | 176,837  | 4,072                     | 23,760   |
| Income tax paid  |      | -10,595                   | -4,642   | -2,698                    | -336     |
| Net cash flows from operating activities   |      | 132,447                   | 172,195  | 1,374                     | 23,424   |
| <b>Cash flows from investing activities</b>  |      |                           |          |                           |          |
| Acquisition of subsidiary, associate and joint venture   |      | -14,392                   | -93,783  | -                         | -        |
| (Payments)/proceeds for share capital increase/decrease in subsidiaries, joint ventures and associates |      | -27,602                   | -400     | 84,133                    | -18,000  |
| Purchase of tangible assets and investment properties  | 8    | -89,038                   | -95,409  | -10,845                   | -11,487  |
| Purchase of intangible assets  | 9    | -1,246                    | -1,181   | -1,071                    | -283     |
| Proceeds from sale of tangible and intangible assets   | 8,9  | 587                       | 1,197    | 74                        | 140      |
| Costs paid for the disposal of tangible assets   | 8    | -602                      | -        | -                         | -        |
| Proceeds from dividends  |      | 1,847                     | 4,438    | 792                       | 20,725   |
| Proceeds from sale of available-for-sale financial assets  |      | 1                         | 2,126    | -                         | 2,126    |
| Interest received  |      | 488                       | 574      | 2                         | 23       |
| Net cash flows (used in)/from investing activities   |      | -129,957                  | -182,438 | 73,085                    | -6,756   |
| <b>Cash flows from financing activities</b>  |      |                           |          |                           |          |
| Proceeds from non-controlling interest's participation in subsidiary's share capital increase          |      | 807                       | -        | -                         | -        |
| Costs paid for share capital increase in subsidiaries  |      | -481                      | -        | -                         | -        |
| Interest paid  |      | -44,237                   | -52,707  | -12,676                   | -20,591  |
| Payments from share capital decrease of the Parent Company   |      | -84,120                   | -        | -84,120                   | -        |
| Proceeds from sale of treasury shares  |      | 275                       | 266      | 275                       | 266      |
| Payments for purchase of treasury shares   |      | -149                      | -10,057  | -149                      | -10,057  |
| Dividends paid to shareholders   |      | -8,430                    | -25,255  | -8,430                    | -25,255  |
| Dividends written-off and paid to the Greek State  |      | -23                       | -24      | -23                       | -24      |
| Dividends paid to non-controlling interests  |      | -963                      | -5,267   | -                         | -        |
| Acquisition of non-controlling interests   |      | -6,914                    | -        | -                         | -        |
| Proceeds from borrowings   |      | 418,200                   | 549,687  | 117,761                   | 210,504  |
| Repayment of borrowings  |      | -386,375                  | -400,123 | -94,307                   | -169,955 |
| Net cash flows (used in)/from financing activities   |      | -112,410                  | 56,520   | -81,669                   | -15,112  |
| <b>Net (decrease)/increase in cash and cash equivalents</b>  |      | -109,920                  | 46,277   | -7,210                    | 1,556    |
| Cash and cash equivalents at start of period   |      | 179,710                   | 121,733  | 11,218                    | 8,626    |
| Effects of exchange rate changes   |      | -2,525                    | -3,769   | -368                      | 92       |
| <b>Cash and cash equivalents at end of period</b>  |      | 67,265                    | 164,241  | 3,640                     | 10,274   |

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

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## 1. General information

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

Information on the Group's structure is provided in note 11. Information on other related party relationships of the Group and the Company is provided in note 21.

The Company is a limited liability company incorporated and domiciled in Greece at 22<sup>A</sup> 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 interim condensed financial statements (the financial statements) were approved for issue by the Board of Directors on 1 November 2017.

## 2. Basis of preparation and summary of significant accounting policies

These financial statements for the nine-month period ended 30 September 2017 have been prepared by management in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".

The financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2016.

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

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2016, except for the new or revised standards, amendments and/or interpretations that are mandatory for the periods beginning on or after 1 January 2017.

There are no new standards, amendments to standards and interpretations that are

mandatory for periods beginning on 1 January 2017.

New Standards and Interpretations issued but not yet effective and not early adopted by the Group and the Company. The Group and the Company are currently investigating their impact on the financial statements.

- **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 (Amendments) "Prepayment Features with Negative Compensation"** (effective for annual periods beginning on or after 1 January 2019 – not yet endorsed by the European Union)
- **IFRS 15 "Revenue from Contracts with Customers"** (effective for annual periods beginning on or after 1 January 2018)
- **IFRS 16 "Leases"** (effective for annual periods beginning on or after 1 January 2019 – not yet endorsed by the European Union)
- **IFRS 17 "Insurance contracts"** (effective for annual periods beginning on or after 1 January 2021 – not yet endorsed by the European Union)
- **IAS 12 (Amendments) "Recognition of Deferred Tax Assets for Unrealised Losses"** (effective for annual periods beginning on or after 1 January 2017 – not yet endorsed by the European Union)
- **IAS 7 (Amendments) "Disclosure initiative"** (effective for annual periods beginning on or after 1 January 2017 – not yet endorsed by the European Union)
- **IFRS 2 (Amendments) "Classification and measurement of Share-based Payment transactions"** (effective for annual periods beginning on or after 1 January 2018 – not yet endorsed by the European Union)
- **IFRS 4 (Amendments) "Applying IFRS 9 Financial instruments with IFRS 4 Insurance contracts"** (effective for annual periods beginning on or after 1 January 2018 – not yet endorsed by the European Union)
- **IAS 40 (Amendments) "Transfers of Investment Property"** (effective for annual periods beginning on or after 1 January 2018 – not yet endorsed by the European Union)

- **IAS 28 (Amendments) “Long term interests in associates and joint ventures”** (effective for annual periods beginning on or after 1 January 2019)
- **IFRIC 22 “Foreign currency transactions and advance consideration”** (effective for annual periods beginning on or after 1 January 2018 – not yet endorsed by the European Union)
- **IFRIC 23 “Uncertainty over income tax treatments”** (effective for annual periods beginning on or after 1 January 2019 – not yet endorsed by the European Union)
- **Annual Improvements to IFRSs 2014 (2014 – 2016 Cycle)** (effective for annual periods beginning on or after 1 January 2017 – not yet endorsed by the European Union)

### 3.Estimates

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

In preparing these interim condensed financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2016.

### 4.Seasonality of operations

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

## 5. Segment information

For management information purposes, the Group is structured in five operating segments: Greece and Western Europe, North America, Southeastern Europe, Eastern Mediterranean and Joint Ventures. Each operating segment is a set of countries. The aggregation of countries is based mainly 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.

(all amounts in Euro thousands)

|   | Greece and Western Europe |         | North America |         | Southeastern Europe |         | Eastern Mediterranean |         | Total     |           |
|---|---------------------------|---------|---------------|---------|---------------------|---------|-----------------------|---------|-----------|-----------|
| Period from 1/1-30/9  | 2017                      | 2016    | 2017          | 2016    | 2017                | 2016    | 2017                  | 2016    | 2017      | 2016      |
| Gross revenue   | 241,476                   | 243,099 | 667,323       | 584,376 | 179,476             | 156,803 | 114,275               | 187,651 | 1,202,550 | 1,171,929 |
| Inter-segment revenue   | -51,615                   | -47,538 | -167          | -166    | -6,235              | -       | -                     | -       | -58,017   | -47,704   |
| Revenue from external customers   | 189,861                   | 195,561 | 667,156       | 584,210 | 173,241             | 156,803 | 114,275               | 187,651 | 1,144,533 | 1,124,225 |
| Profit before interest, taxes, depreciation, amortization and impairment    | 20,409                    | 28,025  | 138,842       | 98,031  | 44,183              | 46,103  | 11,086                | 32,837  | 214,520   | 204,996   |
| Depreciation, amortization and impairment of tangible and intangible assets | -16,958                   | -17,321 | -43,190       | -40,948 | -17,487             | -16,846 | -7,749                | -14,352 | -85,384   | -89,467   |
| Profit before interest and taxes  | 3,451                     | 10,704  | 95,652        | 57,083  | 26,696              | 29,257  | 3,337                 | 18,485  | 129,136   | 115,529   |

(all amounts in Euro thousands)

|   | Greece and Western Europe |            | North America |            | Southeastern Europe |            | Eastern Mediterranean |            | Total     |            |
|---|---------------------------|------------|---------------|------------|---------------------|------------|-----------------------|------------|-----------|------------|
|   | 30/9/2017                 | 31/12/2016 | 30/9/2017     | 31/12/2016 | 30/9/2017           | 31/12/2016 | 30/9/2017             | 31/12/2016 | 30/9/2017 | 31/12/2016 |
| Total assets of segments excluding Joint Ventures | 528,744                   | 558,933    | 992,181       | 1,158,541  | 483,477             | 489,049    | 387,164               | 421,064    | 2,391,566 | 2,627,587  |
| Total assets of Joint Ventures                    |                           |            |               |            |                     |            |                       |            | 165,552   | 162,190    |
| Total assets                                      |                           |            |               |            |                     |            |                       |            | 2,557,118 | 2,789,777  |
| Total liabilities                                 | 314,770                   | 316,668    | 468,180       | 521,310    | 144,754             | 145,188    | 241,644               | 253,795    | 1,169,348 | 1,236,961  |

### Reconciliation of profit

Finance income/expenses, 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                          |         |
|--|--------------------------------|---------|
|  | For the nine months ended 30/9 |         |
|  | 2017                           | 2016    |
| Profit before interest and taxes         | 129,136                        | 115,529 |
| Finance income                           | 862                            | 2,702   |
| Finance costs                            | -42,519                        | -53,126 |
| Losses from foreign exchange differences | -20,797                        | -30,026 |
| Share of profit of associates            | 1,331                          | 1,325   |
| Share of (loss)/profit of joint ventures | -8,933                         | 3,495   |
| Profit before taxes                      | 59,080                         | 39,899  |

## 6. Number of employees

Number of employees at the end of the reporting period: Group 5,407 (30.9.2016: 5,565), Company 843 (30.9.2016: 843).

## 7. Income tax

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

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

|   | Group                          |               | Company                        |             |
|---|--------------------------------|---------------|--------------------------------|-------------|
|   | For the nine months ended 30/9 |               | For the nine months ended 30/9 |             |
|   | 2017                           | 2016          | 2017                           | 2016        |
| (all amounts in Euro thousands)                                       |                                |               |                                |             |
| Current income tax - expense  | -8,810                         | -5,404        | -2,483                         | -           |
| Provision for other taxes   | -2,217                         | -             | -2,085                         | -           |
| Deferred tax (expense)/benefit  | -13,167                        | 87,696        | 3,120                          | -208        |
| <b>Income tax recognised in income statement - (expense)/benefit</b>  | <b>-24,194</b>                 | <b>82,292</b> | <b>-1,448</b>                  | <b>-208</b> |
| Income tax benefit/(expense) recognised in other comprehensive income | 1,514                          | 40            | -44                            | 40          |
| <b>Total income tax - (expense)/benefit</b>                           | <b>-22,680</b>                 | <b>82,332</b> | <b>-1,492</b>                  | <b>-168</b> |

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

|   | Group         |                | Company       |              |
|---|---------------|----------------|---------------|--------------|
|   | 2017          | 2016           | 2017          | 2016         |
| (all amounts in Euro thousands)   |               |                |               |              |
| <b>Opening balance 1/1</b>  | <b>35,626</b> | <b>162,980</b> | <b>12,438</b> | <b>7,518</b> |
| Tax expense/(income) during the period recognised in the income statement | 13,167        | -87,696        | -3,120        | 208          |
| Income tax (benefit)/expense recognised in other comprehensive income     | -1,514        | -40            | 44            | -40          |
| Additions due to acquisitions   | -             | 1,605          | -             | -            |
| Exchange differences  | -1,361        | -14,885        | -             | -            |
| <b>Ending balance 30/9</b>  | <b>45,918</b> | <b>61,964</b>  | <b>9,362</b>  | <b>7,686</b> |

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.

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

## 8. Property, plant and equipment

|   | Group            |                  | Company        |                |
|---|------------------|------------------|----------------|----------------|
|   | 2017             | 2016             | 2017           | 2016           |
| (all amounts in Euro thousands)         |                  |                  |                |                |
| <b>Opening balance 1/1</b>              | <b>1,573,235</b> | <b>1,806,179</b> | <b>242,777</b> | <b>237,883</b> |
| Additions due to acquisitions (note 12) | 978              | 13,380           | -              | -              |
| Additions/capitalizations               | 89,038           | 95,409           | 10,845         | 11,487         |
| Disposals (net book value)              | -717             | -4,007           | -59            | -26            |
| Depreciation charge/impairments         | -81,767          | -82,729          | -11,718        | -10,669        |
| Transfers from inventories              | 282              | -                | -              | -              |
| Transfer to intangible assets (note 9)  | -813             | -22              | -              | -              |
| Transfer to investment property         | -1,116           | -                | -150           | -              |
| Asset revaluation surplus               | 140              | -                | 150            | -              |
| Exchange differences                    | -97,307          | -97,066          | -              | -              |
| Other                                   | 110              | 193              | -              | -              |
| <b>Ending balance 30/9</b>              | <b>1,482,063</b> | <b>1,731,337</b> | <b>241,845</b> | <b>238,675</b> |

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 a mortgage of €4.6 million, securing its bank credit facilities.

Assets with a net book value of €717 thousand were disposed of by the Group during the nine months ended 30 September 2017 (1.1-30.9.2016: €4,007 thousand) resulting in a net loss of €731 thousand (1.1-30.9.2016: loss €2,810 thousand). Part of this loss is cost associated with the disposal of assets amounted to €602 thousand.

During the period ended 30.9.2017, an impairment of €1.6 mil. (1.1 - 30.9.2016: €1.3 mil.) is recognized on items of property, plant and equipment of Group subsidiaries that operate in the segment of North America, Greece and Western Europe. Due to the nature of these items of property, plant and equipment, their recoverable amount was estimated lower than their carrying amount and hence the impairment is recognized in the profit or loss of the period ended 30.9.2017.

**9. Intangible assets**

(all amounts in Euro thousands)

**Group**

|   | Goodwill       | Other intangible assets | Total          |
|---|----------------|-------------------------|----------------|
| <b>Opening balance 1/1/2017</b>               | <b>318,936</b> | <b>56,180</b>           | <b>375,116</b> |
| Additions                                     | 3              | 1,246                   | 1,249          |
| Disposals                                     | -              | -6                      | -6             |
| Reclassification of assets from PPE (note 8)  | -              | 813                     | 813            |
| Depreciation charge/impairments               | -              | -3,814                  | -3,814         |
| Exchange differences                          | -26,026        | -3,105                  | -29,131        |
| Other   | -11            | -                       | -11            |
| <b>Ending balance 30/9/2017</b>               | <b>292,902</b> | <b>51,314</b>           | <b>344,216</b> |
| <b>Opening balance 1/1/2016</b>               | <b>376,406</b> | <b>79,477</b>           | <b>455,883</b> |
| Additions                                     | -              | 1,181                   | 1,181          |
| Disposals                                     | -              | -80                     | -80            |
| Additions due to acquisitions assets (note 8) | 5,424          | -                       | 5,424          |
|   | -              | 22                      | 22             |
| Depreciation charge/impairments               | -1,000         | -5,639                  | -6,639         |
| Exchange differences                          | -20,740        | -6,609                  | -27,349        |
| Other   | -              | -38                     | -38            |
| <b>Ending balance 30/9/2016</b>               | <b>360,090</b> | <b>68,314</b>           | <b>428,404</b> |

Goodwill is tested for impairment at the end of each fiscal year and whenever circumstances indicate that the carrying value may be impaired.

During the period ended 30.9.2016, the Group recorded in the income statement an impairment loss of €1.0 mil. on its goodwill due to the adverse economic conditions in Greece.

**Company****Opening balance 1/1**

|   |  |
|---|--|
| Additions   |  |
| Disposals (net book value)  |  |
| Depreciation charge/impairments   |  |
| Reclassification of assets from property, plant & equipment assets (note 8) |  |
| <b>Ending balance 30/9</b>  |  |

**Intangible assets**

| 2017         | 2016         |
|--------------|--------------|
| <b>4,458</b> | <b>3,153</b> |
| 1,071        | 283          |
| -            | -80          |
| -144         | -164         |
| -            | -            |
| <b>5,385</b> | <b>3,192</b> |

**10. Investments in associates and joint ventures**

The Group interim condensed 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) 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. Adocim Cimento Beton Sanayi ve Ticaret A.S. is based in Turkey and operates in the production of cement.

c) ASH Venture LLC with ownership percentage 33% (31.12.2016: 33%) which beneficiaries, markets and sells fly ash. ASH Venture LLC is based in USA.

d) 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.

e) Companhia Industrial De Cimento Apodi (Apodi) 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 12).

None of the aforementioned companies is listed on a public exchange market.

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

|   | 30/09/2017     | 31/12/2016     |
|---|----------------|----------------|
| <b>Opening balance 1/1</b>                              | <b>170,803</b> | <b>82,508</b>  |
| Share of (loss)/profit of associates and joint ventures | -7,602         | 492            |
| Dividends   | -1,686         | -4,918         |
| Acquisition of joint venture                            | -              | 105,705        |
| Additional costs for the acquisition of joint venture   | 710            | -              |
| Share capital increases                                 | 28,678         | 2,234          |
| Change in ownership interests                           | 160            | 87             |
| Change in consolidation method                          | -              | -10,222        |
| Exchange differences                                    | -17,482        | -5,071         |
| Other comprehensive losses                              | -              | -12            |
| <b>Ending balance</b>                                   | <b>173,581</b> | <b>170,803</b> |



## 11. Group composition

|  |                          |                                     | 30/09/2017          |          | 31/12/2016          |          |
|--|--------------------------|-------------------------------------|---------------------|----------|---------------------|----------|
| Subsidiary, associate and joint venture name         | Country of incorporation | Nature of business                  | % of investment (*) |          | % of investment (*) |          |
|  |                          |                                     | Direct              | Indirect | Direct              | Indirect |
| Full consolidation method                            |                          |                                     |                     |          |                     |          |
| Titan Cement Company S.A                             | Greece                   | Cement producer                     | Parent company      |          | Parent company      |          |
| Aeolian Maritime Company                             | Greece                   | Shipping                            | 100.000             | -        | 100.000             | -        |
| Aitolika Quarries S.A.                               | Greece                   | Quarries & aggregates               | -                   | 63.723   | -                   | 63.723   |
| Albacem S.A.   | Greece                   | Trading company                     | 99.996              | 0.004    | 99.996              | 0.004    |
| Arktias S.A.   | Greece                   | Quarries & aggregates               | -                   | 100.000  | -                   | 100.000  |
| Interbeton Construction Materials S.A.               | Greece                   | Ready mix & aggregates              | 99.910              | 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 and Commercial S.A. | Greece                   | Investment holding company          | 43.947              | 56.053   | 43.947              | 56.053   |
| Titan Cement International Trading S.A.              | Greece                   | Trading company                     | 99.960              | 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  |

## 11. Group composition (continued)

| Subsidiary, associate and joint venture name  | Country of incorporation | Nature of business                     | 30/09/2017          |          | 31/12/2016          |          |
|---|--------------------------|--|---------------------|----------|---------------------|----------|
|   |                          |  | % of investment (*) |          | % of investment (*) |          |
|   |                          |  | Direct              | Indirect | Direct              | 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                | 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 Gjëlber Sh.p.k.    | Albania                  | Alternative fuels                      | -                   | 100.000  | -                   | 100.000  |
| Dancem APS                                    | Denmark                  | Trading company                        | -                   | 100.000  | -                   | 100.000  |
| Aeas Netherlands B.V.                         | Holland                  | Investment holding company             | -                   | 88.151   | -                   | 88.151   |
| Colombus Properties B.V.                      | Holland                  | Investment holding company             | 100.000             | -        | 100.000             | -        |
| Hollitan 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   |

**11. Group composition (continued)**

| Subsidiary, associate and joint venture name | Country of incorporation | Nature of business  | 30/09/2017          |          | 31/12/2016          |          |
|--|--------------------------|---|---------------------|----------|---------------------|----------|
|  |                          |   | % of investment (*) |          | % of investment (*) |          |
|  |                          |   | Direct              | Indirect | Direct              | 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

**Significant Group structure changes**

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, also Group's subsidiaries

2) Increase in percentage ownership of a subsidiary (note 12)

3) Acquisition of the subsidiaries Titan Investment EAD and Arresa Marine Co (note 12)

4) Liquidation of the subsidiaries Holtitan BV and Tyson Material Transport LLC

5) Increase in percentage ownership of the associates (note 10)

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

(all amounts in Euro thousands)

|   | 30/09/2017     | 31/12/2016     |
|---|----------------|----------------|
| <b>Participation in subsidiaries on 1 January</b> | <b>862,657</b> | <b>844,762</b> |
| Share capital (decrease)/increase in subsidiaries | -84,133        | 17,651         |
| Other   | 315            | 244            |
| <b>Participation in subsidiaries</b>              | <b>778,839</b> | <b>862,657</b> |

**12. Business combinations****For the period ended 30.9.2017**

The Group acquired 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.

Moreover, 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, the Group has acquired the non-controlling interest of the subsidiary Brazcem Participacoes S.A. for consideration of €7.6 million.

**For the period ended 30.9.2016**

The Group acquired: a) the remaining 50% of the joint venture Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S., b) the companies Esha Material DOOEL in FYROM and Esha Material LLC in Kosovo and c) the Brazilian company Benim Empreendimentos e Participacoes S.A., which was renamed to Brazcem Participacoes S.A..

Details of these business combinations were disclosed in note 30 of the Group's annual financial statements for the year ended 31 December 2016.

### 13. Fiscal years unaudited

|  |           |   |           |
|--|-----------|---|-----------|
| (1) Titan Cement Company S.A.                            | 2010-2016 | Aeas Netherlands B.V.                               | 2010-2016 |
| (2) Aeolian Maritime Company                             | -         | Titan Cement U.K. Ltd                               | 2015-2016 |
| (1) Albacem S.A.   | 2012-2016 | (3) Titan America LLC                               | 2014-2016 |
| (1) Arktias S.A.   | 2011-2016 | Separation Technologies Canada Ltd                  | 2014-2016 |
| (1) Interbeton Construction Materials S.A.               | 2007-2016 | Stari Silo Copmany DOO                              | 2008-2016 |
| (1) Intertitan Trading International S.A.                | 2012-2016 | Cementara Kosjeric DOO                              | 2006-2016 |
| (1) Porfirion S.A.                                       | 2011-2016 | TCK Montenegro DOO                                  | 2007-2016 |
| (1) Vahou Quarries S.A.                                  | 2011-2016 | Double W & Co OOD                                   | 2011-2016 |
| (1) Quarries Gournon S.A.                                | 2011-2016 | Granitoid AD  | 2011-2016 |
| (1) Quarries of Tagaradon Community S.A.                 | 2011-2016 | Gravel & Sand PIT AD                                | 2011-2016 |
| (1) Aitolika Quarries S.A.                               | 2011-2016 | Zlatna Panega Beton EOOD                            | 2011-2016 |
| (1) Sigma Beton S.A.                                     | 2011-2016 | Zlatna Panega Cement AD                             | 2011-2016 |
| (1) Titan Atlantic Cement Industrial and Commercial S.A. | 2011-2016 | Titan Investment EAD                                | 2016      |
| (1) Titan Cement International Trading S.A.              | 2012-2016 | Cement Plus LTD                                     | 2014-2016 |
| (1) KTIMET Quarries S.A.                                 | 2011-2016 | Rudmark DOOEL                                       | 2006-2016 |
| Aemos Cement Ltd   | 2012-2016 | Esha Material LLC                                   | 2016      |
| Alvacim Ltd  | 2010-2016 | Esha Material DOOEL                                 | 2016      |
| Balkcem Ltd  | 2012-2016 | Usje Cementarnica AD                                | 2009-2016 |
| Iapetos Ltd  | 2007-2016 | Titan Cement Netherlands BV                         | 2010-2016 |
| Rea Cement Ltd   | 2012-2016 | Alba Cemento Italia, SHPK                           | 2012-2016 |
| Themis Holdings Ltd                                      | 2012-2016 | Antea Cement SHA                                    | 2015-2016 |
| Tithys Ltd   | 2012-2016 | Sharr Beteiligungs GmbH                             | 2011-2016 |
| Feronia Holding Ltd                                      | 2007-2016 | Kosovo Construction Materials L.L.C.                | 2010-2016 |
| Vesa DOOL  | 2006-2016 | SharrCem Sh.P.K                                     | 2011-2016 |
| Trojan Cem EOOD  | 2011-2016 | (2) Alexandria Development Co.Ltd                   | -         |
| Dancem APS   | 2010-2016 | Alexandria Portland Cement Co. S.A.E                | 2010-2016 |
| Titan Global Finance PLC                                 | 2007-2016 | GAEA Green Alternative Energy Assets Ltd            | 2012-2016 |
| Terret Enterprises Ltd                                   | 2012-2016 | Beni Suef Cement Co.S.A.E.                          | 2009-2016 |
| Salentijn Properties I B.V.                              | 2010-2016 | East Cement Trade Ltd                               | 2006-2016 |
| Titan Cement Cyprus Limited                              | 2011-2016 | Titan Beton & Aggregate Egypt LLC                   | 2010-2016 |
| KOCEM Limited  | 2007-2016 | (2) Titan Egyptian Inv. Ltd                         | -         |
| Fintitan S.R.L.  | 2011-2016 | Green Alternative Energy Assets EAD                 | 2012-2016 |
| Cementi Crofone S.R.L.                                   | 2011-2016 | GAEA Zelena Alternative Enerjia DOOEL               | 2013-2016 |
| Cementi ANTEA SRL  | 2010-2016 | GAEA Enerjia Alternative e Gjeller Sh.p.k.          | 2014-2016 |
| Colombus Properties B.V.                                 | 2010-2016 | GAEA -Green Alternative Energy Assets               | 2016      |
| Brazcem Participacoes S.A.                               | 2016      | MILLCO-PCM DOOEL                                    | 2016      |
| Hollitan BV  | 2010-2016 | 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 2014-2015 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.

(2) Under special tax status.

(3) Companies operating in the U.S.A. are incorporated in the Titan America LLC subgroup (note 11).

### 14. Provisions

#### Group

Group provisions presented in short and long term liabilities on 30 September 2017 amounted to €30.0 mil. (31.12.2016: €29.6 mil.).

The above amount includes among others, the provision for the rehabilitation of quarries amounting to €17.0 mil. (31.12.2016: €17.2 mil.), the provision for staff costs of €6.4 mil. (31.12.2016: €5.8 mil.) and other provisions for risks, none of which are individually material to the Group.

#### Company

Company provisions presented in short and long term liabilities on 30 September 2017 amounted to €11.3 mil. (31.12.2016: €10.3 mil.). The above amount includes among others, the provision for the rehabilitation of quarries amounting to €2.4 mil. (31.12.2016: €2.4 mil.), the provision for staff costs of €6.4 mil. (31.12.2016: €5.8 mil.) and the provision of €2.1 mil. for other taxes (note 7).

## 15. 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 |            |
|                                     | 30/09/2017      | 31/12/2016 | 30/09/2017 | 31/12/2016 | 30/09/2017      | 31/12/2016 | 30/09/2017 | 31/12/2016 |
| <b>Financial assets</b>             |                 |            |            |            |                 |            |            |            |
| Available for-sale financial assets | 667             | 1,065      | 667        | 1,065      | 122             | 122        | 122        | 122        |
| Other non-current assets            | 6,684           | 8,274      | 6,684      | 8,274      | 2,737           | 2,727      | 2,737      | 2,727      |
| Derivative financial instruments    | 2,457           | 1,387      | 2,457      | 1,387      | -               | -          | -          | -          |
| <b>Financial liabilities</b>        |                 |            |            |            |                 |            |            |            |
| Long term borrowings                | 764,494         | 710,965    | 805,137    | 737,873    | 377,110         | 310,678    | 395,318    | 322,419    |
| Short term borrowings               | 60,576          | 129,499    | 60,576     | 129,843    | 107             | 42,442     | 107        | 42,608     |
| Derivative financial instruments    | 6,011           | -          | 6,011      | -          | -               | -          | -          | -          |
| Other non-current liabilities       | 2,604           | 1,492      | 2,604      | 1,492      | 144             | 142        | 144        | 142        |
| Put option (note 22)                | 11,764          | 9,658      | 11,764     | 9,658      | -               | -          | -          | -          |

Note: Derivative financial instruments consist of fx forwards, cross currency interest rate swaps (CCS), interest rate swaps (IRS) and oil 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.

(all amounts in Euro thousands)

|   | Group      |            | Company    |            |                      |
|---|------------|------------|------------|------------|----------------------|
|   | Fair value |            | Fair value |            | Fair value hierarchy |
|   | 30/09/2017 | 31/12/2016 | 30/09/2017 | 31/12/2016 |                      |
| <b>Assets</b>                             |            |            |            |            |                      |
| Investment property                       | 10,936     | 9,820      | 9,276      | 9,126      | Level 3              |
| Available for-sale financial assets       |            |            |            |            |                      |
| Other available-for-sale financial assets | 667        | 1,065      | 122        | 122        | Level 3              |
| Derivative financial instruments          | 2,457      | 1,387      | -          | -          | Level 2              |
| <b>Liabilities</b>                        |            |            |            |            |                      |
| Long-term borrowings                      | 805,137    | 737,873    | 395,318    | 322,419    | Level 2              |
| Short-term borrowings                     | 60,576     | 129,843    | 107        | 42,608     | Level 2              |
| Derivative financial instruments          | 6,011      | -          | -          | -          | Level 2              |
| Put option (note 22)                      | 11,764     | 9,658      | -          | -          | Level 3              |

There were no transfers between level 1 and 2 fair value measurements during the period and no transfers into or out of level 3 fair value measurements during the nine-month period ended 30 September 2017.

The fair value of level 3 investment property is estimated by the Group and the Company by external, independent, certified valuers. 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.

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



## 15. Fair value measurement (continued)

### 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.

In March 2017, the Group's subsidiary in USA, Titan America LLC (TALLC), entered into a €-dollar fx forward agreement until June 2017 and from June to October 2017, as well as from September to January 2018, in order to hedge relative fx risk. In addition, 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.

### 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 is valued using a discounted cash flow model. The valuation requires management to make certain assumptions about unobservable inputs to the model. Certain significant unobservable inputs are disclosed in the table below:

|                          | 30/09/2017 | 31/12/2016 |
|--------------------------|------------|------------|
| Gross margin growth rate | 4.6%       | 26.0%      |
| Discount rate            | 8.2%       | 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 thousand)

|  | Effect on the fair value |
|--|--------------------------|
| Increase by half the gross margin growth rate: | 388                      |
| Decrease by half the gross margin growth rate: | -301                     |

## 16. Other non-current assets

(all amounts in Euro thousand)

|                            | Group         |               | Company      |              |
|----------------------------|---------------|---------------|--------------|--------------|
|                            | 30/09/2017    | 31/12/2016    | 30/09/2017   | 31/12/2016   |
| Utility deposits           | 2,977         | 2,987         | 2,585        | 2,597        |
| Excess benefit plan assets | 4,013         | 4,364         | -            | -            |
| Notes receivable - trade   | 28            | 459           | -            | -            |
| Other non-current assets   | 3,679         | 4,828         | 1,045        | 622          |
|                            | <b>10,697</b> | <b>12,638</b> | <b>3,630</b> | <b>3,219</b> |

## 17. Share capital and premium

(all amounts are shown in Euro thousands unless otherwise stated)

## Shares issued and fully paid

|                              | Ordinary shares  |         | Preference shares |        | Share premium | Total            |         |
|------------------------------|------------------|---------|-------------------|--------|---------------|------------------|---------|
|                              | Number of shares | €'000   | Number of shares  | €'000  | €'000         | Number of shares | €'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 30 September 2016 | 77,063,568       | 308,254 | 7,568,960         | 30,276 | 22,826        | 84,632,528       | 361,356 |
| Balance at 1 January 2017    | 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 30 September 2017 | 77,063,568       | 231,190 | 7,568,960         | 22,707 | 22,826        | 84,632,528       | 276,723 |

## Treasury shares

|                              | Ordinary shares  |         | Preference shares |       | Total            |         |
|------------------------------|------------------|---------|-------------------|-------|------------------|---------|
|                              | Number of shares | €'000   | Number of shares  | €'000 | Number of shares | €'000   |
| Balance at 1 January 2016    | 2,760,593        | 78,960  | 5,919             | 117   | 2,766,512        | 79,077  |
| Purchase of treasury shares  | 509,273          | 10,033  | 39,551            | 467   | 548,824          | 10,500  |
| Sale of treasury shares      | -66,365          | -1,806  | -                 | -     | -66,365          | -1,806  |
| Balance at 30 September 2016 | 3,203,501        | 87,187  | 45,470            | 584   | 3,248,971        | 87,771  |
| Balance at 1 January 2017    | 3,871,677        | 100,408 | 85,514            | 1,045 | 3,957,191        | 101,453 |
| Purchase of treasury shares  | 26,000           | 566     | 5,909             | 85    | 31,909           | 651     |
| Sale of treasury shares      | -27,445          | -711    | -                 | -     | -27,445          | -711    |
| Balance at 30 September 2017 | 3,870,232        | 100,263 | 91,423            | 1,130 | 3,961,655        | 101,393 |

In the nine months of 2017, the average price of Titan Cement Company S.A. ordinary shares was €23.73 (1.1-30.9.2016: €19.11) and the trading price of the ordinary shares as at 30 September 2017 was €21.42 (30.9.2016: €20.98).

## 18. Other reserves

(all amounts in Euro thousands)

| Group   | Legal reserve | Special reserve | Contingency reserve | Tax exempt reserves under special laws | Revaluation reserve | Actuarial differences reserve | Hedging reserves | Foreign currency translation reserve | Total other reserves |
|---|---------------|-----------------|---------------------|--|---------------------|-------------------------------|------------------|--------------------------------------|----------------------|
| <b>Balance at 1 January 2016</b>                  | <b>93,112</b> | <b>569,227</b>  | <b>301,075</b>      | <b>117,563</b>                         | <b>50,386</b>       | <b>1,001</b>                  | <b>41,115</b>    | <b>-156,175</b>                      | <b>1,017,304</b>     |
| Other comprehensive loss                          | -             | -               | -                   | -                                      | -                   | -209                          | -                | -63,371                              | -63,580              |
| Non-controlling interest's put option recognition | -             | -               | -                   | -                                      | -                   | -2,164                        | -                | -                                    | -2,164               |
| Transfer from reserves & retained earnings        | 3,410         | 3,639           | 31,957              | -5,330                                 | -2,554              | -                             | -                | -                                    | 31,122               |
| <b>Balance at 30 September 2016</b>               | <b>96,522</b> | <b>572,866</b>  | <b>333,032</b>      | <b>112,233</b>                         | <b>47,832</b>       | <b>-1,372</b>                 | <b>41,115</b>    | <b>-219,546</b>                      | <b>982,682</b>       |
| <b>Balance at 1 January 2017</b>                  | <b>96,501</b> | <b>572,870</b>  | <b>333,294</b>      | <b>93,754</b>                          | <b>45,545</b>       | <b>138</b>                    | <b>41,115</b>    | <b>-343,853</b>                      | <b>839,364</b>       |
| Other comprehensive loss                          | -             | -               | -                   | -                                      | -302                | -                             | -                | -89,828                              | -90,130              |
| Non-controlling interest's put option recognition | -             | -               | -                   | -                                      | -1,264              | -                             | -                | -                                    | -1,264               |
| Transfer from reserves & retained earnings        | -2,887        | 7               | 1,100               | 4,781                                  | 13,606              | -                             | -                | -221                                 | 16,386               |
| <b>Balance at 30 September 2017</b>               | <b>93,614</b> | <b>572,877</b>  | <b>334,394</b>      | <b>98,535</b>                          | <b>57,585</b>       | <b>138</b>                    | <b>41,115</b>    | <b>-433,902</b>                      | <b>764,356</b>       |

## Company

| Company                             | Legal reserve | Special reserve | Contingency reserve | Tax exempt reserves under special laws | Revaluation reserve | Actuarial differences reserve | Hedging reserves | Total other reserves |
|-------------------------------------|---------------|-----------------|---------------------|--|---------------------|-------------------------------|------------------|----------------------|
| <b>Balance at 1 January 2016</b>    | <b>69,952</b> | <b>3,550</b>    | <b>289,182</b>      | <b>105,379</b>                         | <b>2,508</b>        | <b>832</b>                    | <b>48,347</b>    | <b>519,750</b>       |
| Other comprehensive loss            | -             | -               | -                   | -                                      | -99                 | -                             | -                | -99                  |
| Transfer from retained earnings     | 2,998         | -               | 31,755              | -                                      | -                   | -                             | -                | 34,753               |
| Transfer from share options         | -             | -               | 202                 | -                                      | -                   | -                             | -                | 202                  |
| <b>Balance at 30 September 2016</b> | <b>72,950</b> | <b>3,550</b>    | <b>321,139</b>      | <b>105,379</b>                         | <b>2,409</b>        | <b>832</b>                    | <b>48,347</b>    | <b>554,606</b>       |
| <b>Balance at 1 January 2017</b>    | <b>72,950</b> | <b>3,550</b>    | <b>321,404</b>      | <b>90,379</b>                          | <b>2,409</b>        | <b>-636</b>                   | <b>48,347</b>    | <b>538,403</b>       |
| Other comprehensive income          | -             | -               | -                   | -                                      | 106                 | -                             | -                | 106                  |
| Transfer among reserves             | 790           | -               | 1,100               | -                                      | -                   | -                             | -                | 1,890                |
| <b>Balance at 30 September 2017</b> | <b>73,740</b> | <b>3,550</b>    | <b>322,504</b>      | <b>90,379</b>                          | <b>2,515</b>        | <b>-636</b>                   | <b>48,347</b>    | <b>540,399</b>       |

## 18. Other reserves (continued)

In the statement of other comprehensive income, the exchange differences resulting from the translation of foreign operations in the nine months of 2017 amounted to a loss of €88.6 mil. (30.9.2016: loss of €73.7 mil.), of which €85.4 mil. (30.9.2016: €63.4 mil.) are attributable to the shareholders of the Parent Company and €3.2 mil. (30.9.2016: €10.3 mil.) to the non-controlling interests. The increase of €14.9 mil. between the two periods is mainly due to the weakening of US dollar against Euro.

## 19. Earnings per share

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

## 20. Dividends and return of capital

### For the period ended 30.9.2017

On 12 May 2017, the Annual General Assembly of Shareholders, declared the distribution of dividend of a total amount of €8,463 thousand i.e. €0.10 per share and, in addition, a return of capital of a total amount of €84,633 thousand i.e. €1.00 per share. Pursuant to article 16 paragraph 8 of L. 2190/1920, the final distributed amounts per share were increased by the amount corresponding to the treasury shares held by the Company.

### For the period ended 30.9.2016

The Annual General Meeting of Shareholders of the Titan Cement Company S.A., which was held on 17th June 2016, approved the distribution of dividend of a total amount of €25,390 corresponding to €0.30 per share (ordinary or preference). Pursuant to article 16 paragraph 8 of L. 2190/1920, the final distributed amounts per share were increased by the amount corresponding to the treasury shares held by the Company.

## 21. Related party transactions

Transactions with related parties during the nine month period ending 30 September 2017 as well as balances with related parties as at 30 September 2017 for the Group and the Company, according to IAS 24 are as follows:

(all amounts in Euro thousands)

### Group

|                                     | Sales of goods & services | Purchases of goods & services | Receivables | Liabilities |
|-------------------------------------|---------------------------|-------------------------------|-------------|-------------|
| Other interrelated parties          | -                         | 221                           | 2           | 231         |
| Executives and members of the Board | -                         | -                             | 4           | -           |
|                                     | -                         | 221                           | 6           | 231         |

### Company

|   |         |        |        |         |
|---|---------|--------|--------|---------|
| Aeolian Maritime Company                            | -       | -      | -      | 252     |
| Interbeton Construction Materials S.A.              | 19,601  | 5,539  | 5,033  | 1,909   |
| Intertitan Trading International S.A.               | 4,632   | -      | 2,520  | -       |
| Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. | 626     | -      | -      | -       |
| Aemos Cement Ltd                                    | 698     | -      | -      | -       |
| Alexandria Portland Cement Co. S.A.E.               | 929     | 4      | 2,950  | 4       |
| Antea Cement SHA                                    | 3,033   | -      | 1,688  | -       |
| Beni Suef Cement Co.S.A.E.                          | 1,534   | -      | 5,001  | -       |
| Cementara Kosjeric AD                               | 668     | -      | 179    | -       |
| Essex Cement Company LLC                            | 30,105  | -      | 1,323  | 14      |
| Fintitan SRL  | 294     | -      | -      | -       |
| Iapetos Ltd   | 19      | -      | 18     | -       |
| Roanoke Cement LLC                                  | 4,184   | -      | -      | -       |
| Sharrcem SH.P.K.                                    | 1,053   | -      | 230    | -       |
| T.C.U.K. Ltd  | 12,334  | -      | 260    | 2       |
| Titan America LLC                                   | 4,140   | -      | 1,243  | 5       |
| Titan Florida LLC                                   | 10,222  | 1      | -      | -       |
| Titan Beton & Aggregate Egypt LLC                   | 6       | -      | 25     | -       |
| Titan Global Finance PLC                            | -       | 11,629 | -      | 380,878 |
| Usje Cementarnica AD                                | 7,016   | -      | 591    | -       |
| Zlatna Panega Cement AD                             | 830     | -      | 270    | -       |
| Other subsidiaries                                  | 20      | 12     | 7      | -       |
| Other interrelated parties                          | -       | 221    | 2      | 231     |
| Executives and members of the Board                 | -       | -      | 4      | -       |
|   | 101,944 | 17,406 | 21,344 | 383,295 |

**21. Related party transactions (continued)**

Transactions with related parties during the nine month period ending 30 September 2016 as well as balances with related parties as at 31 December 2016 for the Group and the Company, according to IAS 24 are as follows:

(all amounts in Euro thousands)

**Group**

|                                     | Sales of goods & services | Purchases of goods & services | Receivables | Liabilities |
|-------------------------------------|---------------------------|-------------------------------|-------------|-------------|
| Other interrelated parties          | -                         | 581                           | -           | 179         |
| Executives and members of the Board | -                         | -                             | 15          | -           |
|                                     | -                         | 581                           | 15          | 179         |

**Company**

|   |        |        |        |         |
|---|--------|--------|--------|---------|
| Aeolian Maritime Company                            | -      | -      | -      | 252     |
| Interbeton Construction Materials S.A.              | 15,367 | 3,755  | 8,368  | 4,838   |
| InterTitan Trading International S.A.               | 4,499  | -      | 1,265  | -       |
| Gournon Quarries S.A.                               | -      | -      | 1      | -       |
| Adocim Cimento Beton Sanayi ve Ticaret A.S.         | 787    | -      | 7      | -       |
| Adocim Marmara Cimento Beton Sanayi ve Ticaret A.S. | 757    | -      | -      | -       |
| Alexandria Portland Cement Co. S.A.E                | 852    | -      | 2,126  | -       |
| Antea Cement SHA                                    | 1,224  | -      | 265    | -       |
| Beni Suef Cement Co.S.A.E.                          | 1,381  | -      | 3,592  | -       |
| Cementara Kosjeric AD                               | 727    | -      | 188    | -       |
| Cementi Crotone S.R.L.                              | 252    | -      | 84     | -       |
| Essex Cement Company LLC                            | 25,777 | 67     | 1,054  | 12      |
| Fintitan S.r.l.                                     | 6,627  | -      | 2,990  | -       |
| Iapetos Ltd   | -      | -      | 795    | -       |
| Roanoke Cement LLC                                  | 1,991  | -      | 299    | -       |
| Sharrcem SH.P.K                                     | 1,137  | -      | 268    | -       |
| T.C.U.K. Ltd  | 15,514 | 25     | 2,499  | -       |
| Titan America LLC                                   | 3,559  | 6      | 1,499  | 2       |
| Titan Beton & Aggregate Egypt LLC                   | -      | -      | 19     | -       |
| Titan Florida LLC                                   | 2,980  | -      | -      | -       |
| Titan Global Finance PLC                            | -      | 16,902 | 459    | 357,996 |
| Usje Cementarnica AD                                | 5,541  | -      | 730    | -       |
| Zlatna Panega Cement AD                             | 746    | -      | 143    | -       |
| Other subsidiaries                                  | 25     | -      | 3      | -       |
| Other interrelated parties                          | -      | 581    | -      | 179     |
| Executives and members of the Board                 | -      | -      | 15     | -       |
|   | 89,743 | 21,336 | 26,669 | 363,279 |

**Key management compensation**

(all amounts in Euro thousands)

|   | Group                          |       | Company                        |       |
|---|--------------------------------|-------|--------------------------------|-------|
|   | For the nine months ended 30/9 |       | For the nine months ended 30/9 |       |
|   | 2017                           | 2016  | 2017                           | 2016  |
| Salaries and other short-term employee benefits | 5,464                          | 6,274 | 5,464                          | 6,274 |



## 22. Contingencies and Commitments

(all amounts in Euro thousands)

### Contingent liabilities

|   | Group         |               | Company        |                |
|---|---------------|---------------|----------------|----------------|
|   | 30/09/2017    | 31/12/2016    | 30/09/2017     | 31/12/2016     |
| Guarantees to third parties on behalf of subsidiaries | -             | -             | 836,079        | 874,835        |
| Bank guarantee letters                                | 27,907        | 28,808        | 5,016          | 4,499          |
| Other   | 2,350         | 3,512         | -              | -              |
|   | <b>30,257</b> | <b>32,320</b> | <b>841,095</b> | <b>879,334</b> |

On 30.9.2017, Adocim Cimento Beton Sanayi ve Ticaret A.S. had contingent liabilities in the form of bank guarantee letters amounting to €891 thousand (31.12.2016: €714 thousand).

### Litigation matters in Egypt

There was no significant change in Egyptian litigation matters during the first nine months of 2017.

### Put option in Antea

The Group had granted to non controlling interest shareholder (International Finance Corporation - IFC) the option to sell its shares in ANTEA Cement SHA (Antea) at predetermined conditions. On 30 September 2017, the option's fair value of €11.8 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 13, have not been audited by the tax authorities and therefore the tax obligations of the Company and its subsidiaries for those years have not yet been finalized.

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

### Contingent assets

(all amounts in Euro thousands)

|   | Group         |               | Company       |               |
|---|---------------|---------------|---------------|---------------|
|   | 30/09/2017    | 31/12/2016    | 30/09/2017    | 31/12/2016    |
| Bank guarantee letters for securing trade receivables | 20,240        | 20,904        | 8,458         | 10,390        |
| Other collaterals against trade receivables           | 5,187         | 6,385         | 354           | 354           |
|   | 25,427        | 27,289        | 8,812         | 10,744        |
| Collaterals against other receivables                 | 1,776         | 1,421         | 1,776         | 1,421         |
|   | <b>27,203</b> | <b>28,710</b> | <b>10,588</b> | <b>12,165</b> |

### 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    |            |
|-------------------------------|------------|------------|------------|------------|
|                               | 30/09/2017 | 31/12/2016 | 30/09/2017 | 31/12/2016 |
| Property, plant and equipment | 2,056      | 702        | -          | -          |

## 22. Contingencies and Commitments (continued)

### Purchase commitments

Energy supply contracts (electricity etc.)

|                                 | Group      |            | Company    |            |
|---------------------------------|------------|------------|------------|------------|
|                                 | 30/09/2017 | 31/12/2016 | 30/09/2017 | 31/12/2016 |
| (all amounts in Euro thousands) |            |            |            |            |
| Not later than 1 year           | 783        | 600        | -          | -          |

In addition to the aforementioned purchase commitments, the Group's US subsidiaries have entered into a contract to purchase raw materials and manufacturing supplies as part of their on-going operations in Florida. This contract includes the purchase of 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.

|  | Group         |               | Company      |              |
|--|---------------|---------------|--------------|--------------|
|  | 30/09/2017    | 31/12/2016    | 30/09/2017   | 31/12/2016   |
| (all amounts in Euro thousands)              |               |               |              |              |
| Not later than 1 year                        | 11,262        | 9,517         | 731          | 672          |
| Later than 1 year and not later than 5 years | 28,999        | 25,040        | 1,396        | 1,367        |
| Beyond 5 years                               | 7,995         | 7,864         | -            | -            |
|  | <b>48,256</b> | <b>42,421</b> | <b>2,127</b> | <b>2,039</b> |

## 23. Inventories

The increase in Group inventories by €20.0 mil. is mainly due to the increased deliveries of spare parts and solid fuels.

## 24. Trade and other payables

The decrease in Group trade and other payables by €47.3 mil. includes the impact from foreign exchange differences amounting to €18.8 mil.. The organic change of the €28.5 mil. is mainly due to the decreased customer prepayments in Egypt amounted to €10.6 mil. and the repayment of the remaining €13.2 mil. consideration transferred for joint venture's acquisition.

## 25. Borrowings

On 19 January 2017, Group subsidiary Titan Global Finance PLC repaid at the maturity €88 mil. of the outstanding 8.75% guaranteed notes.

The Group subsidiary Titan Global Finance PLC (TGF) entered into a €300 mil. multi-currency revolving credit facility with a syndicate of Greek and 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 was used for refinancing credit facilities and financing general corporate purposes.

## 26. Foreign exchange differences

The variance of €9.2 mil. in the account "losses from foreign exchange differences" in the income statement for the period ended 30 September 2017 compared to the nine months of the previous year is mainly due to the valuation of loans and other liabilities (including intercompany loans) in Euro, recorded by the Group's subsidiaries that operate in Egypt and US and have other functional currency. The volatility arising from foreign exchange rate fluctuations will continue to affect the Group's performance until the full repayment of the respective loans.

## 27. Share-based payments

On 12 May 2017, 263,680 share options were granted to Group executives under the new three-year Stock Option Programme of 2017. The exercise price of the options is €10.0. The final option rights number, which the beneficiaries will be entitled to exercise will 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 eight predefined international cement producing companies.

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%.

## 28. Events after the reporting period

There are no subsequent events to September 30, 2017 which would materially influence the Group's and the Company's financial position.

## 29. Principal exchange rates

| Balance sheet   | 30/09/2017  | 31/12/2016  | 30/9/2017 vs 31/12/2016 |
|-----------------|-------------|-------------|-------------------------|
| €1 = USD        | 1.18        | 1.05        | 12.0%                   |
| €1 = EGP        | 20.84       | 19.07       | 9.3%                    |
| €1 = TRY        | 4.20        | 3.71        | 13.3%                   |
| €1 = BRL        | 3.74        | 3.44        | 8.9%                    |
| €1 = RSD        | 119.37      | 123.47      | -3.3%                   |
| 1USD=EGP        | 17.65       | 18.09       | -2.4%                   |
| Profit and loss | Ave 9M 2017 | Ave 9M 2016 | Ave 9M 2017 vs 9M 2016  |
| €1 = USD        | 1.11        | 1.12        | -0.2%                   |
| €1 = EGP        | 19.95       | 9.62        | 107.4%                  |
| €1 = TRY        | 4.00        | 3.28        | 22.0%                   |
| €1 = BRL        | 3.54        | 3.96        | -10.6%                  |
| €1 = RSD        | 122.15      | 123.05      | -0.7%                   |
| 1USD=EGP        | 17.91       | 8.61        | 108.0%                  |