2014

ANNUAL REPORT
OF THE BOARD OF DIRECTORS
AND FINANCIAL RESULTS

Contents

ANNUAL REPORT OF THE BOARD OF DIRECTORS FOR THE FISCAL YEAR 01.01.2014 - 31.12.2014

ECONOMIC ENVIRONMENT

The global economy expanded only moderately in 2014 in an environment of rising geopolitical tensions. While the US exceeded growth expectations, economic recovery in the Eurozone remained fragile. The euro area is still faced with dangerously low inflation and several countries suffer from high and persistent unemployment. Meanwhile, expansion rates in emerging economies became more divergent. Going forward, lower oil prices should help boost global growth, but geopolitical uncertainties, market volatility and continued weakness in Europe are downside risks to the current outlook.

FINANCIAL RESULTS

DEVELOPMENT OF ACTIVITIES – SIGNIFICANT EVENTS

Titan Group returned to profit in 2014 after two loss-making years. Consolidated turnover in 2014 increased by 2.7% to €1,158 million. Earnings before interest, taxes, depreciation and amortization (EBITDA) decreased by 2.6% to €182 million. Net profits after taxes and minorities (NPAT) were €31 million in 2014 against €36 million net losses during the same period last year.

The continuing recovery in the USA, the improvement in the Greek market, and the improved performance of the markets of Turkey and Southeastern Europe, all contributed to operating results. Countering these trends, results in Egypt declined significantly owing to the prolonged gas shortages which severely curtailed production. In this context, the Group is implementing investments in Egypt which will enable the utilization of solid and alternative fuels, thus restoring the plants' operating capability.

Net results were considerably boosted by the strengthening of the US$ and the Egyptian Pound versus the Euro.

In 2014, the Group generated €90 million in free cash flow versus €136 million in 2013. Net debt at the end of the year stood at €541 million versus €509 million at the end of 2013, reflecting the step-up in capital expenditure and increased working capital requirements in growing markets. Group net debt is less than half of what it was in the beginning of 2009.

Taking advantage of prevailing conditions in financial markets in July 2014, the Group through its subsidiary Titan Global Finance PLC issued a €300 million, five-year bond with an annual coupon of 4.25%. Funds raised were utilized for the repayment of existing debt.

In June 2014, Standard & Poor's confirmed Titan's credit rating as 'BB'.

The Annual General Assembly of Shareholders of TITAN CEMENT COMPANY S.A. on 20 June 2014 decided the distribution of extraordinary reserves up to the amount of €8,463,252.80, which corresponded to €0.10 per share. This amount was increased by the amount corresponding to the treasury shares held by the Company and on the total amount a 10% withholding tax was imposed. Therefore, the Shareholders have received a net amount of €0.09322 per share.

The stock price of the Company closed at €19.17 a share on 31.12.2014, declining by 3% since 31.12.2013. During the same period, the Athens Stock Exchange (ASE) General Index posted a 29% decrease.

Market Overviews

Demand for building materials in the Greek domestic market grew in 2014, compared to the extremely low levels of 2013, owing primarily to the re-launch of major road works in the country. Residential construction, which traditionally is the motor of demand, remains completely subdued. The general climate of uncertainty, high levels of unemployment, limited disposable income and high tax rates, all effectively hindered any recovery in activity. Moreover, unfavorable demographics coupled with a high stock of unsold homes have brought residential building activity to a standstill.

As a result, maintaining satisfactory utilization rates at the plants in Greece continues to depend on export potential, amidst intense international competition, particularly from countries with low energy costs and no constraints on carbon dioxide emissions. Investments to increase the utilization of alternative fuels and reduce energy costs continued, allowing Titan to remain competitive and continue its export activity unabated.

As a whole, in 2014, region Greece and Western Europe posted a 14.3% rise in turnover, which reached €285 million. EBITDA more than doubled from €14 million in 2013 to €37 million in 2014.

In the USA, demand for building materials is recovering. Group sales increased across the whole spectrum of building materials it produces, propelled mainly by the high growth rates recorded in Florida where a substantial share of operations is located. According to the Portland Cement Association, cement consumption in Florida, grew by 18% mainly due to new residential construction. Cement consumption across the USA as a whole grew by 9% in 2014.

Group subsidiary ST Equipment and Technology LLC (STET), which produces and operates fly ash processing equipment continued its focus on growth. Additionally, STET is stepping up investments in R&D so as to expand its applications to the processing of other minerals.

The USA currently account for above one-third of Group turnover and an increasing share of EBITDA. Higher sales volumes and improved prices led to the increase in turnover at Titan America, which stood at €469 million, posting a 14.1% increase in 2014. EBITDA reached €47 million from €32 million in 2013.

In Southeastern Europe, construction activity remained subdued due to the anemic economic development of the wider region. The slight improvement in operating results was mostly due to lower energy costs and the increase in the use of alternative fuels at Group plants. Capacity utilization rates for the

Group's plants remained low, detrimentally impacting costs that were however curtailed due to efficiencies and the increased use of alternative fuels.

In 2014, turnover in the region decreased by 3.5% to €208 million, while EBITDA increased from €63 million to €67 million.

In Egypt, the construction sector continued to grow and cement demand was higher by 2.4% compared to 2013. Nevertheless, the repeated interruptions in the state-provided gas supply, coupled with the considerable administrative delays in the issuance of the required permits for the investments necessary to allow for the utilization of solid fuels, lead to a considerable loss of production. Under these conditions, the Group's capacity utilization rates dropped below 50%. Part of the shortfall was made up through imports which however curtailed profit margins.

In 2014, turnover in the Egypt dropped by 22.0% to €197 million. EBITDA declined by 60.0% to €31 million.

The Group is implementing a comprehensive investment program which will allow for the utilization of solid and alternative fuels with the view to gradually achieving fuel autonomy. The first solid fuels grinding mill was brought on stream at the Beni Suef cement plant at the end of 2014.

In Turkey, construction activity continued to grow. Our share in Net Profit for Turkey, which as of 2014 is consolidated by the equity method, was €4.6 million versus €0.1 million losses during the previous year.

TREASURY SHARES

Buy back of treasury shares

The General Meeting of Shareholders by virtue of its decision dated 20.6.2014, has approved the share buy-back of common and preferred treasury shares by the Company in accordance with article 16 paragraph 1 of Law 2190/1920. More specifically, the General Meeting of Shareholders has approved the share buy –back of up to 10% of the Company's paid up share capital, within a 24 month period, namely from 21.6.2014 until 20.6.2016, at a maximum purchase price of €40 per share and at a minimum purchase price equal to the nominal value of the Company share, namely €4 per share, provided that the Board of Directors considers such share buy-back to be more beneficial compared to any other available investment opportunity and provided that the Company has sufficient liquidity.

However, there was no buy-back of treasury shares within 2014.

Sale of treasury shares

In the framework of a Stock Option Plan which was established by virtue of decision of the General Meeting of Shareholders dated 3.6.2010 and pursuant to decision of the Board of Directors dated 27.2.2014, the Company proceeded within 2014 to the sale of 141,503 common treasury shares, representing 0.17% of the paid up share capital of the Company, to 89 Titan Group executives including 5 executive members of the Board of Directors, at a sale price per share equal to the nominal value of each Company share i.e. Euro 4 per share, and a total sale price of €566,012.

The total number of treasury shares held by the Company as at 31.12.2014 was 2,925,831, of which 2,919,912 are common shares and 5,919 are preferred shares without voting rights. The aforementioned treasury shares represent 3.46% of the Company's paid up share capital.

INVESTMENTS AND DISPOSALS

Group capital expenditure in 2014, excluding acquisitions and intangible assets, stood at €80 million, considerably higher than the limited amounts recorded in previous years and by €33 million greater than in 2013. The increase is primarily due to investments in Egypt and the USA.

The net book value of fixed assets disposed was €2 million, versus €3 million in the previous year.

PARENT COMPANY FINANCIAL RESULTS

Turnover at Titan Cement S.A. in 2014 grew by 12.5% to €264 million while EBITDA stood at €31 million versus €11 million in 2013. The Company's net profit after the provision for taxes (NPAT) reached €92 million (versus a €43 million net loss in 2013), mostly thanks to €112 million of dividends received from international subsidiaries. Thus, profit for the year 2014 exceeded the losses of €51 million accumulated over the previous years. Coupled with the favorable outlook for 2015, this allows the Board of Directors to propose to the Annual General Assembly of Shareholders the payment of a dividend for the first time since 2011. More specifically, the Board of Directors will propose to the Annual General Assembly of Shareholders, scheduled to take place on 19.6.2015, the distribution of dividend of a total amount of €12,694,879.20, i.e. €0.15 per share. In addition, the Board of Directors will propose to the General Assembly the distribution of special reserves from previous financial years, of a total amount of €12,694,879.20, i.e. €0.15 per share.

POST BALANCE SHEET EVENTS

In February 2015, Alvacim Ltd, a Titan Group subsidiary, purchased the 20% stake held by the European Bank for Reconstruction and Development (EBRD) in ANTEA CEMENT SHA (ANTEA), a Titan Group subsidiary in Albania. As a result of this purchase, Titan Group holds 80% of ANTEA's share capital, whereas the remaining 20% is held by the International Finance Corporation (IFC).

PROSPECTS FOR 2014

The outlook for the Group in 2015 is positive, despite significant uncertainties and challenges. This reserved optimism can be attributed to the expectation of improved operating results from the Group's two most important markets: the USA and Egypt.

Despite the protracted period of bad weather since the beginning of the year, the recovery of the US market continues unabated within the context of a broader US economic recovery. According to the forecasts of the Portland Cement Association (PCA), cement consumption in the USA is expected to grow by about 8% annually between 2015 and 2017, aided by increased demand in the residential segment and the positive trends underway in the commercial sector. The PCA estimates that growth rates will be even higher, than the aforementioned national average, in the Southern states, where the largest share of Titan operations is located. In order to meet higher demand and more competitiveness, the Group is increasing capital spending.

In Egypt, demand for building materials is expected to remain at high levels, supported by both private and public construction. The Group expects to recover production and sales volumes in 2015, following the investments undertaken in order to ensure the gradual self-sufficiency of the plants in terms of their fuel needs.

In Greece, private construction continues to decline despite the already extremely low levels of activity reached. According to the data of the Hellenic Statistical Authority, the total volume of building permits for the first eleven months of 2014, declined by 14.5% versus 2013 and represents c. 14% of 2005 levels. Cement consumption in 2015 is expected to remain at broadly the same levels as in 2014 due to road work activity, to the extent that this continues uninterrupted.

Construction activity in Southeastern Europe appears stable; cement demand however is considerably below the Group's plants capacity. No significant improvement is expected in the short-term since the region continues to be affected by the weakness of Eurozone neighbor countries.

Finally in Turkey, demand for cement continuous to be high.

BUSINESS MODEL

The corporate strategy of the Group, which forms the basis for the long-term pursuit of Titan's targets and aims, is firmly focused on the following principles and priorities:

- Geographic diversification
- Continuous competitive improvement
- Vertical integration
- Focus on human capital and Corporate Social Responsibility

Titan's core competence is the production and commercialization of cement, ready-mix concrete, aggregates and related building materials.

The Group operates in 14 countries in Europe, North America and the Eastern Mediterranean and is organized in the following four operating (geographic) segments:

- Greece and Western Europe
- North America
- South East Europe
- Eastern Mediterranean

Each operating segment is a cluster of countries. The aggregation of countries is based on geographic proximity.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT

2014 is considered as a landmark for the global and European agenda of corporate social responsibility and sustainable development. The adoption of the new EU directive on non-financial reporting and the United Nations consultation for the Post-2015 Sustainable Development Agenda are among else outlining the priorities for the years to come.

Transparency and accountability, eradication of poverty and reduction of inequalities, climate change mitigation and resilience remain fundamental for all and companies are expected to be a catalyst engaging with stakeholders to build awareness and providing sustainable solutions for all.

TITAN's enduring commitment to certain values including integrity and corporate social responsibility is guiding the implementation of the business strategy at both Group and local levels. Accordingly in 2014, priority was given to the completion and overall assessment of the 5-year action plan set forth in 2010 for 2015.

Health and safety remain top Group priorities. The five-year trend shows an improvement of 29% in LTIFR for own personnel relative to 2010. However, compared to 2013, LTIFR in 2014 increased to 1.65 LTIs per million man-hours.

In respect to environmental issues and particularly CO2 emissions, as expected no substantial improvement has been achieved, while other air emissions like dust and NOx have been further mitigated following the completion of specific projects. Moreover, positive results are recorded in respect to efforts related to improving further the substitution rate of carbon intensive fuels with alternative fuels.

With feedback received from key stakeholders, a thorough assessment of overall progress achieved the last ten years of TITAN's engagement with the WBCSD Cement Sustainability Initiative and the UN Global Compact principles has offered an opportunity to identify areas for further improvement, including community and stakeholder engagement, fighting corruption and expand sustainability standards and best practices throughout the value chain.

Accordingly TITAN committed to support the UN GC campaign for the 10th GC principle against corruption, while participated in the development of specific training modules in local languages to facilitate awareness building among employees and better enforcement of relevant systems and practices. Moreover, through its participation to local forums, the Group contributed in the consultation of UN Post 2015 Sustainable Development Goals and the European Union dialogue for the enforcement of the new EU directive for nonfinancial reporting.

Two major events have mobilized additional efforts to support certain relief initiatives, the Kefalonia earthquake and the enormous floods in Serbia. However, long-term initiatives running throughout the Group have continued including Food donation program in Egypt, collaboration with schools to improve safety conditions, partnership building programs with NGOs and Academia to increase awareness about environment and responsible behavior.

The goal of building a new business-model based on sustainability for all may not be fulfilled without the continuous engagement of and collaboration with other business and key stakeholders. In 2014 further efforts at Group level included the development of a new Guideline for Sustainability in the supply chain, by CSi TF 10, that Titan is currently co-chairing, and new enrollment in local CSR Networks, such as the UNGC network in Egypt, and the creation of a new CSR Network in Alexandria.

RISKS AND UNCERTAINTIES FOR 2014

FINANCIAL RISKS

The Group, by nature of its business and geographical positioning, is exposed to financial risks. The Group's overall financial risk is managed by Group Finance and Treasury units, aiming to minimize the potential unfavorable impact deriving from the markets' fluctuations on Group's financial performance. The Group does not engage in speculative transactions or transactions which are not related to its commercial, investing or borrowing activities.

Liquidity risk: The Group, in addition to its operating cash flows, maintains sufficient cash and other liquid assets, as well as extensive credit lines with several international banks to ensure the fulfillment of its financial obligations.

Moreover, Group's solid creditworthiness allows it to make efficient use of international financial markets for financing purposes.

Group Treasury controls Group funding as well as the management of liquid assets.

Interest rate risk: The ratio of fixed to floating rates of the Group's borrowings is determined by market conditions, Group strategy and financing requirements. Occasionally, interest rate derivatives may be used to minimize the relevant risk and balance the mix of fixed and floating rates of the Group's borrowings.

At December 31st 2014, the group's ratio of fixed to floating interest rates, taking into account outstanding swaps, stood at 47% / 53% (2013: 48% / 52%).

(For further analysis on this ratio refer to Note:33).

Interest rate sensitivity: The Group's interest rate sensitivity analysis has been determined based on the interest rate exposure relating to floating rate liabilities. At December 31st 2014, a ±1 percentage point shift in interest rates, with all other variables held constant, would result in approximately €3.8 million (2013: €4.9 million) of annual additional/lower financial expenses before tax. The Group's sensitivity to interest rates is lower than last year mainly due to lower floating debt in absolute amount.

(For further details on sensitivity analysis refer to Note: 33)

Foreign Currency risk: Group exposure to exchange rate (FX) risk derives from existing or expected cash flows denominated in currencies other than the Euro (imports/exports) and from international investments.

FX risks are managed using natural hedges, FX derivatives/swaps and FX forwards. Borrowings denominated in the same currency as the assets that are being financed, create a natural hedge for investments in foreign subsidiaries exposed to FX conversion risk. Part of the financing of Group activities in the USA, Egypt and Albania, is in different currencies (euro) than their functional ones. Their refinancing in local currencies is examined at regular intervals.

(For further details on group's FX hedging position refer to Note: 33)

Foreign currency sensitivity:

The Group's sensitivity analysis has been determined based on the Group's exposure that arises on financial assets and liabilities that are denominated in a foreign currency other than the Group's functional currency. The Group's net foreign currency transaction risk mainly arises from USD, EGP, RSD, LEK, GBP and TRY.

At December 31st 2014, a ±5 percentage point shift in foreign currencies, with all other variables held constant, would result in approximately €1.5 million (2013: €0.9 million) of additional/lower net foreign exchange gains/losses.

(For further details on FX sensitivity analysis refer to Note: 33)

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

When considered necessary, additional collateral is requested to secure credit. Provisions for impairment losses are made for special credit risks. As at 31st December 2014, there are no outstanding doubtful significant credit risks which are not already covered by a provision for doubtful receivables.

Credit risk arising from financial institutions' inability to meet their obligations towards the Group deriving from placements, investments and derivatives, is mitigated by pre-set limits on the degree of exposure to each individual financial institution. These pre-set limits are set in accordance to the Group Treasury policies.

At December 31st 2014, the Group's majority financial assets and derivative financial instruments were held with investment grade financial institutions.

OPERATIONAL RISKS

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

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

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

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

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

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

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

Risks regarding safety at work: Safety at work for Titan employees is a top priority.

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

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

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

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

MAJOR TRANSACTIONS BETWEEN COMPANY AND RELATED PARTIES

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

The amounts of sales and purchases undertaken in 2014, and the balances of payables and receivables as at 31.12.2014 for the Group and the Company, arising from transactions between related parties are presented in the following table:

Year ended 31 December 2014

(all amounts in Euro thousands)

Group	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Other related parties	-	1,069	-	154
Executives and members of the Board	-	-	18	-
	-	**1,069**	**18**	**154**

Company	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Aeolian Maritime Company	2	-	-	262
Albacem S.A.	2	-	-	-
Interbeton Construction Materials S.A.	26,719	5,561	10,320	1,341
Intertitan Trading International S.A.	6,441	-	240	-
Transbeton - Domiki S.A.	908	-	1,216	-
Quarries Gournon S.A.	2	-	-	-
Adocim Cimento Beton Sanayi ve Ticaret A.S.	2,313	-	-	-
Titan Cement International Trading S.A.	2	-	-	-
Fintitan SRL	7,407	1	4,076	-
Cementi Crotone S.R.L.	308	-	-	-
Titan Cement U.K. Ltd	15,072	34	-	-
Usje Cementarnica AD	8,089	-	479	-
Beni Suef Cement Co.S.A.E.	4,564	-	1,979	-
Alexandria Portland Cement Co. S.A.E	421	11	165	-
Cementara Kosjeric DOO	93	-	31	-
Zlatna Panega Cement AD	4	15	4	-
Titan America LLC	30	1	-	168
Essex Cement Co. LLC	18,677	63	1,491	-
KTIMET Quarries S.A.	-	5	-	3
Antea Cement SHA	1,125	23	254	-
Titan Global Finance PLC	-	37,475	-	344,214
Quarries of Tanagra S.A.	4	-	-	-
SharrCem Sh.P.K	26	7	10	-
Other subsidiaries	18	-	5	-
Other related parties	-	1,069	-	154
Executives and members of the Board	-	-	18	-
	92,227	**44,265**	**20,288**	**346,142**

Regarding the transactions above, the following clarifications are made:

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

Company liabilities primarily relate to one outstanding floating rate loan agreement of €118.65 million maturing in 2018 at the Euribor rate plus a 3.55% spread per annum, as well as two outstanding fixed rate loan agreements: a) one of €100 million maturing in 2017 at a fixed rate of 8.80% per annum to maturity and b) one of €123 million maturing in 2019 at a fixed rate of 4.30% per annum to maturity. All were concluded with the UK based subsidiary Titan Global Finance Plc.

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

The remuneration of senior executives and members of the Group's Board of Directors for 2014 stood at €4.9 million, being flat compared to the previous year.

GOING CONCERN DISCLOSURE

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

ANNUAL REPORT OF THE BOARD OF DIRECTORS AND FINANCIAL ACCOUNTS FOR THE FISCAL YEAR 2014

The Board of Directors considers that the Annual Report and the Financial Accounts for the fiscal year 2014, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

STATEMENT ON CORPORATE GOVERNANCE

I. Reference to the Corporate Governance Code applicable to the Company and the public website where a copy of the Code can be found

TITAN CEMENT S.A. (hereinafter "the Company") is a société anonyme whose shares (ordinary and preference) are admitted to trading on the Athens Exchange.

This Corporate Governance Statement constitutes a special part of the Board of Directors' Annual Report pursuant to the provisions of Article 2(2) of Law 3873/2010.

TITAN Cement Company S.A. by virtue of its Board of Directors' resolution dated 16.12.2010 has officially adopted the UK Code on Corporate Governance, which (the Company) is currently implementing as it has been revised by the September 2012 update and which can be found on the website of the UK Financial Reporting Council (www.frc.org.uk). A Greek translation of this document can be found on the company's website (http:// www. titan.gr), at the following address: http://ir.titan.gr/titan/app/cms?lang=en&page=article.etairiki.diakuvernisi .

The Company has officially adopted the Code with the exception of certain provisions listed in Section VIII herein, where the rationale behind these deviations is also explained.

II. Reference to the corporate governance practices implemented by the Company further to the statutory mandates and reference to the website where these are published

Further to the provisions stipulated by the Greek legislation, and more specifically by Laws 2190/1920, 3016/2002, 3693/2008, 3884/2010 and 3873/2010, TITAN CEMENT S.A. has also adopted the UK Corporate Governance Code, hereinafter "the Code".

The Company, apart from the mandates set out in the Greek legislation and the Code, has also established further requirements in relation to the independence of the independent members of the Board of Directors. These requirements are stated in the paragraph titled "Nominating candidates for the Board of Directors" in Section III herein. They can also be found on the Company's website http://www.titan.gr/ , and at the following address: http://ir.titan.gr/titan/app/cms?lang=en&page=article.etairiki.diakuvernisi

III. Reference to the composition and modus operandi of the Board of Directors and other administrative, management and supervisory bodies or committees of the Company.

BOARD OF DIRECTORS

Resumes of the members of the Board of Directors

Chairman

ANDREAS CANELLOPOULOS

Born in 1940.

Non-executive Director since 01.03.2006.

Member of the Nomination and Corporate Governance Committee.

Member of the Board of Directors since 1971 and Chairman of the Board of Directors since 1996. He has served as Managing Director of the Company from 1983 to 1996.
He is a Member of the Board of Directors of the Paul and Alexandra Canellopoulos Foundation.
He has served as Vice Chairman of the Board of Directors of Alpha Bank (1995 - 2006) and Chairman of the Hellenic Federation of Enterprises (SEV) (1994 to 2000).

Vice Chairman

EFSTRATIOS - GEORGIOS (TAKIS) ARAPOGLOU

Born in 1951.

Independent, non-executive Director since 18.5.2010 (2nd term).

Member of the Remuneration Committee.

He has held senior level positions in international investment banks in London (1977-1991). He has managed Greek banks and subsidiaries of international banks in Greece (1991-2000). He has served as Managing Director and Global Head and Securities Industry of Citigroup in London (1999-2004) and Chairman and Managing Director of the National Bank of Greece (2004-2009). He has also been elected to the position of Chairman of the Hellenic Bank Association (2005-2009). He has served as Managing Director of commercial banking and executive member of the Board of Directors of the investment group EFG – Hermes Holding (2010-2013).

He is currently holding the following non-executive board positions: Chairman of Tsakos Energy Navigation (TEN) Limited, a company listed on the New York Stock Exchange, board member, of EFG Hermes Holding SAE, listed on the stock exchanges of Cairo and London and board member of Credit Libanais SAL.

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

Managing Director CEO

DIMITRI PAPALEXOPOULOS

Born in 1962.

Executive Director since 24.6.1992.

Managing Director since 1996 and an executive officer of the Company since 1989.

In the past, he worked as a business consultant with McKinsey & Company Inc. in the USA and Germany.
He is Vice-Chairman of the Board of Directors of the Hellenic Federation of Enterprises (SEV) and of the SEV Committee for Sustainable Development (SEV VIAN) and a member of the Board of Directors of the Foundation for Economic & Industrial Research (IOBE), the Hellenic Foundation for European and Foreign Policy (ELIAMEP) and of the European Round Table for Industrialists (ERT).
He studied Electrical Engineering (Dip. El-Ing. ETH, 1985) at the Swiss Federal Institute of Technology Zurich (FTH) and Business Administration (MBA 1987) at Harvard University, USA.

Members

NELLOS CANELLOPOULOS

Born in 1964.

Executive Director since 24.6.1992.

He is the External Relations Director of TITAN GROUP since 1996.

Previously, he had worked as a Sales Division Executive with TITAN Cement Company S.A. (1990-1996) and as an executive officer at IONIA S.A. (1989 and 1990). He is Chairman of the Board of Directors of the Paul and Alexandra Canellopoulos Foundation and a member of the Board of Directors of the Hellenic Cement Industry Association.

TAKIS-PANAGIOTIS CANELLOPOULOS

Born in 1968.

Executive Director since 10.5.2007.

Investor Relations Director of TITAN Group since 2001.

From 1995 to 2001, he worked as an executive officer in the Finance Department of TITAN Group. He had worked previously as a financial analyst in AIG and the Financing Division of EFG Eurobank. He is also a member of the Board of Directors of Canellopoulos Adamantiadis Insurance Co. (AIG Hellas) and Grivalia Properties Reic and as a member of the Union of Listed Companies (ENEISET). He studied Economics (BA) at Brown University, USA and Business Administration (MBA) at the New York University / STERN School of Business, USA.

DOROS CONSTANTINOU

Born in 1950.

Non-executive Director since 14.06.2013 (1st term).

Chairman of the Audit Committee.

He is a non-executive director and member of the Audit Committee of the Board of Directors of Frigoglass S.A.I.C. He was appointed Managing Director of Coca-Cola Hellenic Group (2003-2011) and of Frigoglass S.A.I.C. (2001-2003). He started his career in Price Waterhouse (1975-1985) and then he joined the management team of Hellenic Bottling Company (3E), where he was appointed Finance Director of the Industrial Division of the Group (1992-1995) and he later became the Deputy Chief Financial Officer of the Group (1995-1996) and Chief Financial Officer (1996-2000). Studied economics in Piraeus University, from which he graduated in 1974 specializing in Business Administration.

VASSILIOS FOURLIS

Born in 1960.

Independent Non Executive Director since 10.05.2007 (3rd term).

Member of the Audit Committee.

He is Chairman of Fourlis S.A. Holdings and he also sits on the Board of House Market S.A. (IKEA), Frigoglass S.A. and Piraeus Bank. He holds a Masters degree from the University of California, Berkeley (Masters Degree in Economic Development and Regional Planning) and a Masters degree from Boston University / Brussels (Masters Degree in International Business).

DOMNA MIRASYESI-BERNITSA

Born in 1960.

Independent, Non-Executive Director since 14.06.2013 (1st term).

Chairman of the Nomination and Corporate Governance Committee.

Qualified lawyer, member of the Athens Bar. Partner at M&P Bernitsas Law Offices. She has worked as a legal advisor at the Special Legal Service of the Ministry for Foreign Affairs (1986-1987) and at the Department of Political Science and Public Administration of the University of Athens (1985-1990). She is also a member of the Board of Directors of St. Catherine's British School. She is a graduate of the University of Athens Law School and has obtained an LLM in European Law from the London School of Economics.

ALEXANDRA PAPALEXOPOULOU – BENOPOULOU

Born in 1966.

Executive Director since 23.05.1995.

Strategic Planning Director of TITAN Group since 1997.

From 1992 to 1997 she worked as an executive in the Group Exports Division. Previously, she had worked for the OECD and the consultancy firm BOOZ, ALLEN & HAMILTON in Paris.She is a member of the Board of Directors and Treasurer of the PAUL and Alexandra Canellopoulos Foundation, the Board of Directors of National Bank of Greece and the "ALBA College of Business Administration" Association. From 2003 until February 2015 she served as a member of the Board of Directors of Frigoglass, whilst from 2007 to 2009 she served as member of the Board of Directors of Emporiki Bank. She studied Economics at the Swarthmore College, USA, and Business Administration (MBA) at INSEAD, Fontainebleau, France.

PETROS SABATACAKIS

Born in 1946.

Independent, Non-Executive Director since 2010 (2nd term).

Member of the Remuneration Committee.

He is a member of the Board of Directors of National Bank of Greece since 2010. He was Chief Risk Manager for Citigroup Inc. (1999-2004) and member of the Management Committee and Director of Citicorp and Citibank, N.A. From 1992 to 1997, he was in charge of the financial services subsidiaries of the American International Group, its treasury operations, as well as the market and credit risk activities. He was a member of the executive committee and partner of C.V. STARR. He has also worked at Chemical Bank (now JP Morgan Chase). He has been the chairman of Plan International and Childreach (Non-profit Organization), a Trustee of the Athens College in Greece, and a Director of the Gennadius Library. He earned three degrees from Columbia University: Bachelor of Science, Masters of Business Administration and Doctor of Philosophy degree in Economics.

PLOUTARCHOS SAKELLARIS

Born in 1964.

Independent, Non-Executive Director since 14.06.2013 (1st term).

Member of the Audit Committee.

Professor of Economics and Finance at Athens University of Economics and Business. He was Vice President of the European Investment Bank (2008-2012). Prior to joining the EIB, he held the position of the Chairman of the Council of Economic Advisers at the Greek Ministry of Economy and Finance and was representing Greece in the Economic and Financial Committee of the European Union and acted as Deputy to the Finance Minister at the Eurogroup and ECOFIN Councils, as well as Alternate Governor for Greece at the World Bank. He has also been a member of the Board of Directors of the National Bank of Greece and of the Greek Public Debt Management Agency. He has taught at the Department of Economics at the University of Maryland, USA and other Universities and he has worked as Economist at the Federal Reserve Board and as Visiting Expert at the European Central Bank (ECB). He has graduated from Brandeis University, U.S.A. with a B.A., summa cum laude, with Highest Honours, in Economics and Computer Science. He holds a Ph.D. in Economics from Yale University.

MICHAEL SIGALAS

Born in 1949.

Executive Director since 28.07.1998.

Director South Eastern Europe and Eastern Mediterranean regions and International Trade Director of TITAN Group. He has also served as Exports Director of TITAN Group.

He has worked in Canada with Prestcold North America Ltd. (1973 to 1979) and he later worked for the Hellenic Aerospace Industry (1980 to 1985) as Commercial Director. He studied Mechanical Engineering at Concordia University, Canada.

EFTICHIOS VASSILAKIS

Born in 1967.

Independent, Non-Executive Director since 10.5.2007 (3rd term).

Member of the Nomination and Corporate Governance Committee and of the Remuneration Committee.

He is Managing Director of Autohellas S.A. (HERTZ), Vice Chairman of Aegean Airlines S.A. and Olympic Air and a member of the Board of Directors of Fourlis Holdings S.A. and of Piraeus Bank. He is also Vice-Chairman of the Greek Tourism Confederation (SETE) and a member of the Board of Directors of Hellenic Federation of Enterprises (SEV). He studied at Yale University and at Columbia Business School of New York, USA (MBA).

EFTHYMIOS VIDALIS

Born in 1954.

Executive Director since 15.06.2011

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

Group's consultant on matters of Strategy and Sustainable Development.

He was appointed Negotiator by the Hellenic Republic to the negotiations in relation to the reset of the Motorway Concessions (2012-2013) which have been successfully completed. He served as Managing Director (2001-2011) and Chief Operating Officer (COO) (1998-2001) of S&B Industrial Minerals S.A. and was a member of the company's Board of Directors for 15 years. He worked for the company Owens Corning, USA from 1981 until 1998 and from 1994 to 1998 he served consecutively as Chairman of the global activities of Synthetic Materials (Composites) and Insulation Materials. He is serving as General Secretary of the Hellenic Federation of Enterprises (SEV) and Chairman of the Hellenic Federation of Enterprises Committee for Sustainable Development, while he has served as Chairman of the Greek Mining Enterprises Association (S.M.E.) from 2005 to 2009. He is also a member of the Board of Directors of Alpha Bank, of Raycap S.A. and of Future Pipe Industries in Dubai. He studied Political Sciences (BA) and Business Administration (MBA) at Harvard University, USA.

VASSILIOS ZARKALIS

Born in 1961.

Executive Director since 14.06.2013.

Director US Region.

He was the Chief Financial Officer (CFO) of the Group from 2010 until May 2014 and an Executive Director for Business Development and Strategic Planning from 2008 until 2010. For 18 years, he held a number of global business leadership positions in USA and Switzerland with the Dow Chemical Co. Among others, he served as Vice President of Dow Automotive, Business Director for Specialty Plastics & Elastomers, Business Director for Synthetic Latex, etc. He holds a MSc. in Chemical Engineering from the National Technical University of Athens (1985) and a MSc from the Pennsylvania State University in USA (1987).

Company Secretary

ELENI PAPAPANOU

Attorney at Law.

e-mail: enp@titan.gr

BOARD OF DIRECTORS

Role and competences

The Board of Directors is the Company's supreme administrative body, which is exclusively responsible for determining the Company's strategy and its growth and development policy. The Board of Directors has a duty to create long-term and sustainable financial value , defend the interests of shareholders, determine the corporate principles and values and ensure that they are harmonically embodied in all functions and activities of the Group, ensure the effective operation of the Company's audit mechanisms, monitor and resolve conflicts of interest issues between members of the Board of Directors, managers and shareholders and the interests of the Company and to review the performance of the Chairman of the Board of Directors, of the Managing Director and of the senior executives.

The Board of Directors is exclusively responsible for taking decisions on important issues such as: approval of the Company's financial statements to be submitted to the General Meeting; approval of the annual budget; increases in the Company's share capital where that is specified by law or the Articles of Association; issuing corporate bonds, (that is) in parallel with the competence of the General Meeting and subject to the provisions of Articles 8 and 9 of Law 3156/2003; convening the General Meeting of Shareholders; making recommendations on issues to the General Meeting; preparing the Annual Report and the other reports required by the relevant legislation; appointing the company's internal auditors and appointing the Company's legal representatives and special representatives and agents.

Moreover, the Board of Directors is responsible for determining the pay and other remuneration of the Managing Director and other senior executives of the Company and Group, recommending to the General Assembly the approval of stock options schemes for executive members of the Board of Directors and staff of the Company and related companies etc.

The duties of the Chairman of the Board and those of the Managing Director are performed by different individuals, and their powers and competences are discrete and expressly set out in the Company's Articles of Association and the Company's Internal Regulation.

According to the Company's Articles of Association and with the exception of the aforesaid cases where a decision of the Board of Directors is required, the Board of Directors is entitled to issue a decision delegating and assigning its management and representation powers to one or more members of the Board of Directors or to Company managers or executives. Moreover, it may also delegate its powers to the Executive Committee, whose terms of reference and scope are stated below.

Following the decision of the General Meeting of Shareholders dated 8.6.2012, the members of the Board of Directors are insured against third party civil liability claims with AIG Europe Limited (former Chartis Europe Limited), duly represented by AIG Greece S.A..

Composition of Board of Directors

The current Company Board of Directors consists of 15 members and was elected by the General Meeting of Shareholders on 14.06.2013 for a 3-year term which will expire at the 2016 Ordinary General Meeting.

Four (4) members of the Board of Directors, Messrs Doros Constantinou, Domna Mirasyesi-Bernitsa, Ploutarchos Sakellaris and Vassilios Zarkalis were elected in 2013 and are serving their first term in the Board of Directors.

From the newly-appointed members, Messrs Doros Constantinou, Domna Mirasyesi-Bernitsa, Ploutarchos Sakellaris were elected as independent, non-executive members replacing an -equal number of independent non-executive members, who had completed the maximum number of terms allowed by the Code and therefore were not eligible candidates at the relevant elections. The fourth elected member of the Board is Mr Vassilios Zarkalis is an executive member of the Board of Directors.

Independent board members

Seven (7) out of the fifteen (15) Board members are independent, non-executive members, i.e. persons who have no relationship with the Company or its affiliates and meet all requirements of independence as stipulated in Law 3016/2002, in the Code at point B.1.1. and the additional independence requirement set by the Company, according to which independent non-executive members of the Board of Directors must not hold a larger than 0.1% stake in the share capital of the Company.

This applies to Messrs Efstratios – Georgios (Takis) Arapoglou, Eftychios Vasilakis, Doros Constantinou, Domna Mirasyesi-Bernitsa, Ploutarchos Sakellaris , Petros Sabatacakis and Vasilios Fourlis. These individuals were elected as independent members by the General Assembly of the Company at the Meeting on 14.06.2013, following the Board of Directors' and the Nomination and Corporate Governance Committee's proposals.

Pursuant to the Greek laws, the Code and the additional requirement posed by the Company, the independent, non-executive members of the Board of Directors must:

1. Be independent in character and judgement and free from circumstances which are likely to affect their independence.
2. Not hold directly or indirectly a larger than 0.1% stake in the Company's share capital and have no dependence relationship with the Company or its affiliates.
3. Not be or have been Chairmen or Chief Executive Officers (CEOs) or executive members of the Board of Directors or officers or employees in the Company or the Group in the last five years.
4. Not have or had in the last three years any material business or employment relationship, directly or indirectly, with the Company.
5. Not have received or receive any additional compensation other than their remuneration as members of the Board of Directors.
6. Not be an immediate family member of any of the aforementioned individuals.
7. Not be executive members in the Boards of other companies, in which executive directors of the Company are elected as independent members and generally not have significant ties with other members of the Board by virtue of participation in other companies or bodies.
8. Not be representatives of significant shareholders.

9. Not have served for more than nine years as members of the Board of Directors since the date of their first election.

The independent, non-executive members of the Board of Directors do not have executive or managerial duties, however they contribute to the Board and its Committees by participating in the determination of the Company's strategy, the monitoring of the suitability and effectiveness of the management, the internal audit and the risk management systems, in the determination of remuneration of the executive members of the Board of Directors, in the selection of the suitable new candidates to become members of the Board and in the existence of a succession plan.

Independent members of the Board of Directors have the right to meet, without the presence of the executive members or the Chairman, and in any event, whenever they judge that there is such need. Moreover, they meet, as stated in the Code, once a year under the Senior Independent Director, without the presence of the Chairman and the executive members, in order to evaluate the performance of the Chairman of the Board and once a year under the Chairman, without the presence of the executive members. Such meetings took place in the course of 2014.

<u>Non-executive Board Members - Executive Board Members</u>

The majority of the members of the Board of Directors of the Company, i.e. eight (8) members out of fifteen (15) consists of non-executive directors.

Pursuant to the Board's decision dated 14.06.2013, the non-executive members of the Board of Directors are Messrs Efstratios – Georgios (Takis) Arapoglou, Eftychios Vasilakis, Doros Constantinou, Domna Mirasyesi-Bernitsa, Andreas Canellopoulos, Ploutarchos Sakellaris, Petros Sabatacakis and Vasilios Fourlis.

Non-executive members of the Board of Directors are not involved in the Company's daily management, however their role is to promote all Company goals and help develop proposals on strategy.

The Board of Directors, in accordance with provision B.1.1 of the Code, characterises the following seven (7) out of a total of eight (8) non-executive members as "independent members" of the Board: Messrs Efstratios – Georgios (Takis) Arapoglou, Eftychios Vasilakis, Doros Constantinou, Domna Mirasyesi-Bernitsa, Ploutarchos Sakellaris , Petros Sabatacakis and Vasilios Fourlis. As aforementioned, all aforesaid persons have been elected as independent members of the Board of Directors by virtue of the General Assembly's decision at the meeting of 14.06.2013.

The executive members of the Board of Directors are seven (7): Messrs Eythimios Vidalis, Vassilios Zarkalis, Nellos Canellopoulos, Takis Canellopoulos, Dimitrios Papalexopoulos, Alexandra Papalexopoulou-Benopoulou and Michael Sigalas.

Six (6) out of a total of seven (7) executive members of the Board of Directors, including the Chief Executive Officer, Mr Dimitrios Papalexopoulos, come from the shareholding core or senior management and provide their services pursuant to employment agreements with the Company.

<u>The Chairman of the Board</u>

Mr. Andreas Canellopoulos, Chairman of the Board, is one of the Company's main shareholders, and previously served as Managing Director from 1983 to 1996. Since 2006 he has not performed executive and management duties and is only involved in performing his duties as Chairman of the Board, and his main task has been to ensure the effective and efficient operation of the Board, that members collaborate harmoniously and that decisions are taken which reflect the system of principles and values which the Company has adopted.

The Chairman directs the Board's meetings and is responsible for drafting the agenda of meetings, dispatching it to members of the Board in good time along with the necessary information and materials, ensuring that independent and non-executive members are kept fully briefed so that they can effectively perform their supervisory and decision-making role, and facilitating communication between members of the Board and shareholders.

He is also a member of the Nomination and Corporate Governance Committee established by the Board of Directors.

The Chairman has no other professional commitments and is not a member of the Board of Directors of other companies, other than the Board of the public benefit foundation, the PAVLOS AND ALEXANDRA CANELLOPOULOS FOUNDATION, which is a main shareholder of the Company.

<u>Vice-Chairman of the Board</u>

By virtue of the resolution of the Board of Directors dated 14.06.2013, Mr. Efstratios - Georgios (Takis) Arapoglou, an independent, non-executive member, has been appointed as Vice Chairman of the Board of Directors.

<u>Senior Independent Director</u>

The Board's Vice Chairman, Mr. Efstratios – Georgios (Takis) Arapoglou, has also been appointed by the Board of Directors as the Senior Independent Director pursuant to provision A.4.1 of the Code. In this capacity, Mr Arapoglou has a duty, when required, to assist the Chairman with his tasks and act as mediator of the other members of the Board and be available to resolve shareholder issues, which have not been fully addressed when the shareholders communicate these to the Chairman, the Managing Director or other executive members of the Board of Directors, or when it is not advisable for such problems to be resolved by contacting the aforesaid people.

<u>Board of Directors Secretary (Company Secretary)</u>

The Board of Directors has appointed the Company's in-house Counsel, Mrs. Eleni Papapanou, as the Company Secretary, who provides legal support to the Chairman and the members of the Board. When exercising her duties the Company Secretary reports to the Board of Directors and, in hierarchical terms, does not report to any other department of the Company.

Board of Directors meetings

The Board of Directors meets as often as required based on the Company needs and takes its decisions by absolute majority of the directors present or represented at it.

Board members who are absent or unable to attend the meeting for any reason are entitled to be represented by another member of the Board of Directors who will vote in their name.

Each member is entitled to represent only one other member and vote in his name.

The non-executive members of the Board of Directors can only be represented by other non-executive members. Only if the Senior Independent Director is unable to attend (a meeting) can be also represented by the Chairman, who is a non-executive member of the Board of Directors.

Executive officers of the Company or its related companies within the meaning of Article 42e(5) of Codified Law 2190/1920 are entitled to attend meetings of the Board of Directors without voting rights, following an invitation from the Chairman, provided issues within their remit are being discussed.

The dates of scheduled Board of Directors meetings are set in the last months of each year in order to ensure the maximum possible quorum at meetings is achieved.

The Board of Directors' agenda is prepared by the Chairman and is sent to the members in good time ahead of the meeting, along with any necessary information about the topics to be discussed or on which decisions will be taken by members of the Board of Directors.

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

Nominating candidates for the Board of Directors

The Nomination and Corporate Governance Committee is responsible for the nomination of suitable candidates and the process for gradual renewal of the Board of Directors and senior management executives. Another important task for the Committee is to ensure the right combination of executive and non-executive members and the necessary balance of competences, skills and experience among the members of the Board, in order to achieve the highest possible performance of the Board. In addition, members of the Board should be able to have enough time to fulfil their duties.

For the selection of the most suitable candidates, the Committee has the right, if it deems it necessary, to use the services of special consultants or to publish the opening.

When new members of the Board assume their duties, they receive formal induction training. Moreover, throughout their term in office, the Chairman ensures that they constantly expand their skill sets on issues relating to the Company and become familiarised with the Company and its executives so that they can contribute more effectively to the work of the Board of Directors and its various Committees.

Following a relevant recommendation by the Nomination and Corporate Governance Committee the nomination of candidacies and pursuant to the Board of Directors' resolution dated 17.3.2011, the composition of the Board of Directors is governed by the following principles:

A. At least ½ of the members of the Board of Directors, with the exception of the Chairman, must be independent, non-executive members and must meet the independence criteria laid down in the Greek laws and the Code. In addition, they must not directly or indirectly hold a stake larger than 0.1% in the Company's share capital.

B. Starting from the election of the current Board of Directors, the maximum number of terms for independent members shall be three, i.e. nine years in total of term.

C. The Chairman and at least one of the Vice Chairmen of the Board of Directors must be a non-executive member of the Board of Directors and, at least one of them must be an independent, non-executive member.

Obligations of members of the Board of Directors

Members of the Board must attend the scheduled meetings of the Board and the various Committees in which they sit on and must make the time required to satisfactorily complete their duties. To that end, before their election they have a duty to inform the Board of Directors about other important professional commitments and whether they sit on the Boards of Directors of other companies and to inform the Board in advance of any change in their above professional commitments. The Board of Directors has decided that its executive members who offer their services to the Company on the basis of an employment relationship or a contract for the provision of services may not sit as members of the Board of Directors of more than two other listed companies.

The members of the Board of Directors must disclose to the Chairman of the Board any factual information that could result in the change of their status as non-executive or independent members of the Board of Directors.

Conflict of interests

Members of the Board of Directors must immediately disclose to the Board of Directors their personal interests, which may arise from any transactions of the Company and any other conflict of interests with those of the Company or its affiliates. Given their access to privileged information, they must not use such information to directly or indirectly purchase or sell shares in the Company or its affiliates, which are traded on a regulated market for their own benefit or for members of their family. They must also not disclose that information to other persons or induce third parties to purchase or sell shares in the Company or its affiliate, which are traded on a regulated market, based on the aforesaid privileged information to which they have access.

Furthermore, the members of the Board of Directors, during their term, must not become members of the Board of Directors, officers or employees in economic entities that are competitors of the Company or the Group's companies and generally to abstain from any acts that are part of the Company's business goals without obtaining prior consent from the General Assembly, either when acting on their behalf or on behalf of third persons. In the event that they acquire any such status, they need to inform immediately the Chairman of the Board of Directors and resign from the Company's Board of Directors.

BOARD OF DIRECTORS COMMITTEES

The following Committees assist the Board of Directors in its work. They have been set up by the Board and are comprised entirely of independent, non-executive members with the exception of the Nomination and Corporate Governance Committee, where the Chairman, who is a non- executive member of the Board of Directors, also sits on.

The Board of Directors' Committees can also retain the services of specialist technical, financial, legal or other consultants.

Audit Committee

Chairman

Doros Constantinou, independent, non-executive Board member

Members:

Ploutarchos Sakellaris, independent, non-executive Board member,

Vassilios Fourlis, independent non-executive Board member

Alternate members:

Eftichios Vassilakis , independent, non-executive Board member,

Petros Sabatacakis , independent, non-executive Board member

The Audit Committee consists exclusively of independent members of the Board of Directors who have extensive management, accounting and auditing knowledge and experience. The ordinary and alternate members were elected by the General Meeting of Shareholders on 14.06.2013.

The Committee's extensive auditing powers include supervising the work of the Group Internal Audit Division, which reports directly to the Audit Committee, monitoring the proper and effective implementation of the internal audit system and the risk management system, auditing the financial statements before they are approved by the Board of Directors, nominating certified public accountants who are then recommended by the Board of Directors to the General Meeting of Shareholders and monitoring issues relating to the retention of their independence and objectivity, as well as the monitoring of the financial reporting procedures implemented by the Company. The Committee is also responsible for supervising and monitoring the implementation of the confidential reporting procedure which involves employees reporting any infringement of the Company's Corporate Values or the Company's Code of Conduct to management via the "direct telephone line of communication" (Hotline) which is in operation.

The Audit Committee's duties and competences and its internal regulation have been posted to the Company's website (http://www.titan.gr/en/) at the link: http://ir.titan.gr/titan/app/cms?lang=en&page=article.etairiki.diakuvernisi

The Audit Committee holds at least 4 scheduled meetings per year in order to monitor amongst others the mandatory audit process of the first quarter, half-year, third quarter and annual individual and consolidated financial statements and to monitor the Company's internal audit and risk management systems. It also holds unscheduled meetings whenever that is considered necessary.

In 2014 the Audit Committee held 5 meetings on 27/2, 1/5, 29/7, 11/11 and 15/12.

At its meetings the Committee addressed all issues within its remit, and in particular it addressed the following topics:

a. the monitoring of the audit process of the Company's financial statements as to their completeness and reliability in terms of the financial information they provide;

b. an audit and evaluation of the Company and Group's risk management systems;

c. safeguarding of the independence of the external auditors and the recommendation on the selection of new external auditors to review and audit the 2015 financial statements;

d. monitoring and evaluation of the work of the Internal Audit Division, approval of changes in relation to the recruitment of the internal audit services, and evaluation and recommendations on the annual remuneration for the Group's Internal Audit Director.

In 2014 the Audit Committee held 2 meetings (25/2 and 29/07/2014) with the external auditors of the Company without the presence of the executive officers of the Company. During the aforesaid meetings and at the meetings with the relevant executive officers of the Company, the Audit Committee confirmed the effectiveness of the audit process.

The Audit Committee's recommendation to the Board of Directors, with regard to the audit of the parent company and the audit of the consolidated financial statements for the financial year 2014, as well as the audit of the parent and the Greek subsidiary companies of the Group in relation to the implementation of the tax legislation and the issue of the annual tax certificate pursuant to article 65A of L. 4174/2013 (Code of Tax Procedure), was concludes in the proposal to the General Assembly of electing the same chartered accountants from ERNST & YOUNG (Greece) S.A., i.e. Messrs Pelentridis and Papazoglou, who had conducted the statutory audit of the Company's financial statements for the financial years 2012 and 2013.

With regard to the remuneration of the aforesaid independent auditors of ERNST &YOUNG, the Audit Committee recommended to the Board of Directors the following:

-For the statutory audit of the Company's financial statements, up to the amount of 107,000 euros plus VAT and their consolidated statements up to the amount of 107,000 euros, plus VAT;

-For the statutory audit of the other Greek subsidiaries, up to the amount of 126,000 euros, plus VAT; and

-For the tax audit of the Company, up to the amount of 73,000 euros and its Greek subsidiaries up to the amount of 79,000 euros, plus VAT.

The Audit Committee also recommended that the audit firm ERNST & YOUNG conducts the statutory auditing work required for 43 companies in the Group, both in Greece and abroad for the financial year 2014.

The total costs for the statutory audit of the Company and 43 companies in the Group, established both in Greece and abroad, and the statutory tax audit of the Company and its subsidiaries in Greece for 2014 were 1,179,243 euros compared to 1,191,375 euros in 2013. During 2014, further to the approval of the Audit Committee, ERNST &YOUNG, apart from the statutory audit services, conducted additional audit related services of a total amount of 108,322 euros compared to 84,562 euros in 2013, which represents a 9.19% of their total fees for conducting the statutory audit for the Company and the Group's subsidiaries worldwide.

Furthermore, in the course of 2014, ERNST &YOUNG provided some additional services (training, translations etc.) for a total cost of 16,843 euros, amount, which represents less than 1.43% of the total fees that it received for its audit in 2014.

These services were limited and involved cases where it was considered that the engagement of ERNST &YOUNG was justified for practical reasons.

In light of the above, the Audit Committee has decided that the objectivity and independence of the external auditors for the 2014 audit has been fully safeguarded. The independence of the external auditors has been also confirmed in writing by the external auditors themselves in a letter addressed to the Audit Committee.

With regard to the recommendation (of the Audit Committee) in relation to the audit firm which will conduct the statutory audit of the Company and of the subsidiaries of the Group, the Audit Committee decided that due to the fact that the work of the statutory audit is conducted for nine consecutive years (2006 -2014) by the same audit firm and despite the fact that the individuals who acted as external auditors and conducted the statutory audit where changing every four years at the latest and although there is no statutory requirement setting a time limit after which the change of the audit firm would be obligatory, however, for best practices reasons, the statutory audit of the parent Company and its subsidiaries worldwide must, from 2015 onwards, be assigned to another audit firm. The relevant recommendation of the Audit Committee was accepted unanimously by the Board of Directors, which decided to propose to the upcoming Annual General Meeting of Shareholders to assign the statutory audit for the 2015 financial year, of both the parent company and its domestic and international subsidiaries, to PriceWaterhouseCoupers Auditing Firm S.A.

Remuneration Committee

Chairman

Efstratios –Georgios (Takis) Arapoglou, independent, non-executive Board member

Members

Eftichios Vassilakis, independent, non-executive Board member

Petros Sabatacakis, independent, non-executive Board member

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

The present members of the Committee were appointed by virtue of the Board of Directors' decision dated 14.06.2013.

The Committee's task is to explore and submit proposals for the determination of the remuneration of the members of the Board of Directors in accordance with article 24 section 2 of Law 2190/1920 for the pay and remuneration of the executive directors of the Board of Directors, and of the senior management executives, and provide regular updates on the market trends with regard to the pay rates and the human resources management.

Over the course of the year, the Remuneration Committee met once on 23.4.2014. At this meeting a presentation and discussion of the results of a remuneration research assigned by the Company to specialised consultants took place and they discussed thoroughly and decided the policy with regard to remuneration, variable pay and stock option rights for the executive members of the Board of Directors and the other senior executive officers of the Company for the year 2014, which was later submitted to the Board of Directors for approval.

The relevant recommendation of the Committee, which was approved by the Board of Directors, was not to increase the basic salaries of the executive officers, with the exception of corrective increases in those cases where the executives' salaries were disproportionally low for the positions they held. The Committee also recommended that the executives of the Company do not receive any variable pays for achieving the Company's targets in 2013 (business bonus), but to pay instead bonuses with regard to their individual performance.

At the meeting, the Committee also approved the new "Grant of Stock Option Scheme based on Performance" (2014 Scheme), which was later submitted and approved by the General Assembly dated 20.6.2014, as well as the new "Special Retirement Plan for Senior Executive Officers", which will be provided from that point onwards to the senior executives of the Company and its subsidiaries.

Moreover, it recommended to the Board of Directors the amount of the annual remuneration (salary and the additional compensation (bonus)) of the Chairman of the Board of Directors, the Managing Director and the executive members of the Board, who provide their services to the Company under an employment agreement, as well as the those of the senior executive officers in the Company and the Internal Audit Director, based on their performance.

Finally, the Remuneration Committee recommended a reasonable increase in the amount of compensation received by the members of the Board of Directors for the financial year 2014 pursuant to article 24 para 2 of L. 2190/1920, given that this had not been increased for three years and on the contrary in 2011 was decreased in accordance with the cutting of expenses policy followed by the Company.

The Remuneration Committee's duties and competences and its internal regulation have been posted to the Company's website http://www.titan.gr/en/ at the link: http://ir.titan.gr/titan/app/cms?lang=en&page=article.etairiki.diakuvernisi

Nomination and Corporate Governance Committee

Chairman

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

Members

Eftichios Vassilakis, independent, non-executive Board member,

Andreas Canellopoulos, non-executive Board member

This Committee consists of three members of the Board of Directors, out of which the two are independent. The Chairman of the Board of Directors sits on the Committee as its third member, who is a non-executive director. The present members of the Committee were appointed by virtue of the Board of Directors' decision dated 14.06.2013.

All members of the Committee have extensive experience in business administration and corporate governance. The task of this Committee is to recommend suitable candidates to become members of the Board of Directors, to prepare plans on the succession and continuity of the Company's Management and to provide an opinion on the correct implementation of Corporate Governance Principles as stipulated in the relevant legislation, the best international practices and the Code of Corporate Governance that the Company applies.

The Committee met twice in 2014, on 4/3and 18.02.2014.

During these meetings the Committee had the following agenda:

a. drew conclusions from the responses of the members of the Board to the questionnaire relating to the evaluation of the function of the Board of Directors and its Committees in 2013 and submitted a relevant report to the Board of Directors;

b. reviewed the existing succession plans for the Chairman, the CEO and the senior executives of the Company; and

c. reviewed the contents of the Corporate Governance Statement that was part of the Annual Corporate Governance Report for 2013 submitted by the Company in 2013.

At this meeting, the Committee also focused on the issue of the promotion of diversity with regard to the composition of the Board of Directors and more specifically, with regard to the gender, the cultural and business background and decided unanimously that diversity and pluralism should be sought, because they will enrich the Board of Directors and will add value. The Committee's stance towards the establishment of specific quota is that such practice would be extremely binding and therefore should be avoided. Nonetheless, the participation of more women and individuals with different business and cultural background should be sought at the Board of Directors and for this reason, the members of the Committee have assumed the responsibility to nominate and timely recommend to the Board of Directors suitable candidates.

The Nomination and Corporate Governance Committee's duties and competences and its internal regulation have been posted on the Company's website http://www.titan.gr/en/ at the following address: http://ir.titan.gr/titan/app/cms?lang=en&page=article.etairiki.diakuvernisi

OTHER COMMITTEES

In addition to the above three Committees of the Board of Directors, the following Committees have been formed, for the monitoring and the coordination of the Company' and the Group's activities.

Corporate Social Responsibility Committee

Chairman:
Dimitrios Papalexopoulos, Managing Director

Vice-Chairman
Nellos Canellopoulos, executive member of the Board and Group External Relations Manager

Members
Maria Alexiou, Group Corporate Social Responsibility Director

Efthymios Vidalis, executive member of the Board

Vassilios Zarkalis, Director U.S. Region

Michael Colakides, Group Chief Financial Officer

Giannis Kollas, Group HR Director

Sokratis Baltzis, General Manager Greece Region

Aris Papadopoulos, USA Region Director

Michail Sigalas, executive member of the Board, Director SE Europe and Eastern Mediterranean Regions

Fokion Tasoulas, Group Technology & Engineering Director

The purpose of this Committee is to provide advice and support to the Company Management in planning strategy and coordinating Group's activities in the Corporate Social Responsibility matters. Its aim is to constantly improve the performance of the Company and its subsidiaries in three core fields: health and safety at work, environmental protection viewed from the perspective of sustainable development and stakeholder engagement. Its activities include adopting Corporate Social Responsibility and Sustainable Development principles and integrating them into the Group's various sectors of activity and operations; providing advice and support to constantly improve Company and Group performance; periodically measuring and assessing the environmental and social impact of the Company's major investments and regularly briefing the Board of Directors; and ensuring active Company participation in Greek and international Corporate Social Responsibility-related bodies.

Former members of the Committee and other competent senior executives of the Company and Group are also entitled to attend Committee meetings.

The Corporate Social Responsibility Committee's duties and competences and its internal regulation have been posted to the Company's website (http://www.titan.gr/) at the following address:

http://ir.titan.gr/titan/app/cms?lang=en&page=article.etairiki.diakuvernisi

EXECUTIVE COMMITTEE

Chairman
Dimitrios Papalexopoulos, CEO

Members
Efthymios Vidalis, Executive Member of the Board

Vassilios Zarkalis, Director U.S. Region

Nellos Canellopoulos, Executive Member of the Board, Group External Relations Director

Michael Colakides, Group Chief Financial Officer Sokratis Baltzis, General Manager Greece Region

Alexandra Papalexopoulou-Benopoulou, Executive Member of the Board, Group Strategic Planning Director

Michail Sigalas, Executive Member of the Board,

Director SE Europe and Eastern Mediterranean Regions

The Company's Articles of Association provide for an Executive Committee, today comprising of 6 executive members of the Board of Directors and 3 senior management executives, which is responsible for the supervision of the operation of the various departments and divisions of the Company, and for coordinating their activities. Any of the persons who have acted in the past as Chairman, Managing and Executive Director is entitled to participate in the activities of the Executive Committee.

Evaluation of the Board of Directors and its Committees in 2014

In 2014, the Company's Board of Directors held six (6) scheduled meetings on (27/2, 15/5, 20/6, 31/7, 13/11, and 15/12) and an extraordinary (27/01).

Below is a table showing which members attended these meetings of the Board of Directors and its Committees during 2014:

NAMES	Six scheduled Board meetings	Audit Committee Four meetings	Nomination and Corporate Governance Committee Three meetings	Remuneration Committee One meeting
ANDREAS CANELLOPOULOS	7/7		1/1	
TAKIS(EFSTRATIOS-GEORGIOS) ARAPOGLOU	6/7			1/1
DIMITRIOS PAPALEXOPOULOS	7/7			
EFTICHIOS VASILAKIS	5/7		1/1	1/1
EFTHYMIOS VIDALIS	6/7			
VASSILIOS ZARKALIS	6/7			
NELLOS CANELLOPOULOS	7/7			
TAKIS-PANAGIOTIS CANELLOPOULOS	7/7			
DOROS CONSTANTINOU	7/7	5/5		
DOMNA MIRASYESI-BERNITSA	6/7		1/1	
ALEXANDRA PAPALEXOPOULOU-BENOPOULOU	6/7			
PLOUTARCHOS SAKELLARIS	7/7		5/5	
PETROS SABATACAKIS	2/7			1/1
MICHAIL SIGALAS	7/7			
VASSILIOS FOURLIS	6/7		4/5	

The activities of the Board of Directors, Audit Committee, Remuneration Committee, Nomination and Corporate Governance Committee during 2014 and the individual contribution of each member of the Board of Directors was evaluated by the members of the Board of Directors by filling out a special, detailed questionnaire which had been prepared by the Company Secretary. The questionnaire was divided into 8 sections (Leadership, Line-up-Effectiveness-Board operations, BoD Work-Responsibility, Financial Information – Internal Audit Systems and Risk Management - Communication with Shareholders, Remuneration, Committees' Function, Members Attendance at the Board Meetings and the Shareholders Meetings and Individual Evaluation of the Members). Each member's contribution to the Board is evaluated with a score, ranging from 1 to 4, corresponding to poor, moderate, satisfactory and excellent contribution.

The questionnaires were filled out anonymously and sent to the Company Secretary.

The Nomination and Corporate Governance Committee presented the conclusions drawn from the answers to these questionnaires to the Board of Directors and submitted specific proposals on how to further improve the operations and performance of the Board of Directors and its Committees.

Moreover, the Board's independent members evaluated the Chairman's performance during a special meeting on 13/11/2014, without the presence of the Chairman or other executive members.

Remuneration of Board members in 2014 – Remuneration Policy

On 20.06.2014 the General Meeting of Shareholders pre-approved, in accordance with article 24 section 2 of Law 2190/1920, the payment of compensation for the year 2014 to the members of the Board of Directors and its Committees. The relevant compensation amounted to:

- a total Gross Amount of Euro 360,000 as compensation for the participation of the Board members in the Board of Directors, i.e. a gross amount of Euro 24,000 for each member;

- a total Gross Amount of Euro 52,000 for the 3 members of the Audit Committee, i.e. a gross amount of Euro 20,000 for the Chairman and a gross amount of Euro 16,000 for each member;

-a total Gross Amount of Euro 26,000 for the 3 members of the Remuneration Committee, i.e. a gross amount of Euro 10,000 for the Chairman and a gross amount of Euro 8,000 for each member; and

- a total Gross Amount of Euro 26,000 for the 3 members of the Nomination and Corporate Governance Committee, i.e. a gross amount of Euro 10,000 for the Chairman and a total gross amount of Euro 8,000 for each member.

The General Meeting of Shareholders of 20.6.2014 also preapproved, in accordance with article 24 section 2 of Law 2190/1920, the payment of an additional compensation of a gross amount of Euro 135,000 plus stamp duty to an executive member of the Board of Directors, who does not provide his services under an employment or agency contract with the Board of Directors, as a result of his increased duties mainly in the areas of sustainable development and strategy. Pursuant to article 24 section 2 of Law 2190/1920, the aforementioned compensations will be submitted for final approval to the upcoming Ordinary General Meeting of the Shareholders for the financial year 2014.

Salaries and all kinds of annual remuneration payable for the year 2014 to the Managing Director and the other executive members of the Board of Directors, the Regional Directors, the Group Chief Financial Officer and the Internal Audit Director have been approved by the Board of Directors following the relevant recommendation by the Remuneration Committee, based on their performance and the achievement of specific business targets.

The annual remuneration of the Chairman of the Board of Directors was also decided by the Board of Directors following the recommendation of the Remuneration Committee and after his performance in delivering his duties had been evaluated by the Board of Directors.

The annual remuneration of the aforementioned individuals, as well as the annual remuneration of the Senior Executive Officers is determined based on the importance of their position in the Group, the nature of their tasks and duties, their performance in relation to pre-determined quantitative and qualitative goals and the amount of remuneration paid by peer companies.

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

In the event that the targets have been fully achieved, the variable portion of the annual remuneration may not exceed the 80% of the fixed portion of the annual remuneration (i.e. salary), whereas, if the targets are overachieved, the variable portion of the annual remuneration may go up to 105% of the of the fixed portion of the annual remuneration (i.e. salary). These percentages are decreased in accordance with the importance of the position of each officer.

The assessment of the performance of the executive members is carried out by the Managing Director and the assessment of the performance of the Managing Director is carried out by the Board of Directors.

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

The Senior Executive Officers of the Group are also granted long-term incentives through stock option schemes which are based on their performance and which are authorized by the General Assembly of the Company, have a three year maturity period and are subject to vesting requirements , i.e. achievement of certain targets. Senior Executives of the Group are also eligible to benefit from pension-savings plans and other additional voluntary allowances, which, however, may at any time be recalled or amended at the Company's discretion.

The Company offers to the executive members of the Board of Directors, who have an employment relationship with the Company, additional rights under pension and benefit plans based on the applicable practices in the relevant markets where the Company is operating.

In 2014, the salaries and all kinds of gross remuneration paid to the Chairman and to the 6 executive members of the Board of Directors offering their services to the Company on the basis of an employment contract totalled Euro 2,921,360.

Moreover, as per the practice proposed by the Code of Corporate Governance of the Company discloses information on the remuneration received by the executive members of the Board of Directors in 2014 as a result of their participation as independent, non-executive members in the Board of Directors of other companies listed in the Athens Exchange. More specifically:

Mr. Dimitrios Papalexopoulos received the gross amount of €28,000 as compensation for his participation in the Board of Directors of "EUROBANK ERGASIAS".

Mrs. Alexandra Papalexopoulou-Benopoulou received the gross amount of €45,000 as compensation for her participation in the Board of Directors of "NATIONAL BANK OF GREECE" and the gross amount of €14,822.04 for her participation in the Board of Directors of "FRIGOGLASS S.A."; and

Mr. Takis-Panagiotis Canellopoulos received the gross amount of €1,667 as compensation for his participation in the Board of Directors of "GRIVALIA PROPERTIES REIC".

IV. Stock option plans for executive members of the Board of Directors and senior executives of the Company and Group

Aiming to align the long-term personal goals of its senior executives with the interests of the Company and its shareholders, TITAN CEMENT COMPANY S.A. has adopted and implements since 2000 stock option plans. All relevant plans (2000, 2004, 2007, 2010 and 2014 Plans) have been approved by the General Assembly of Shareholders, had a 3-year maturity period and their beneficiaries were senior executive officers of the Company under an employment agreement.

To date, under the aforesaid Plans 1,010,689 ordinary shares have been acquired by the beneficiaries representing 1.19% of the Company's paid capital.

Under the 2000 Plan, 48 beneficiaries exercised their stock option rights and purchased 119,200 ordinary shares at a sale price of € 29.35 per share, as well as 451,900 ordinary shares at a sale price of € 14.68 per share.

Under the 2004 Plan, 63 beneficiaries exercised their stock option rights and purchased 186,000 ordinary shares at a purchase price equal to the nominal price of the share.

Under the 2007 Plan, 103 beneficiaries exercised their stock option rights and purchased 61,804 ordinary shares of the Company were exercised at a price equal to the nominal price of each share, namely four (4) euro per share.

To date, the 2010 and 2014 Plans described below are still running:

The 2010 Plan was approved by the General Meeting of Shareholders dated 3.6.2010, having a three year term (2010-2012), a three year maturity period, an expiration date in 2016, a strike price equal to the nominal price of the Company's share and 109 senior executives of the Company and the Group's companies, including 6 executive members of the Board of Directors, as beneficiaries.

Pursuant to the 2010 Plan and during 2010, 2011, 2012 the beneficiaries could purchase 267,720, 301,200 and 376,290 ordinary shares in the Company respectively based on the stock options granted. Their beneficiaries are entitled to exercise the aforementioned options in April and October of the years 2013, 2014, 2015 and 2016 provided that the targets and vesting conditions of the Plan have been fulfilled.

More specifically, based on the Plan, after the three-year maturity period has elapsed, the final number of options that their beneficiaries may exercise depends:

a. by one- third, on the operative results and the net profits of the Group;

b. by one-third, on the performance of the Company's ordinary share compared to the performance of the shares of other multinational high cap companies in the building materials sector with high marketability; and

c. by one-third, on the performance of the Company's ordinary share in relation to the performance of the ATHEX FTSE 20, ATHEX FTSE 40 and FTS Eurofirst 300 indexes.

Under the 2010 Plan and until December 2014, the beneficiaries who exercised their stock options purchased 191,785 treasury shares at a strike price equal to the nominal price of each share, namely €4 per share. In April and October 2015, beneficiaries will be entitled to exercise additionally 298,451 option rights, i.e. 83 % of the total number that was granted in 2012, which have matured and are meeting the vesting requirements under the Plan.

Finally, the 2014 Plan was approved by the General Meeting of Shareholders on 20.6.2014 (the 2014 Plan), has a three year term (2014-2016), a three year maturity period, a strike price of ten (10) euros per share and the beneficiaries under the 2014 Plan are the Senior Executives of the Company and the Group's companies, including the executive members of the Board of Directors (approximately 110 beneficiaries). The 2014 Plan will run until 2022.

Under the 2014 Plan, in 2014, 108 beneficiaries were granted stock options that could purchase 250,190 ordinary shares of the Company. Option rights will be also granted in 2015 and 2016.

In March 2017, 2018 and 2019 the Board of Directors shall confirm the final number of share options that each beneficiary will be entitled to exercise based on the degree of fulfilment of the vesting requirements set out in the Plan. The Beneficiaries shall be entitled to exercise their stock option rights, either in whole or in part, within the first five days of each month, paying the Company the relevant amounts until the expiration date of their stock options, i.e. until December of the third year after these stock options have been vested.

More specifically, according to the Plan, after the three-year maturity period (the relevant option rights will mature in December 2016, 2017 and 2018), the final number of option rights that may be exercised by the beneficiaries will depend upon:

A. by 50% on the average three year ROACE compared to the target of each three year period, as this will be determined by the Board of Directors before the relevant option rights are granted. The average ROACE ratio will be the arithmetic average of the annual ROACE ratio from the grant year of the share option rights until and including the year of their maturity. The annual ROACE ratio is calculated as the Earnings Before Interest and Tax (EBIT) / Average Capital Employed (equity plus bank or equivalent financial indebtedness) in the beginning and in the end of each year; and

B. and by 50% on the overall performance of the Company's common share compared to the average overall performance of the shares of ten companies within the same sector (Peer Index).

The 2014 Plan provides for six categories of performance, which will result from the comparison of the average three-year ROACE with the relevant target for that period and the comparison of the average of the total performance in the three-year period of the Company's ordinary share with the average total performance of the shares in the Peer Index in the three-year period; after this point, beneficiaries will be allowed to exercise a relevant percentage of the number of share option rights granted.

It should be noted that the current 2010 and 2014 Plans favour the long-term holding of a significant number of Company shares by the Group officers; they also include as a vesting requirement the holding of a minimum number of Company shares depending on the officer's rank; any breach of this requirement will result in a decrease of the number of share option rights for the next grant period.

It should also be noted that the aforementioned Plans have been designed to prevent high-risk behaviours of the beneficiaries-senior executives of the Company, as this could lead to a sharp drop of the share price. Therefore , all Plans have an attractive strike price in relation to the exchange price of the Company's share at the time that they are granted.

A detailed description of these Plans is available on the Company's website http://www.titan.gr/ link: http://ir.titan.gr/titan/app/cms?lang=en&page=programma.paroxis.dikaiomaton.proairesis.metoxon

V. Description of main features of the Company's internal audit and risk management system in relation to the procedure for preparing the financial statements

Internal Audit

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

Internal audit was performed in 2014 by 15 executives who had the necessary training and experience to duly carry out their work.

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

- monitoring implementation and compliance with the Company's Internal Regulation, Code of Conduct, Articles of Association and applicable laws in all jurisdictions in which the Group operates;

- reporting to the Board of Directors of conflict of interest situations relating to the members of the Board of Directors or the Company's executives towards the Company's interests, as such situations may be identified in the frames of the internal audit;

- monitoring of the relationship and transactions of the Company with the related parties, as defined in the International Accounting Standard 24 as in force, as well the audit of the Company's dealings with companies in the capital of which participate with more than 10% members of the Board of Directors or shareholders of the Company with more than 10%.

During the year 2014, 36 written reports from the Internal Audit Division relating to all audits of Group functions were submitted to the Audit Committee, and via it to the Board of Directors. From the audits conducted, 17 were scheduled, 5 were special and 14 were recurring.

A six-month and an annual report of the work of the Internal Audit Department was submitted to the Audit Committee, which contained an overall reference to the most important audit findings.

During the year 2014 the Audit Committee held regular private meetings with the Group's Internal Audit Director to discuss functional and organisational issues, and all the information requested was provided and briefings were given about the audit systems currently in place, their effectiveness and the progress of audits. Following a report from the Audit Committee the Board of Directors approved the audit schedule for 2015 and specified the functions and points on which internal audit must focus.

The System of Internal Controls and Risk Management

The Board of Directors is generally responsible for the Company and Group's internal audit and risk management, and for evaluating their effectiveness each year.

The Board of Directors confirms that the Company has internal control systems and risk management policies in place and that it has been informed by the CEO and the competent Group executives about their effectiveness.

The Board of Directors is aware of the important risks which could materially impact the Group's operations, reputation and results, as well as of the risk management processes that support their identification, prioritization, mitigation and monitoring.

It should be noted, though, that the system of internal controls and the risk management provide reasonable, but not absolute security, as they are designed to reduce the probability of occurrence of the relevant risks and to mitigate their impact, but cannot preclude such risks from materialising.

Specifically, the key elements of the system of internal controls utilized in order to avoid errors in the preparation of financial statements and to provide reliable financial information are as follows:

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

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

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

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

During each Board meeting, the Group CEO informs the Board about financial results and business performance and the Group CFO informs the Board on the aforementioned once every quarter.

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

During its quarterly, bi-annual and annual reviews of the financial statements, the Audit Committee is informed about the performance of the Group's working capital and cash-flow, as well as about the Group's financial risk management. Following this, the Audit Committee informs the Board whose members have the right to request additional information or clarifications.

Prior to Board's approval, the Audit Committee reviews the consolidated financial statements. Any additional information or clarifications regarding the financial statements and requested by the Audit Committee is provided by the Company's competent executives.

Risk management

Given the nature of its operations and its geographical diversification, the Group is de facto exposed to risks and uncertainties, the most important of which are outlined in the Section Risk and Uncertainties of the Board of Directors' Annual Report. Those risks include, among others, financial risks (liquidity/FX/interest rate/credit risks), risks arising from the cyclical nature of the construction sector, risks arising from the Group's presence in developing markets, political risks, risks arising from natural disasters, risk of accidents, environmental risks, management risks, risks related to input costs/access to raw materials and risks related to legal disputes.

The Board of Directors' Annual Report contains a detailed description of the policy it implements to address financial risks and quite a few of the other risks referred to above. The financial risk management policy implemented is reviewed and revised twice a year by the Board of Directors.

The Group management team's main concern is to ensure that by implementing appropriate internal audit and risk management systems the Group overall is able to rapidly and effectively respond to risks as they arise and in all events to take the right measures to mitigate their effects to the extent possible.

To that end, the systems implemented by the Group provide for specific procedures to be followed and the implementation of specific policies and standards and designate the competent officers, at all levels, assigned with the management of the risks, and their limits of authority.

The Board of Directors is informed at least once a year about the main operational risks faced by the Group and examines whether those risks are clearly defined, have been adequately assessed and whether the method for managing them is effective.

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

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

VII. Information about how the General Meeting of Shareholders operates and its main powers, a description of shareholder rights and how they are exercised

General Meeting

The General Meeting's modus operandi – Powers

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

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

a) Amendments to the Articles of Association, other than those which are decided on by the Board of Directors pursuant to law (Article 11(5), Article 13(2) and (13), and Article 17b(4) of Codified Law 2190/1920).

b) Increases or reductions in the share capital, with the exception of those cases where that power lies with the Board of Directors pursuant to Law or the Articles of Association, and increases or reductions required by the provisions of other laws.

c) The distribution of the annual profits, save for the case referred to in Article 34(2)(f) of Codified Law 2190/1920.

d) The election of members and stand-in members of the Board of Directors, apart from the cases cited in Article 25 of the Articles of Association, relating to the election of members by the Board of Directors to replace members who have resigned, passed away or been removed from their post, for the remainder of the term in office of the members being replaced and provided that said members cannot be replaced by the stand-in members elected by the General Meeting.

e) Approval of the annual accounts (annual financial statements).

f) The issuing of corporate bonds, in parallel with the right of the Board of Directors to issue such bonds in accordance with Article 28 of the Articles of Association.

g) The election of auditors.

h) The extension of the Company's term, merger, split, conversion, revival, or winding up of the Company.

i) The appointment of liquidators.

j) The filing of actions against members of the Board of Directors for acting ultra vires or for infringing the law or the Articles of Association and

k) All other issues relating to the Company for which the General Meeting is granted competence by the law or the Articles of Association.

The General Meeting meets at the seat of the Company or in another municipality within the prefecture where the seat is located or in another municipality bordering the place of its seat at least once every fiscal year and within 6 months at the most from the end of that fiscal year. It may also meet within the boundaries of the municipality where the Athens Exchange has its registered offices.

The invitation for the General Meeting must include at least the data defined by article 26 of the Law 2190/1920 and is published as provided in Law 2190/1920. More specifically, the invitation for the General Meeting must include place and precise address, date and time of the meeting, the items on the agenda clearly stated, the shareholders entitled to take part, and precise instructions about how shareholders can take part in the meeting and exercise their rights in person or via a representative, including the forms that the Company is utilizing for that purpose.

The minimum information which should be stated in the invitation also includes information about the minority rights and the time period in such minority rights can be exercised, the record date with an indication that only shareholders on the record date can attend and vote at the General Meeting, a notice of the place where the full text of documents and drafts of decisions proposed by the Board of Directors for all items on the agenda are available, and a reference to the Company's website where all the above information is available, and the forms which must be used when shareholders vote via a representative.

The invitation for the General Meeting must be published in full or in summary format (which must necessarily include an express reference to the website where the full text of the invitation and information required by Article 27(3) of Codified Law 2190/1920 is available) in the publications specified in Article 26(2) of Codified Law 2190/1920, in the Societes Anonyme and Limited Liability Companies Bulletin of the Government Gazette and on the ATHEX and Company websites at least 20 days before the date of the meeting.

The full text of the invitation must also be published in electronic news services with a national and European reach, in order to effectively disseminate information to investors and to ensure rapid, non-discriminatory access to such information.

<u>Right to attend General Meetings</u>

All shareholders are entitled to take part in the General Meetings.

To take part, holders of shares must have been shareholders at the start of the fifth day before the date of the General Meeting (Record date).

Such persons can demonstrate that they are shareholders by submitting a written certificate from Hellenic Exchanges S.A. or, in the alternative, by the Company connecting online to the files and records of Hellenic Exchanges S.A.

The written or online certificate proving that they are shareholders must be presented to the Company no later than the third day before the date of the General Meeting.

Other than that requirement, exercise of the right to participate in the General Meeting does not require shareholders to block their shares or comply with any other formalities which limit the ability to sell or transfer their shares in the time period between the record date and the date of the General Meeting.

Shareholders or their representatives who have not complied with these formalities may only take part in the General Meeting with its permission.

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

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

Legal entities may participate in the General Meeting by appointing up to 3 natural persons as their representatives.

Shareholder representatives can be appointed and removed in writing, such notice being sent to the Company in the same way, at least 3 days before the date set for the General Meeting.

The Company has made the forms, which must be filled out and sent by shareholders in order to appoint a representative, available on its website.

The Company's Articles of Association do not provide for shareholders' participation in the General Meeting and exercise voting rights remotely or by correspondence.

Shareholder representatives are obliged to inform the Company before the General Meeting starts about any information which shareholders should be aware of so that they can determine whether there is a risk of the representative serving interests other than their own interests.

Conflicts of interest may arise in cases where the representative:

a. is a shareholder who controls the Company or is another legal entity or person controlled by that shareholder;

b. is a member of the Board of Directors or of the management team of the Company or a shareholder who controls the Company, or another legal person or entity controlled by a shareholder who controls the Company;

c. is an employee or certified public accountant of the Company or a shareholder who controls the Company, or another legal person or entity controlled by a shareholder who controls the Company;

d. is the spouse or a relative to the first degree of one of the natural persons referred to above.

<u>Quorum – Majority</u>

According to the law and the Articles of Association, the General Meeting has a quorum and is validly met on the items of the agenda when shareholders representing at least 1/5 of the paid up share capital are present or represented at the meeting.

If that quorum is not achieved at the first meeting, the Meeting will reconvene within 20 days from the date on which it was not possible to hold the meeting, and that meeting has a quorum and is validly met on the items on the initial agenda, irrespective of the percentage of the paid up share capital represented at that meeting. In all the above cases, decisions of the General Meeting are taken by absolute majority of the votes represented at it.

By way of exception, in the case of decisions relating to a change in the Company's nationality; a change in the business object; an increase in shareholders' obligations; an increase in share capital not provided for by the Articles of Association in line with Article 13(1) and (2) of Codified Law 2190/1920 unless required by law or done by capitalising reserves; a reduction in share capital unless done in accordance with Article 16(6) of Codified Law 2190/1920; a change in the profit distribution; the merger, split, conversion, revival, extension of term or winding up of the Company; the granting or renewal of powers to the Board of Directors to increase the share capital in accordance with Article 13(1) hereof, and all other cases specified by law, the General Meeting has a quorum and is validly met on the items of the agenda when shareholders representing at least 2/3 of the paid up share capital are present or represented at the meeting. In all the above cases, decisions of the General Meeting are taken by 2/3 majority of the votes represented at it.

If that qualified quorum is not achieved, the General Meeting will be invited to convene and will reconvene within 20 days from the date on which the meeting could not take place, and will have a quorum and be validly met on the items on the initial agenda if at least ½ of the paid-up share capital is represented at it. If that quorum is not achieved, the General Meeting will be called and will convene again within 20 days and will have a quorum and be validly met on the items on the initial agenda when at least 1/5 of the paid-up share capital is represented at it.

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

No other invitation is required if the initial invitation specifies the place and time of any repeat meetings that might be held if a quorum is not achieved at the first meeting, provided that at least 10 days (meaning 10 full days) elapse between the meeting which was cancelled and the repeat meeting.

Shareholder's Rights

Right to attend General Meetings

As explained in detail above, shareholders are entitled to attend General Meetings in person or via representatives who may or may not be shareholders.

Right to vote at General Meetings

Every share, apart from preferred shares to which no voting rights are attached, comes with a voting right.

Rights of preferred shareholders

According to the decision of the Company's Ordinary General Meeting of Shareholders of 27.6.1990, which decided to increase the Company's share capital by issuing preferred shares without voting rights, the privileges granted to preferred shares without voting rights were as follows:

A. The right to receive the first dividend from the profits of each year before ordinary shareholders, and in the case where no dividend is distributed or a dividend lower than the first dividend is distributed in one or more years, to receive payment on that first divided on a preferential and cumulative basis for those years from the profits generated in subsequent years. Holders of non-voting preferred shares are also entitled, on the same terms as holders of ordinary shares, to receive any additional dividend paid in any form.

It should be noted that following amendments to the provisions of Article 45(2) of Codified Law 2190/1920 on the profits of sociétés anonyme to be distributed, in accordance with Article 79(8) of Law 3604/2007, the obligation to distribute 6% of the paid-up share capital as the minimum mandatory first dividend was abolished, and it is now mandatory to distribute 35% of the net profits.

B. Preferential return of capital paid up by holders of non-voting preferred shares from the product of the liquidation of corporate assets in the event of the Company being wound up. Holders of non-voting preferred shares are entitled, on equal terms with the holders of ordinary shares, to a proportionally greater share in the product of liquidation of assets, if this product is greater than the total paid-up share capital.

Priority rights

In any event of share capital increase, when that increase does not result from a contribution in kind or the issue of bonds with the right of conversion into shares, priority rights are granted on the entire new capital or bond issue to the Shareholders of the Company at the time of issue, proportionate to their holding in the existing share capital.

Where the Company's share capital is increased with shares from only one of the classes of shares the Company has issued, the priority right is granted to shareholders in the other class only after it is not exercised by shareholders in the class to which the new shares belong.

Pursuant to article 13(10) of Law 2190/1920, priority rights may be limited or abolished by decision of the General Meeting of Shareholders, requiring a special increased quorum and majority, pursuant to the provisions of Article 29(3) and (4) and Article 31(2) of Law 2190/1920.

Right to receive a copy of the financial statements and reports of the BoD and Auditors

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

Minority rights

Following an application submitted by any Shareholder to the Company within at least 5 full days prior to the General Meeting, the Board of Directors shall be obliged to provide the General Meeting with the requested specific information on the Company's affairs, to the extent that it may be useful for the actual assessment of the items on the agenda. The Board of Directors may provide a single response to shareholder requests relating to the same matter. The obligation to provide information does not exist when the information requested is already available on the Company's website, especially in the form of questions and answers. The Board of Directors may refuse to provide such information on a serious, substantive ground which shall be cited in the minutes. Such ground may, under the circumstances, be representation of the applicant shareholders on the Board of Directors in line with Article 18(3) or (6) of Law 2190/1920.

At the request of Shareholders representing 1/20 of the paid-up share capital:

A. The Board of Directors shall be obliged to convene an Extraordinary General Meeting within a time period of 45 days from the date of service of the relevant request on the Chairman of the Board of Directors. This application must contain the items on the agenda of the requested Meeting. Where the General Meeting is not convened by the Board of Directors within 20 days from service of the request, it shall be convened by the applicant shareholders at the Company's expense by decision of the Single-Member Court of First Instance at the seat of the Company, which decision shall be issued in line with the injunctive relief procedure. This decision shall state the time and place of the meeting and the items on the agenda.

B. The Board of Directors shall be obliged to enter additional items on the agenda of the General Meeting that has already been convened, provided that it receives the relevant request within at least 15 days prior to the General Meeting. The additional items shall be published or notified by the Board of Directors at least 7 days before the General Meeting. That request to have additional items included in the agenda shall be accompanied by the reasons for such inclusion or a draft decision for approval by the General Meeting and the revised agenda shall be published in the same manner as the previous agenda, 13 days before the date of the General Meeting, and shall also be made available to shareholders on the Company's website, along with the reasoning or draft decision submitted by the shareholders.

C. At least 6 days before the date of the General Meeting the Board of Directors is obliged to provide shareholders with drafts of decisions on the items which have been included in the initial or revised agenda, by uploading the same on the Company's website, if a request to that effect is received by the Board of Directors at least 7 days before the date of the General Meeting.

Board of Directors is not obliged to include items in the agenda or publish or disclose them along with the reasoning and drafts of decisions submitted to shareholders in accordance with the aforementioned two sections if the content thereof is clearly in conflict with the law and morals.

D. The Chairman of the General Meeting shall be obliged – only once – to postpone the making of decisions by the General Meeting, whether ordinary or extraordinary, on all or certain items, setting the date of continuation of the session at that which is stipulated in the relevant application, which cannot however be more than 30 days following the date of postponement. A postponed General Meeting which reconvenes shall be deemed a continuation of the previous one and for this reason no repetition of the publication requirements shall be required, and new shareholders may also participate provided that they comply with the obligations for participation in the General Meeting.

E. The Board of Directors shall be obliged to announce to the Ordinary General Meeting the amounts that have in the last two-year period been paid to each member of the Board of Directors or to the Company directors, as well as any benefits granted to these persons due to any reason or contract concluded between them and the Company. The Board of Directors may refuse to provide such information on a serious, substantive ground which shall be cited in the minutes. Such ground may, under the circumstances, be representation of the applicant shareholders on the Board of Directors in line with Article 18(3) or (6) of Law 2190/1920. Any doubts about the validity or otherwise of the reasons for refusal to provide information may be decided by the Single-Member Court of First Instance at the company's seat.

F. Decisions on any item on the agenda of the General Meeting shall be taken by a call of names.

G. In addition, shareholders representing 1/20 of the paid-up share capital are entitled to request that the Single-Member Court of First Instance at the Company's seat audit the Company in the manner specified in Article 40 of Codified Law 2190/1920. In any event, the request for an audit must be submitted within 3 years from the approval of the financial statements of the fiscal year in which the contested transactions were effected.

<u>Following an application made by Shareholders representing 1/5 of the paid-up share capital</u>, which shall be submitted to the Company at least 5 full days prior to the General Meeting, the Board of Directors shall be obliged to provide the General Meeting with information on the course of corporate affairs and the state of the Company's assets. The Board of Directors may refuse to provide such information on a serious, substantive ground which shall be cited in the minutes. Such ground may, under the circumstances, be representation of the applicant shareholders on the Board of Directors in line with Article 18(3) or (6) of Law 2190/1920, where the relevant members of the Board of Directors have taken adequate cognisance of these matters. Any doubts about the validity or otherwise of the reasons for refusal to provide information may be decided by the Single-Member Court of First Instance at the Company's seat.

In all the above cases where rights are exercised, the applicant shareholders are obliged to demonstrate that they are in fact shareholders, and the number of shares they hold, when exercising their right. A certificate from Hellenic Exchanges S.A. or confirmation that they are shareholders by means of the online connection between HELEX and the Company constitute evidence for this.

<u>Moreover, shareholders representing 1/5 of the paid-up share capital</u> shall be entitled to request an audit of the Company from the Single-Member Court of First Instance, which has jurisdiction over the area of the Company's registered offices, in case from the overall course of the Company's affairs it may be concluded that the Company is not being administered in accordance with the principles of sound and prudent management laid down in Article 40 of Codified Law 2190/1920.

<u>Right to dividends</u>

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

Dividends must be paid within 2 months from the date of the Ordinary General Meeting of Shareholders approving the Company's annual financial statements.

The place and method of payment is announced in notices published in the press, the Daily Price Bulletin and both the ATHEX and Company websites.

Dividends which remain unclaimed for a period of five years from the date on which they become payable may not be claimed and are forfeited to the State.

Right to the product of liquidation

On completion of the liquidation, the liquidators return the contributions of the Shareholders in accordance with the Articles of Association and distribute to them the balance from the liquidation of the Company's assets in proportion to their share in the paid-up share capital of the Company.

Shareholders' liability

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

Exclusive Jurisdiction of the Courts – Applicable Law

Each Shareholder, regardless of where he or she resides, is – in dealings with the Company – deemed to have the location of the registered offices of the Company as his/her legal place of residence, and is subject to Greek Law. Any dispute between the Company and the Shareholders or any third party is to be resolved by recourse to the Ordinary Courts; legal actions may be brought against the Company only before the Courts of Athens.

Shareholder Information and Services

Shareholder relations and the provision of information to shareholders have been assigned to the following departments:

Investor Relations Department

The Investor Relations Department is responsible for monitoring Company relations with its Shareholders and investors, and for ensuring that information is provided to investors and financial analysts in Greece and abroad on an equal footing in good time and that such information is up-to-date. The aim here is to generate long-term relationships with the investment community and retain the high level of trust that investors have in the Group.

The Group Investor Relations Manager is Mr. Takis Canellopoulos, 22a Halkidos St., GR-11143, Athens tel: 0030 210-2591163, fax: 0030 210-2591106, e-mail: ir@titan.gr.

Shareholder Services Department

This Department is responsible for providing immediate, at-arms-length information to shareholders and for facilitating them when exercising the rights granted to them by the law and Articles of Association of the Company.

The Shareholder Services Department and the Corporate Announcements Department are run by Ms. Nitsa Kalesi, 22a Halkidos St., GR 11143, Athens, tel: 0030 210-2591257, fax: 0030 210-2591238, e-mail: kalesin@titan.gr.

Corporate Announcements Department

This Department is responsible for communications between the Company and the Hellenic Capital Market Commission and the Athens Exchange, Company compliance with the obligations set forth in Laws 3340/2005 and 3556/2007, compliance with the relevant decisions of the Hellenic Capital Market Commission and for sending published Company reports to all competent authorities and the media.

The Company's website address is: www.titan-cement.com
Reuters code: TTNr.AT, TTNm.AT
Bloomberg code: TITK GA, TITP GA.

VIII. Reference to derogations from the Corporate Governance Code

In accordance with Article 2 of Law 3873/2010, the Board of Directors declares that the Company complies with the provisions of the UK Code on Corporate Governance save for the following derogations:

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

The Board of Directors, to date, has not assigned the evaluation of its performance to external consultants, because it holds the view that the existing procedure for the evaluation of the Board's performance by its members, including the self-assessment of each member's individual performance, has proven to be extremely efficient. More specifically, the Board of Directors believes that the anonymous self-assessment process allows its members to answer more openly and identify without any reservations the weaknesses and malfunctions that they see and to suggest the adoption of measures for the improvement of the performance of the Board of Directors and that of its members. Despite the aforesaid, though, the Board of Directors does not exclude the possibility that it may appoint an external consultant in the future to conduct an evaluation of its performance, in order to compare in practice the efficiency of the two methods.

2. Remuneration of the members of the Board of Directors (Code Provision D.1.2.)

The Board of Directors' Annual Report does not include a Remuneration Report with detailed data for all kinds of remuneration received by each member of the Board of Directors, as the Board of Directors holds the view that in times of great financial crisis, recession and an extremely high rate of unemployment, like the ones Greece is currently facing, the disclosure of information on individual earnings involves more risks than advantages.

Nonetheless, in the present Corporate Governance Statement, in the sections "Remuneration Committee" and "Remuneration of Board members – Remuneration Policy" the total amount of the paid salaries and other gross earnings of the Chairman and the six executive members of the Board of Directors who offer their services to the Company under an employment relationship are disclosed, as well as the amount of the annual remuneration received by an executive director who does not have an employment relationship with the Company.

Moreover, the present Statement includes detailed information on the remuneration paid in 2014, following the preapproval of the General Meeting of the Shareholders of 20.06.2014, to the members of the Board of Directors and to the members of the Board's Committees for their participation in said bodies, as well as information on the salaries/remuneration that the executive members of the Board of Directors received against their participation as independent members in the Boards of Directors of other companies listed in the Athens Exchange.

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS

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

1. Structure of the Company's share capital

The Company's share capital amounts to Euro 338,530,112, and is divided into 84,632,528 shares with a nominal value of 4 Euro each, of which 77,063,568 are common shares representing 91.057% of the total share capital and 7,568,960 are preferred shares without voting rights, representing approximately 8.943%, of the total share capital.

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

Each share carries all the rights and obligations set out in law and in the Articles of Association of the Company. Ownership of a share automatically signifies acceptance of the Articles of Association of the Company and of the decisions made in accordance with those by the various corporate bodies.

Each common share grants the holder one vote. The preferred shares carry no voting rights.

In accordance with the resolution dated 27.06.90 of the Ordinary General Meeting of Shareholders of the Company, on the basis of which an increase in the share capital of the Company through the issuance of preferred non-voting shares had been decided, the privileges conferred to holders of preferred non-voting shares were as follows:

A. Receipt, in priority to common shares, of a first dividend from the profits of each financial year; in the event of non distribution of dividend or of distribution of a dividend lower than the first dividend, in one or more financial years, holders of preferred shares would be entitled to a preferential payment of this first dividend cumulatively and corresponding to the financial years in question, from the profits of subsequent years. Holders of preferred non-voting shares would be entitled, on equal terms with holders of common shares, to receive any additional dividend which would be distributed in any form. It is worth noting however that pursuant to the amendment made in accordance with article 79 section 8 of Law 3604/2007 of the provisions of section 2 of article 45 of Law 2190/1920 on the distribution of profits of Sociétés Anonymes and the abolishment of the mandatory distribution of a first minimum dividend equal to 6% of the paid up share capital, it is only the mandatory distribution of dividend equal to 35% of the net profits that applies. Consequently, the above privilege of receipt of a first dividend by the holders of preferred non-voting shares has thereafter become redundant.

B. Preferential return of the capital paid up by holders of preferred non-voting shares from the product of the liquidation of Company assets in the event of the Company being dissolved Holders of preferred non-voting shares will share on a pro rata basis the liquidation proceeds with holders of common stock, if the proceeds in question are higher than the total paid-up share capital.

The liability of the shareholders is limited to the nominal value of the shares they hold.

2. Restrictions on transfer of Company shares

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

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

On 31.12.2014 the following shareholders held more than 5% of the total voting rights in the Company including voting rights relating to shares which are co-owned by some of them and are held in a joint investment account:

- "E.D.Y.V.E.M. Hellenic Construction Materials, Industrial, Commercial Transportation Public Company Limited", holding 11.16% of the total voting rights in the Company;
- Mr. Andreas L. Canellopoulos, holding 10.57% of the total voting rights in the Company;
- The "Paul and Alexandra Canellopoulos Foundation" holding 9.93% of the total voting rights in the Company; and
- Mr. Leonidas A. Canellopoulos, holding 6.10% of the total voting rights in the Company.

On 5.3.2015 the shareholders who held more than 5% of the total voting rights in the Company were as above.

4. Shares conferring special control rights

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

5. Restrictions on voting rights

With the exception of the preferred non- voting shares, the Articles of Association of the Company contain no restrictions on voting rights.

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

It is known to the Company that the Statutes of "E.D.Y.V.E.M. Hellenic Construction Materials, Industrial, Commercial Transportation Public Company Limited" of Nicosia - Cyprus, holding in total 8,600,000 common Company shares, which represent 11.16% of the total voting rights in the Company and which have been contributed to it

(E.D.Y.V.E.M.) by the Company Directors Messrs. Andreas Canellopoulos, Dimitri Papalexopoulos, Nellos Canellopoulos, Alexandra Papalexopoulou - Benopoulou, Panagiotis (Takis) Canellopoulos and other Company shareholders, include restrictions on the transfer of the Company (Titan S.A.) shares held by it.

7. Rules for the appointment and substitution of Directors and for the amendment of the Articles of Association, which deviate from the provisions of Codified Law 2190/1920

The Company's Articles of Association (article 25), within the powers vested by Codified Law 2190/1920, as amended by Law 3604/2007, provide the following regarding the appointment and substitution of its Directors:

a. The Board of Directors may elect Directors to replace any of its members who have resigned, are deceased or lost their status in any other way, provided that the replacement of the aforementioned Directors is not possible by substitute Directors elected by the General Meeting. The above-mentioned election by the Board of Directors is effected by a decision of at least seven (7) of the remaining Directors and is valid for the remaining term of office of the Director being replaced.

b. The remaining Directors may continue to manage and represent the Company even if the missing Directors are not replaced as per the previous paragraph, provided that they are more than half the number of Directors prior to the occurrence of the above-mentioned events.

c. In any case, the remaining Directors, irrespective of their number, may convoke the General Meeting for the sole purpose of electing a new Board of Directors.

The provisions of the Company's Articles of Association regarding the amendment of their own provisions do not deviate from the provisions of Codified Law 2190/1920.

8. Competence of the Board of Directors or of the appointed members thereof for the issuing of new shares or the repurchase of shares/share buy-back of the Company pursuant to article 16 of Codified Law 2190/1920

According to the provisions of article 6 par. 3 of the Company's Articles of Association, the General Meeting may, by a resolution passed by the extraordinary quorum and majority of article 20 of the Articles of Association, delegate to the Board of Directors the power to increase the share capital by a decision of its own, pursuant to the provisions of article 13, par. 1, subparagraph (c) of Codified Law 2190/1920 and without prejudice to par. 4 of the same article.

Also, according to the provisions of article 13, par. 13 of Codified Law 2190/1920, by a resolution of the General Meeting passed under an increased quorum and majority in accordance with the provisions of paragraphs 3 and 4 of article 29 and of paragraph 2 of article 31 of Codified Law 2190/1920, a programme can be established for the offering of shares to the Directors and to the Company's personnel, as well as to personnel of affiliated companies, in the form of stock options, in accordance with the specific terms of such resolution, a summary of which is subject to the publication formalities of article 7b of Codified Law 2190/1920. The par value of the shares offered may not exceed, in total, one tenth (1/10) of the paid-up capital on the date of the resolution of the General Meeting. The Board of Directors issues a decision regarding every other related detail, which is not otherwise regulated by the General Meeting and, depending on the number of security-holders who have exercised their options, the Board of Directors decides on the corresponding increase of the Company's share capital and on the issuing of new shares.

According to the provisions of article 16 of Codified Law 2190/1920, subject to prior approval by the General Meeting, the Company may acquire its own shares, under the responsibility of the Board of Directors, provided that the par value of the shares acquired, including the shares previously acquired and still held by the Company, does not exceed one tenth (1/10) of its paid-up share capital. The resolution of the General Meeting must also determine the terms and conditions of the acquisitions, the maximum number of shares that may be acquired, the duration of the period for which the authorization is given, which may not exceed 24 months, and, in the case of acquisition for value, the maximum and minimum consideration.

In line with the above provisions, the General Meeting of Shareholders by virtue of its decision dated 20.6.2014, has approved the share buy-back of common and preferred treasury shares by the Company in accordance with article 16 paragraph 1 of Law 2190/1920. More specifically, the General Meeting of Shareholders has approved the share buy –back of up to 10% of the Company's paid up share capital, within a 24 month period, namely from 21.6.2014 until 20.6.2016, at a maximum purchase price of €40 per share and at a minimum purchase price equal to the nominal value of the Company share, namely €4 per share, provided that the Board of Directors considers such share buy-back to be more beneficial compared to any other available investment opportunity and provided that the Company has sufficient liquidity.

In implementation of the abovementioned resolution of the General Meeting dated 20.6.2014 there has been no buy back of treasury shares.

The total number of own shares currently held by the Company in implementation of relevant past resolutions of the General Meeting of Shareholders amounts to 2,925,831 common shares and to 5,919 preferred shares without voting rights, representing in total 3.46 %, of the Company's paid up share capital.

9. Significant agreements put in force, amended or terminated in the event of a change in the control of the Company, following a public offer

The Company has no agreements which become effective, are amended or terminated in the event of a change in the control of the Company specifically following a public offer.

It should be noted, though, that there are loan and other agreements in place, which provide, as it is common in such agreements, the right of the counterparty, lending bank or bond holder, to request, under certain conditions, the early repayment of the loan or bond or their exit from the Group companies where they participate, as the case may be, in the event of a change of control in the Company. However, this right is not granted specifically in case the change of control in the Company results from a public offer.

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

a) A Multicurrency Revolving Facility Agreement up to the amount of Euro 300 million entered into among the Group's subsidiary Titan Global Finance Plc, a syndicate of lending banks and the Company as Guarantor;

b) A Euro Bond issue, for an amount of Euro 200 million, issued by the Titan Global Finance Plc and guaranteed by the Company;

c) A Euro Bond issue, for an amount of Euro 300 million, issued by the Titan Global Finance Plc and guaranteed by the Company

d) A Revolving Facility Agreement up to the amount of USD 50 million entered into among the Group's subsidiary Titan America LLC, HSBC and the Company as Guarantor;

e) A Multicurrency Revolving Facility Agreement for an amount up to Egyptian Pounds 670 million entered into among the Group's subsidiary Beni Suef Cement Company S.A., a syndicate of lending banks and the Company as Guarantor;

f) A Shareholders' Agreement entered into among Titan Egyptian Investments Limited, Alexandria Development Limited, Titan Cement Company S.A. and International Finance Corporation (IFC) relating to the purchase by the latter of a minority interest in Titan's investments in Egypt and

g) A Shareholders' Agreement entered into among Titan Cement Cyprus Limited, Aemos Cement Limited, Titan Cement Company S.A. and International Finance Corporation (IFC) relating to the purchase by the latter of a minority interest in Titan's investments in Serbia, FYROM and Kosovo.

10. Significant agreements with members of the Board of Directors or employees of the Company

The Company has no significant agreements with members of the Board of Directors or its employees with regard to the payment of compensation, especially in the case of resignation or dismissal without good reason or termination of their period of office or employment due to a public offer.

STATEMENT OF MEMBERS OF THE BOARD

(In accordance with article 4 of Law 3556/2007)

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

1. Andreas Canellopoulos, Chairman,

2. Dimitrios Papalexopoulos, Managing Director and

3. Nellos Canellopoulos, Board Member,
   having been specifically assigned by the Board of Directors, declare in our above capacity that:

As far as we know:

a) the enclosed Financial Statements of TITAN CEMENT COMPANY S.A. for the period of 1.1.2014 to 31.12.2014 which have been drawn up in accordance with the applicable accounting standards, reflect in a true manner the assets and liabilities, equity and results of TITAN CEMENT COMPANY S.A. as well as of the businesses included in Group consolidation taken as a whole.

b) the enclosed Report of the Board of Directors reflects in a true manner the development, performance and financial position of TITAN CEMENT COMPANY S.A. as well as of the businesses included in Group consolidation taken as a whole, including a description of the principal risks and uncertainties faced by them.

Athens, 5 March 2015

ANDREAS L. CANELLOPOULOS	DIMITRIOS TH. PAPALEXOPOULOS	NELLOS A. CANELLOPOULOS
Chairman of the Board	**Managing Director**	**Board Member**

THIS REPORT HAS BEEN TRANSLATED FROM THE GREEK ORIGINAL VERSION
INDEPENDENT CERTIFIED AUDITOR'S ACCOUNTANT'S REPORT

To the Shareholders of **TITAN CEMENT COMPANY S.A.**

Report on the Separate and Consolidated Financial Statements

We have audited the accompanying separate and consolidated financial statements of TITAN CEMENT COMPANY S.A. which comprise of the separate and consolidated statement of financial position as at December 31, 2014, the separate and consolidated statements, of operations and comprehensive income, changes in equity and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal controls as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these separate and consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards of Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the separate and consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate and consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate and consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate and consolidated financial statements.

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

Opinion

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of TITAN CEMENT COMPANY S.A. and its subsidiaries as at December 31, 2014, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Report on Other Legal and Regulatory Requirements

a) The Directors Report includes a statement of corporate governance, which includes the information required by paragraph 3d of article 43a of Codified Law 2190/1920.

b) We confirm that the information provided in the Directors Report is consistent with the accompanying separate and consolidated financial statements and complete in the context of the requirements of articles 43a, 108 and 37 of Codified Law 2190/1920.

Athens, March 5, 2015
The Certified Auditor Accountant

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

ERNST & YOUNG (HELLAS) CERTIFIED AUDITORS ACCOUNTANTS S.A.
8B Chimarras str., GR 151 25 Maroussi, Athens
SOEL Reg. No: 107

Income Statement

(all amounts in Euro thousands)	Notes	Group		Company	
		Year ended 31 December		Year ended 31 December	
		2014	2013 *Restated	2014	2013
Turnover	3	1,158,414	1,127,936	263,969	234,712
Cost of sales	5	-863,906	-846,329	-208,026	-197,677
Gross profit before depreciation, amortization and impairment		**294,508**	**281,607**	**55,943**	**37,035**
Other income	4	15,237	16,915	10,463	7,256
Administrative expenses	5	-100,927	-91,185	-35,372	-31,530
Selling and marketing expenses	5	-18,466	-16,941	-133	-185
Other expenses	4	-8,761	-4,037	-284	-1,574
Profit before interest, taxes, depreciation, amortization and impairment		**181,591**	**186,359**	**30,617**	**11,002**
Depreciation and amortization related to cost of sales	11,13,27	-98,681	-106,700	-12,161	-11,720
Depreciation and amortization related to administrative and selling expenses	11,13,27	-6,768	-6,705	-1,296	-1,324
Reversal of impairment/(impairment) of tangible and intangible assets related to cost of sales	11,13	414	-1,421	753	-18
Profit/(loss) before interest and taxes		**76,556**	**71,533**	**17,913**	**-2,060**
Income from participations and investments		-	-	112,000	-
Losses from participations and investments		-1,609	-281	-5,211	-281
Finance income		2,148	3,612	110	699
Finance expense	6	-66,275	-65,209	-43,365	-44,971
Gain/(loss) from foreign exchange differences		31,056	-18,354	1,679	-158
Share of profit/(loss) of associates and joint ventures	15	4,945	-661	-	-
Profit/(loss) before taxes		**46,821**	**-9,360**	**83,126**	**-46,771**
Less: Income tax	8	-11,104	-19,636	8,598	3,617
Profit/(loss) after taxes		**35,717**	**-28,996**	**91,724**	**-43,154**
<u>Attributable to:</u>					
Equity holders of the parent		30,947	-36,074		
Non-controlling interests		4,770	7,078		
		35,717	**-28,996**		
Basic earnings/(losses) per share (in €)	9	**0.3790**	**-0.4424**		
Diluted earnings/(losses) per share (in €)	9	**0.3767**	**-0.4397**		

** Certain amounts shown here do not correspond to the annual consolidated financial statements as at 31.12.2013 and reflect adjustments made as detailed in note 1.1.2.*

The accompanying notes are an integral part of these financial statements

Statement of Comprehensive Income

(all amounts in Euro thousands)		Group		Company	
		Year ended 31 December		Year ended 31 December	
	Notes	2014	2013	2014	2013
Profit/(loss) for the year		**35,717**	**-28,996**	**91,724**	**-43,154**
Other comprehensive income/(loss):					
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:					
Exchange gains/(losses) on translation of foreign operations		**88,142**	**-93,559**	**-**	**-**
Net losses on available-for-sale financial assets		-171	-342	-	-
		-171	**-342**	**-**	**-**
Cash flow hedges	33	-	230	-	-
Reclassification to income statement	33	2,605	2,355	2,234	2,355
Income tax effect	18	612	-850	612	-612
		3,217	**1,735**	**2,846**	**1,743**
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:		**91,188**	**-92,166**	**2,846**	**1,743**
Items not to be reclassified to profit or loss in subsequent periods:					
Asset revaluation surplus	12	65	1,780	-	882
Income tax effect	18	-	-229	-	-229
		65	**1,551**	**-**	**653**
Re-measurement (losses)/gains on defined benefit plans	25	-5,492	2,884	-2,414	651
Income tax effect	18	1,531	-1,012	628	-169
		-3,961	**1,872**	**-1,786**	**482**
Net other comprehensive (loss)/income not to be reclassified to profit or loss in subsequent periods:		**-3,896**	**3,423**	**-1,786**	**1,135**
Other comprehensive income/(loss) for the year net of tax		**87,292**	**-88,743**	**1,060**	**2,878**
Total comprehensive income/(loss) for the year net of tax		**123,009**	**-117,739**	**92,784**	**-40,276**
<u>Attributable to:</u>					
Equity holders of the parent		111,689	-115,102		
Non-controlling interests		11,320	-2,637		
		123,009	**-117,739**		

The accompanying notes are an integral part of these financial statements

Statement of Financial Position

(all amounts in Euro thousands)

Assets	Notes	Group 31/12/2014	Group 31/12/2013 *Restated	Group 1/1/2013 *Restated	Company 31/12/2014	Company 31/12/2013
Property, plant & equipment	11	1,673,010	1,564,945	1,708,181	236,468	232,332
Investment property	12	9,267	13,220	8,546	9,908	13,973
Intangible assets and goodwill	13	446,080	414,028	462,181	1,973	1,185
Investments in subsidiaries	14	-	-	-	845,807	1,243,829
Investments in associates and joint ventures	15	86,533	77,252	96,282	-	-
Available-for-sale financial assets	16	1,406	1,573	1,877	111	111
Other non-current assets	17	16,204	11,617	11,797	2,960	2,768
Deferred income tax asset	18	2,517	1,202	2,386	-	-
Non-current assets		**2,235,017**	**2,083,837**	**2,291,250**	**1,097,227**	**1,494,198**
Inventories	19	275,774	221,376	229,923	72,830	69,694
Receivables and prepayments	20	157,449	172,756	183,042	53,169	45,670
Derivative financial instruments	34	-	1,566	-	-	-
Available-for-sale financial assets	16	63	63	63	61	61
Cash and cash equivalents	21	142,946	184,257	283,987	16,971	8,780
Current assets		**576,232**	**580,018**	**697,015**	**143,031**	**124,205**
Total Assets		**2,811,249**	**2,663,855**	**2,988,265**	**1,240,258**	**1,618,403**
Equity and Liabilities						
Share capital (84,632,528 shares of € 4.00)	22	338,530	338,530	338,530	338,530	338,530
Share premium	22	22,826	22,826	22,826	22,826	22,826
Share options	22	1,620	3,971	2,891	1,620	3,971
Treasury shares	22	-83,633	-87,680	-89,446	-83,633	-87,680
Other reserves	23	939,525	293,299	381,027	496,236	511,258
Retained earnings		288,137	845,181	878,635	47,722	-51,237
Equity attributable to equity holders of the parent		**1,507,005**	**1,416,127**	**1,534,463**	**823,301**	**737,668**
Non-controlling interests		120,590	122,683	125,478	-	-
Total equity (a)		**1,627,595**	**1,538,810**	**1,659,941**	**823,301**	**737,668**
Long-term borrowings	24	634,195	599,069	686,507	336,694	745,835
Derivative financial instruments	34	2,438	-	16,784	-	-
Deferred income tax liability	18	184,085	163,516	178,227	3,365	14,215
Retirement benefit obligations	25	31,727	23,657	26,693	14,029	11,279
Provisions	26	15,922	12,686	17,208	2,293	1,756
Other non-current liabilities	27	30,053	29,635	30,632	4,446	4,557
Non-current liabilities		**898,420**	**828,563**	**956,051**	**360,827**	**777,642**
Short-term borrowings	24	49,522	93,724	158,325	95	50,173
Trade and other payables	28	220,462	187,233	199,280	52,425	48,319
Derivative financial instruments	34	127	3,375	1,294	-	2,832
Income tax payable		10,987	10,137	11,765	-	-
Provisions	26	4,136	2,013	1,609	3,610	1,769
Current liabilities		**285,234**	**296,482**	**372,273**	**56,130**	**103,093**
Total liabilities (b)		**1,183,654**	**1,125,045**	**1,328,324**	**416,957**	**880,735**
Total Equity and Liabilities (a+b)		**2,811,249**	**2,663,855**	**2,988,265**	**1,240,258**	**1,618,403**

** Certain amounts shown here do not correspond to the annual consolidated financial statements as at 31.12.2013 & 1.1.2013 and reflect adjustments made as detailed in note 1.1.2.*

The accompanying notes are an integral part of these financial statements

Statement of Changes in Equity

(all amounts in Euro thousands)	Attributable to equity holders of the parent										
Group	**Ordinary shares**	**Share premium**	**Preferred shares**	**Share options**	**Ordinary treasury shares**	**Preferred treasury shares**	**Other reserves (note 23)**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 January 2013	**308,254**	**22,826**	**30,276**	**2,891**	**-89,329**	**-117**	**381,027**	**878,635**	**1,534,463**	**125,478**	**1,659,941**
(Loss)/profit for the year	-	-	-	-	-	-	-	-36.074	-36.074	7.078	-28.996
Other comprehensive loss	-	-	-	-	-	-	-79.028	-	-79.028	-9.715	-88.743
Total comprehensive loss	**-**	**-**	**-**	**-**	**-**	**-**	**-79,028**	**-36,074**	**-115,102**	**-2,637**	**-117,739**
Dividends distributed to non-controlling interests (note 15.3)	-	-	-	-	-	-	-	-	-	-2,315	-2,315
Sale - disposal of treasury shares for option plan (note 22)	-	-	-	-	1,766	-	-	-1,565	201	-	201
Share based payment transactions (note 22)	-	-	-	1,080	-	-	-	-	1,080	-	1,080
Non-controlling interest's put option recognition & transfer between reserves (notes 27, 31)	-	-	-	-	-	-	-4,515	-	-4,515	2,157	-2,358
Transfer between reserves	-	-	-	-	-	-	-4,185	4,185	-	-	-
Balance at 31 December 2013	**308,254**	**22,826**	**30,276**	**3,971**	**-87,563**	**-117**	**293,299**	**845,181**	**1,416,127**	**122,683**	**1,538,810**
Balance at 1 January 2014	**308,254**	**22,826**	**30,276**	**3,971**	**-87,563**	**-117**	**293,299**	**845,181**	**1,416,127**	**122,683**	**1,538,810**
Profit for the year	-	-	-	-	-	-	-	30,947	30,947	4,770	35,717
Other comprehensive income	-	-	-	-	-	-	80,742	-	80,742	6,550	87,292
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**80,742**	**30,947**	**111,689**	**11,320**	**123,009**
Contingency reserve distributed to shareholders (notes 10, 23)	-	-	-	-	-	-	-8,463	-	-8,463	-	-8,463
Dividends distributed to non-controlling interests (note 15.3)	-	-	-	-	-	-	-	-	-	-12,023	-12,023
Sale - disposal of treasury shares for option plan (note 22)	-	-	-	-	4,047	-	-	-3,481	566	-	566
Change in subsidiary's ownership (note 14)	-	-	-	-	-	-	-	-858	-858	858	-
Share based payment transactions (note 22)	-	-	-	746	-	-	-	-	746	-	746
Non-controlling interest's put option recognition & transfer between reserves (notes 27, 31)	-	-	-	-	-	-	-735	-	-735	308	-427
Deferred tax adjustment due to change in income tax rates on revaluation reserves (note 18)	-	-	-	-	-	-	-12,067	-	-12,067	-2,556	-14,623
Transfer between reserves (note 23)	-	-	-	-3,097	-	-	586,749	-583,652	-	-	-
Balance at 31 December 2014	**308,254**	**22,826**	**30,276**	**1,620**	**-83,516**	**-117**	**939,525**	**288,137**	**1,507,005**	**120,590**	**1,627,595**

The accompanying notes are an integral part of these financial statements

Statement of Changes in Equity (continued)

(all amounts in Euro thousands)

Company	Ordinary shares	Share premium	Preferred shares	Share options	Ordinary treasury shares	Preferred treasury shares	Other reserves (note 23)	Retained earnings	Total equity
Balance at 1 January 2013	**308,254**	**22,826**	**30,276**	**2,891**	**-89,329**	**-117**	**508,380**	**-6,518**	**776,663**
Loss for the year	-	-	-	-	-	-	-	-43,154	-43,154
Other comprehensive income	-	-	-	-	-	-	2,878	-	2,878
Total comprehensive income/(loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**2,878**	**-43,154**	**-40,276**
Treasury shares sold (note 22)	-	-	-	-	1,766	-	-	-1,565	201
Share based payment transactions (note 22)	-	-	-	1,080	-	-	-	-	1,080
Balance at 31 December 2013	**308,254**	**22,826**	**30,276**	**3,971**	**-87,563**	**-117**	**511,258**	**-51,237**	**737,668**
Balance at 1 January 2014	**308,254**	**22,826**	**30,276**	**3,971**	**-87,563**	**-117**	**511,258**	**-51,237**	**737,668**
Profit for the year	-	-	-	-	-	-	-	91,724	91,724
Other comprehensive income	-	-	-	-	-	-	1,060	-	1,060
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**1,060**	**91,724**	**92,784**
Contingency reserve distributed to shareholders (notes 10, 23)	-	-	-	-	-	-	-8,463	-	-8,463
Sale - disposal of treasury shares for option plan (note 22)	-	-	-	-	4,047	-	-	-3,481	566
Share based payment transactions (note 22)	-	-	-	746	-	-	-	-	746
Transfer between reserves	-	-	-	-3,097	-	-	-7,619	10,716	-
Balance at 31 December 2014	**308,254**	**22,826**	**30,276**	**1,620**	**-83,516**	**-117**	**496,236**	**47,722**	**823,301**

The accompanying notes are an integral part of these financial statements

Cash Flow Statement

(all amounts in Euro thousands)

	Notes	Group		Company	
		Year ended 31 December		Year ended 31 December	
		2014	2013 *Restated	2014	2013
Cash flows from operating activities					
Cash generated from operations	29	**174,278**	**186,179**	**27,494**	**30,132**
Income tax paid		-20,946	-22,128	-180	-1,150
Net cash generated from operating activities (a)		153,332	164,051	27,314	28,982
Cash flows from investing activities					
Purchase of property, plant and equipment	11,12	-80,131	-47,153	-13,472	-9,931
Purchase of intangible assets	13	-1,971	-1,668	-335	-551
Proceeds from sale of property, plant and equipment & intangible assets	29	181	4,641	183	692
Proceeds from dividends		1,404	-	112,000	-
Acquisition of subsidiaries, net of cash acquired	30	-2,741	-	-	-
Investment in associate		-71	-	-	-
Share capital decrease/(increase) in subsidiaries		-	-	392,950	-30,464
Acquisition of non-controlling interests		-	-8,003	-	-
Net payments from the acquisition of available-for-sale financial assets	16	-	-43	-	-3
Interest received		2,148	3,612	110	699
Net cash flows (used in)/from investing activities (b)		-81,181	-48,614	491,436	-39,558
Net cash flows after investing activities (a)+(b)		**72,151**	**115,437**	**518,750**	**-10,576**
Cash flows from financing activities					
Proceeds from sale of treasury shares	22	566	201	566	201
Proceeds from government grants		891	-	-	-
Interest paid		-55,316	-57,990	-44,135	-42,633
Dividends written-off and paid to the Greek state		-67	-70	-67	-70
Contingency reserve paid to shareholders		-8,438	-	-8,438	-
Dividends paid to non-controlling interests		-11,267	-2,265	-	-
Proceeds from borrowings		1,057,652	884,086	177,900	249,830
Payments of borrowings		-1,102,163	-1,035,128	-636,327	-223,532
Net cash flows used in financing activities (c)		-118,142	-211,166	-510,501	-16,204
Net (decrease)/increase in cash and cash equivalents (a)+(b)+(c)		**-45,991**	**-95,729**	**8,249**	**-26,780**
Cash and cash equivalents at beginning of the year	21	184,257	283,987	8,780	35,601
Effects of exchange rate changes		4,680	-4,001	-58	-41
Cash and cash equivalents at end of the year	21	**142,946**	**184,257**	**16,971**	**8,780**

** Certain amounts shown here do not correspond to the annual consolidated financial statements as at 31.12.2013 and reflect adjustments made as detailed in note 1.1.2.*

The accompanying notes are an integral part of these financial statements

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1. General information and summary of significant accounting policies

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

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

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

These annual financial statements (the financial statements) were approved for issue by the Board of Directors on March 5, 2015.

Summary of significant accounting policies

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

1.1 Basis of preparation

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

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

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

The financial statements have been prepared with the same accounting policies of the prior financial year, except for the adoption of the new or revised standards, amendments and/or interpretations that are mandatory for the periods beginning on or after 1 January 2014.

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

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

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

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

- IFRS 12 Disclosures of Interests in Other Entities

IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are also required.

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

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

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

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

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

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

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

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

- IFRIC Interpretation 21: Levies

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

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

- IFRS 11 Joint Arrangements

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

The application of the new standard affects the Group's statement of financial position, by replacing the proportionate method of consolidation for the joint ventures with the equity method of consolidation (see note 15.2).

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

Impact on the Income Statement:

	For the year ended 31/12		
(all amounts in Euro thousands)	**2013** ***Reported***	***Restatement***	**2013** ***Restated***
Sales of goods	1,175,937	-48,001	1,127,936
Cost of sales	-882,164	35,835	-846,329
Gross profit before depreciation and amortization	**293,773**	**-12,166**	**281,607**
Other income	16,834	81	16,915
Administrative expenses	-92,802	1,617	-91,185
Selling and marketing expenses	-17,569	628	-16,941
Other expenses	-4,229	192	-4,037
Profit before interest, taxes, depreciation and amortization (EBITDA)	**196,007**	**-9,648**	**186,359**
Depreciation and amortization related to cost of sales	-108,542	1,842	-106,700
Depreciation and amortization related to administrative and selling expenses	-6,818	113	-6,705
Impairment of tangible and intangible assets related to cost of sales	-1,421	-	-1,421
Profit before interest and taxes	**79,226**	**-7,693**	**71,533**
Losses from participations and investments	-281	-	-281
Finance income	3,612	-	3,612
Finance expense	-68,142	2,933	-65,209
Loss from foreign exchange differences	-23,750	5,396	-18,354
Share of loss of associates and joint ventures	-305	-356	-661
Loss before taxes	**-9,640**	**280**	**-9,360**
Income tax	-19,356	-280	-19,636
Loss for the period	**-28,996**	**-**	**-28,996**
Attributable to:			
Equity holders of the parent	-36,074	-	-36,074
Non-controlling interests	7,078	-	7,078
	-28,996	**-**	**-28,996**
Basic losses per share (in €)	**-0.4424**	**-**	**-0.4424**
Diluted losses per share (in €)	**-0.1774**	**-**	**-0.1774**

Impact on the Statement of Financial Position as at December 31, 2013:

(all amounts in Euro thousands)	31/12/2013		31/12/2013
Assets	***Reported***	***Restatement***	***Restated***
Property, plant & equipment	1,605,635	-40,690	1,564,945
Investment properties	13,220	-	13,220
Intangible assets and goodwill	465,996	-51,968	414,028
Investments in associates & joint ventures	2,429	74,823	77,252
Available-for-sale financial assets	1,573	-	1,573
Other non-current assets	12,241	-624	11,617
Deferred tax asset	1,597	-395	1,202
Non-current assets	**2,102,691**	**-18,854**	**2,083,837**
Inventories	225,133	-3,757	221,376
Trade receivables	187,102	-14,346	172,756
Derivative financial instruments	1,566	-	1,566
Available-for-sale financial assets	63	-	63
Cash and cash equivalents	184,501	-244	184,257
Current assets	**598,365**	**-18,347**	**580,018**
Total Assets	**2,701,056**	**-37,201**	**2,663,855**
Equity and Liabilities			
Share Capital (84,632,528 shares of €4.00)	338,530	-	338,530
Share premium	22,826	-	22,826
Share options	3,971	-	3,971
Treasury shares	-87,680	-	-87,680
Other Reserves	293,299	-	293,299
Retained earnings	845,181	-	845,181
Equity attributable to equity holders of the parent	**1,416,127**	**-**	**1,416,127**
Non-controlling interests	122,683	-	122,683
Total equity (a)	**1,538,810**	**-**	**1,538,810**
Long-term borrowings	610,433	-11,364	599,069
Deferred tax liability	163,956	-440	163,516
Retirement benefit obligations	23,850	-193	23,657
Provisions	12,793	-107	12,686
Other non-current liabilities	29,635	-	29,635
Non-current liabilities	**840,667**	**-12,104**	**828,563**
Short-term borrowings	112,623	-18,899	93,724
Trade and other payables	193,431	-6,198	187,233
Derivative financial instruments	3,375	-	3,375
Current income tax payable	10,137	-	10,137
Provisions	2,013	-	2,013
Current liabilities	**321,579**	**-25,097**	**296,482**
Total Liabilities (b)	**1,162,246**	**-37,201**	**1,125,045**
Total Equity and Liabilities (a+b)	**2,701,056**	**-37,201**	**2,663,855**

Impact on the Statement of Financial Position as at January 1, 2013:

(all amounts in Euro thousands)	**01/01/2013**		**01/01/2013**
Assets	***Reported***	***Restatement***	***Restated***
Property, plant & equipment	1,759,036	-50,855	1,708,181
Investment properties	8,546	-	8,546
Intangible assets and goodwill	527,498	-65,317	462,181
Investments in associates & joint ventures	2,734	93,548	96,282
Available-for-sale financial assets	1,877	-	1,877
Other non-current assets	12,572	-775	11,797
Deferred tax asset	2,499	-113	2,386
Non-current assets	**2,314,762**	**-23,512**	**2,291,250**
Inventories	233,765	-3,842	229,923
Trade receivables	199,180	-16,138	183,042
Available-for-sale financial assets	63	-	63
Cash and cash equivalents	284,272	-285	283,987
Current assets	**717,280**	**-20,265**	**697,015**
Total Assets	**3,032,042**	**-43,777**	**2,988,265**
Equity and Liabilities			
Share Capital (84,632,528 shares of €4.00)	338,530	-	338,530
Share premium	22,826	-	22,826
Share options	2,891	-	2,891
Treasury shares	-89,446	-	-89,446
Other Reserves	381,027	-	381,027
Retained earnings	878,635	-	878,635
Equity attributable to equity holders of the parent	**1,534,463**	**-**	**1,534,463**
Non-controlling interests	125,478	-	125,478
Total equity (a)	**1,659,941**	**-**	**1,659,941**
Long-term borrowings	705,227	-18,720	686,507
Derivative financial instruments	16,784	-	16,784
Deferred tax liability	178,786	-559	178,227
Retirement benefit obligations	26,908	-215	26,693
Provisions	17,317	-109	17,208
Other non-current liabilities	30,632	-	30,632
Non-current liabilities	**975,654**	**-19,603**	**956,051**
Short-term borrowings	174,636	-16,311	158,325
Trade and other payables	207,009	-7,729	199,280
Derivative financial instruments	1,294	-	1,294
Current income tax payable	11,899	-134	11,765
Provisions	1,609	-	1,609
Current liabilities	**396,447**	**-24,174**	**372,273**
Total Liabilities (b)	**1,372,101**	**-43,777**	**1,328,324**
Total Equity and Liabilities (a+b)	**3,032,042**	**-43,777**	**2,988,265**

Impact on the Cash Flow Statement:

(all amounts in Euro thousands)	For the year ended 31/12		
	2013 *Reported*	*Restatement*	**2013** *Restated*
Cash flows from operating activities			
Cash generated from operations	**193,084**	**-6,905**	**186,179**
Income tax paid	-22,242	114	-22,128
Net cash generated from operating activities (a)	170,842	-6,791	164,051
Cash flows from investing activities			
Purchase of property, plant and equipment	-48,714	1,561	-47,153
Purchase of intangible assets	-1,668	-	-1,668
Proceeds from sale of property, plant and equipment & intangible assets	4,741	-100	4,641
Acquisition of non-controlling interests	-8,003	-	-8,003
Net (payments)/proceeds from the acquisition/disposal of available-for-sale financial assets	-43	-	-43
Interest received	3,612	-	3,612
Net cash flows used in investing activities (b)	-50,075	1,461	-48,614
Net cash flows after investing activities (a)+(b)	**120,767**	**-5,330**	**115,437**
Cash flows from financing activities			
Proceeds from sale of treasury shares	201	-	201
Interest paid	-60,840	2,850	-57,990
Dividends written-off and paid to the Greek state	-70	-	-70
Dividends paid to non-controlling interests	-2,265	-	-2,265
Proceeds from borrowings	911,003	-26,917	884,086
Payments of borrowings	-1,064,546	29,418	-1,035,128
Net cash flows (used in)/from financing activities (c)	-216,517	5,351	-211,166
Net (decrease)/increase in cash and cash equivalents (a)+(b)+(c)	**-95,750**	**21**	**-95,729**
Cash and cash equivalents at beginning of the year	284,272	-285	283,987
Effects of exchange rate changes	-4,021	20	-4,001
Cash and cash equivalents at end of the year	**184,501**	**-244**	**184,257**

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

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

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

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

The amendment is effective for annual periods beginning on or after 1 February 2015. The amendment applies to contributions from employees or third parties to defined benefit plans. The objective of the amendment is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. The Group is in the process of assessing the impact of the interpretation on the financial position or performance of the Group.

- **IFRS 9 Financial Instruments: Classification and Measurement**

The standard is applied for annual periods beginning on or after 1 January 2018 with early adoption permitted. The final phase of IFRS 9 reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. The standard has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the interpretation on the financial position or performance of the Group.

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

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

- **IFRS 14 Regulatory Deferral Accounts**

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

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

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

- **IAS 27 Separate Financial Statements (amended)**

The amendment is effective from 1 January 2016. This amendment will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements and will help some jurisdictions move to IFRS for separate financial statements, reducing compliance costs without reducing the information available to investors. This amendment has not yet been endorsed by the EU. The Group is in the process of assessing the impact of the interpretation on the financial position or performance of the Group.

- **Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. The amendments will be effective from annual periods commencing on or after 1 January 2016. The amendments have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the interpretation on the financial position or performance of the Group.

- **The IASB has issued the Annual Improvements to IFRSs 2010 – 2012 Cycle,** which is a collection of amendments to IFRSs. The amendments are effective for annual periods beginning on or after 1 February 2015. The Group is in the process of assessing the impact of the improvements on the financial position or performance of the Group.

  - *IFRS 2 Share-based Payment:* This improvement amends the definitions of 'vesting condition' and 'market condition' and adds definitions for 'performance condition' and 'service condition' (which were previously part of the definition of 'vesting condition').
  - *IFRS 3 Business combinations:* This improvement clarifies that contingent consideration in a business acquisition that is not classified as equity is subsequently measured at fair value through profit or loss whether or not it falls within the scope of IFRS 9 Financial Instruments.
  - *IFRS 8 Operating Segments:* This improvement requires an entity to disclose the judgments made by management in applying the aggregation criteria to operating segments and clarifies that an entity shall only provide reconciliations of the total of the reportable segments' assets to the entity's assets if the segment assets are reported regularly.
  - *IFRS 13 Fair Value Measurement:* This improvement in the Basis of Conclusion of IFRS 13 clarifies that issuing IFRS 13 and amending IFRS 9 and IAS 39 did not remove the ability to measure short-term receivables and payables with no stated interest rate at their invoice amounts without discounting if the effect of not discounting is immaterial.
  - *IAS 16 Property Plant & Equipment:* The amendment clarifies that when an item of property, plant and equipment is revalued, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.
  - *IAS 24 Related Party Disclosures:* The amendment clarifies that an entity providing key management personnel services to the reporting entity or to the parent of the reporting entity is a related party of the reporting entity.
  - *IAS 38 Intangible Assets:* The amendment clarifies that when an intangible asset is revalued the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount.

- **The IASB has issued the Annual Improvements to IFRSs 2011 – 2013 Cycle,** which is a collection of amendments to IFRSs. The amendments are effective for annual periods beginning on or after 1 July 2014. The Group is in the process of assessing the impact of the improvements on the financial position or performance of the Group.

  - *IFRS 3 Business Combinations:* This improvement clarifies that IFRS 3 excludes from its scope the accounting for the formation of a joint arrangement in the financial statements of the joint arrangement itself.
  - *IFRS 13 Fair Value Measurement:* This improvement clarifies that the scope of the portfolio exception defined in paragraph 52 of IFRS 13 includes all contracts accounted for within the scope of IAS 39 Financial Instruments: Recognition and Measurement or IFRS 9 Financial Instruments, regardless of whether they meet the definition of financial assets or financial liabilities as defined in IAS 32 Financial Instruments: Presentation.
  - *IAS 40 Investment Properties:* This improvement clarifies that determining whether a specific transaction meets the definition of both a business combination as defined in IFRS 3 Business Combinations and investment property as defined in IAS 40 Investment Property requires the separate application of both standards independently of each other.

- **The IASB has issued the Annual Improvements to IFRSs 2012 – 2014 Cycle,** which is a collection of amendments to IFRSs. The amendments are effective for annual periods beginning on or after 1 January 2016. These annual improvements have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the improvements on the financial position or performance of the Group.

  - *IFRS 5 Non-current Assets Held for Sale and Discontinued Operations:* The amendment clarifies that changing from one of the disposal methods to the other (through sale or through distribution to the owners) should not be considered to be a new plan of disposal; rather it is a continuation of the original plan. There is therefore no interruption of the application of the requirements in IFRS 5. The amendment also clarifies that changing the disposal method does not change the date of classification.
  - *IFRS 7 Financial Instruments: Disclosures:* The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. Also, the amendment clarifies that the IFRS 7 disclosures relating to the offsetting of financial assets and financial liabilities are not required in the condensed interim financial report.
  - *IAS 19 Employee Benefits:* The amendment clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used.
  - *IAS 34 Interim Financial Reporting:* The amendment clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report (e.g., in the management commentary or risk report). The Board specified that the other information within the interim financial report must be available to users on the same terms as the interim financial statements and at the same time. If users do not have access to the other information in this manner, then the interim financial report is incomplete.

- **IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exception (Amendments)**

The amendments address three issues arising in practice in the application of the investment entities consolidation exception. The amendments are effective for annual periods beginning on or after 1 January 2016. The amendments clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value. Also, the amendments clarify that only a subsidiary that is not an investment entity itself and provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value. Finally, the amendments to IAS 28 Investments in Associates and Joint Ventures allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries. These amendments have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the amendments on the financial position or performance of the Group.

- **IAS 1: Disclosure Initiative (Amendment)**

The amendments to IAS 1 Presentation of Financial Statements further encourage companies to apply professional judgment in determining what information to disclose and how to structure it in their financial statements. The amendments are effective for annual periods beginning on or after 1 January 2016. The narrow-focus amendments to IAS clarify, rather than significantly change, existing IAS 1 requirements. The amendments relate to materiality, order of the notes, subtotals and disaggregation, accounting policies and presentation of items of other comprehensive income (OCI) arising from equity accounted Investments. These amendments have not yet been endorsed by the EU. The Group is in the process of assessing the impact of the amendment on the financial position or performance of the Group.

1.2 Consolidation

(a) Subsidiaries

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

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

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

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

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

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

In the Company's separate financial statements, investments in subsidiaries are account for at cost less impairment, if any. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments.

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

(b) Changes in ownership interests in subsidiaries without change of control

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

(c) Disposal of subsidiaries

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

(d) Joint ventures

Prior to 1 January 2014, the Group's interests in jointly controlled entities were proportionately consolidated.

The Group has adopted IFRS 11, 'Joint arrangements', on 1 January 2014. This resulted in the Group changing its accounting policy for its interests in joint arrangements. The Group has also adopted IFRS 10, 'Consolidated financial statements', IFRS 12, 'Disclosure of interests in other entities', and consequential amendments to IAS 28, 'Investments in associates and joint ventures' and IAS 27, 'Separate financial statements', at the same time.

Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. The Group has assessed the nature of its joint arrangement and determined it to be a joint venture.

The Group recognized its investment in joint ventures at the beginning of the earliest period presented (1 January 2013), as the total of the carrying amounts of the assets and liabilities previously proportionately consolidated by the Group. This is the deemed cost of the Group's investments in joint ventures for applying equity accounting.

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

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

The change in accounting policy has been applied as from 1 January 2014. There is no impact on the net assets of the periods presented.

The effects of the change in accounting policies on the financial position, comprehensive income and the cash flows of the Group at 1 January 2013 and 31 December 2013 are summarized in the note 1.1.2. The change in accounting policy has had no impact on earnings per share.

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

(e) Associates

Associates are entities over which the Group has significant influence but which it does not control and generally has between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any cumulative impairments losses) identified on acquisition.

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

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amount previously recognized in other comprehensive income is reclassified to profit or loss where appropriate. Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

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

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

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

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

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

(f) Commitments to purchase interests held by non-controlling interests

As part of the acquisition process of certain entities, the Group has granted third party shareholders the option to require the Group to purchase their shares subject to predetermined conditions (a "put" option). These shareholders could be either international institutions, or private investors who are essentially financial or industrial investors or former shareholders of the acquired entities (note 27 & 31).

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

- Non-controlling interest is still attributed its share of profit and losses (and other changes in equity).
- The non-controlling interest is reclassified as a liability at each reporting date, as if the acquisition took place at that date.
- Any difference between the fair value of the liability under the put option at the end of the reporting period and the non-controlling interest reclassified is calculated based on the current policy of the Group for acquisitions of non-controlling

interests.

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

1.3 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

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

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

(c) Group companies

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

- Assets and liabilities for each balance sheet presented are translated at the closing rate at the date of the balance sheet.
- Income and expenses for each income statement are translated at average exchange rates.
- All exchange differences resulting from the above are recognised in other comprehensive income and subsequently included in "foreign currency translation reserve".
- On the disposal of a foreign operation, the cumulative exchange differences relating to that particular foreign operation, recognized in the "foreign currency translation reserve" within equity, are recognised in the income statement as part of the gain or loss on sale. On the partial disposal of a foreign subsidiary, the proportionate share of the cumulative amount is re-attributed to the non-controlling interest in that operation.

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

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

1.4 Property, plant and equipment

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

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

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

Buildings	Up to 50 years
Plant and machinery	Up to 40 years
Motor vehicles	5 to 20 years
Office equipment furniture and fittings*	2 to 10 years
Minor value assets	Up to 2 years

**(including computer equipment and software integral to the operation of the hardware)*

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

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

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

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

1.5 Investment property

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

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

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

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

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

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

Investment properties are derecognised when they have been disposed.

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

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

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

1.6 Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interest over the net identifiable assets acquired and liabilities assumed. Goodwill represents the future economic benefits arising from assets that are not capable of being individually identified and separately recognized in a business combination.

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

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

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

(b) Other intangible assets

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

The useful lives of intangible assets are assessed as either finite or indefinite.

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

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

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

The Group's intangible assets have a finite useful life. The amortization methods used for the Group's intangibles are as follows:

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

1.7 Deferred stripping costs

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

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

1.8 Impairment of non-financial assets other than Goodwill

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

1.9 Leases

a) Where a Group entity is the lessee

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

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

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

b) Where a Group entity is the lessor

Leases in which the Group entity does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

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

1.10 Inventories

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

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

1.11 Trade receivables

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

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

1.12 Cash and cash equivalents

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

1.13 Share capital

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

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

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

1.14 Borrowings

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

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

1.15 Current and deferred income taxes

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

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

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

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, joint arrangements and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the related deferred income tax liability is settled.

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

1.16 Employee benefits

(a) Pension and other retirement obligations

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

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

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

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

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

- The date of the plan amendment or curtailment, and
- The date that the Group recognizes restructuring-related costs

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

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

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

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

(b) Termination benefits

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

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

(c) Profit sharing and bonus plans

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

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

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

(d) Share-based payments

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

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

- Including any market performance conditions (for example, an entity's share price);
- Excluding the impact if any service and non-market performance vesting conditions (for example profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- Including the impact of any non-vesting conditions (for example, the requirement for employees to save)

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

1.17 Government grants

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

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

1.18 CO_2 Emission rights

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

1.19 Provisions

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

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

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

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

1.20 Site restoration, quarry rehabilitation and environmental costs

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

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

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

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

1.21 Revenue recognition

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

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

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

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

Interest income is recognised using the effective interest method.

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

1.22 Dividend distribution

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

1.23 Segment information

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

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

1.24 Financial assets

Classification

The Group classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

- Financial assets at fair value through profit or loss

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

- Loans and receivables

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

- Available-for-sale financial assets

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

Recognition and measurement

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

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'finance income' or 'finance expense' in the period in which they arise.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as 'gains and losses from investment securities'.

Dividends on available-for-sale equity instruments are recognised in the income statement as part of other income when the group's right to receive payments is established.

1.25 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset recognised amounts, and there is an intention to settle on the net basis the liability or realise the asset and settle the liability simultaneously.

1.26 Impairment of financial assets

a) Assets carried at amortised cost

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the income statement.

(b) Assets classified as available-for-sale

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity investments classified as available- for- sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available- for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the consolidated income statement.

1.27 Derivative financial instruments and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently periodically re-measured at their fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognized in other comprehensive income (OCI) and later is reclassified to profit or loss when the hedge item is terminated

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment
- Hedges of a net investment in a foreign operation

At the inception of the hedge relationship the Group formally designates and documents the hedge relationship between hedging instruments and hedged items, to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is more than 12 months and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating both to the effective and ineffective portion of interest rate swaps hedging fixed rate borrowings is recognized in the income statement within "Finance income/expense".

Cash flow hedges

The effective portion of gains and losses from measuring cash flow hedging instruments is recognized in OCI in the account "translation differences on derivate hedging position" in "other reserves". The gain or loss relating to the ineffective portion is recognized immediately in the income statement within "Finance income/expenses".

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged transaction terminates.

When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative unrealized gain or loss at that point remains in equity and is recognized when the forecast transaction is no longer expected to occur, the cumulative unrealized gain or loss that was reported in equity is immediately transferred to "Other income/expense" in the income statement.

Net investment hedge

Hedges of net investments in foreign entities are accounted for similarly to cash flow hedges. Where the hedging instrument is a derivative, any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in currency translation differences on derivative hedging position in other reserves. The gain or loss relating to the ineffective portion is recognised immediately in other income/expenses in the income statement. However, where the hedging instrument is not a derivative (for example, a foreign currency borrowing), all foreign exchange gains and losses arising on the translation of a borrowing that hedges such an investment (including any ineffective portion of the hedge) are recognized in Equity in "translation differences on derivative hedging position" in "other reserves".

Gains and losses accumulated in equity are included in the income statement when the foreign operation is partially disposed of or sold. The Group's 'other reserves' include gains that have resulted from such hedging activities carried out in the past.

1.28 Derecognition of financial assets and liabilities

(i) Financial assets: A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the assets, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. A respective liability is also recognized.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

(ii) Financial liabilities: A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the consolidated statement of income.

1.29 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying which is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets until such as the asset is substantially ready for its intended use or sale. All other borrowing costs are expensed in the profit of loss in the period in which they are occurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

1.30 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

1.31 Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the group. They are material items of income or expense that have been shown separately due to the significance of their nature or amount. Examples of exceptional items include gains/losses on disposal of non-current assets, restructuring costs and other unusual gains or losses.

2. Significant accounting estimates and judgments

The preparation of the financial statements requires management to make estimations and judgments that affect the reported disclosures. On an ongoing basis, management evaluates its estimates, which are presented bellow in paragraphs 2.1 to 2.12.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

These management's estimation and assumptions form the bases for making judgments about the carrying value of assets and liabilities that are not readily available from other sources. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

2.1 Impairment of goodwill and other non-financial assets

Management tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in paragraph 1.6. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The basic assumptions that are used in the calculations are explained further in note 13. These calculations require the use of estimates which mainly relate to future earnings and discount rates.

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, in accordance with the accounting policy stated in paragraph 1.8.

2.2 Income taxes

Group entities are subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

2.3 Deferred tax assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Further details on taxes are disclosed in note 8.

2.4 Asset lives and residual values

Property, plant and equipment (PPE) are depreciated over their estimated useful lives. The actual lives of the assets are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as technological innovation, product lifecycles, life-of-mine and maintenance programmes are taken into account.

2.5 Allowance for net realizable value of inventory

The allowance for net realizable value of inventory, in accordance with the accounting policy as stated in paragraph 1.10, represents management's best estimate, based on historic sales trends and its assessment on quality and volume, of the extent to which the stock on hand at the reporting date will be sold below cost.

2.6 Allowance for doubtful accounts receivable

The Group's management periodically reassess the adequately of the allowance for doubtful accounts receivable using parameters such as its credit policy, reports from its legal counsel on recent developments of the cases they are handling, and its judgment/estimate about the impact of other factors affecting the recoverability of the receivables.

2.7 Provision for environmental rehabilitation

The Group recognizes a provision for environmental rehabilitation and, more specifically, a provision for future restoration of land disturbed, as of the reporting date, as a result of past activity and in line with the prevailing environmental legislation of each country in which it operates or the binding group practices. The provision for environmental rehabilitation is re-estimated on an annual basis and it reflects the present value of the expected restoration costs, using estimated cash flows as of the reporting date and is calculated based on the area of the land disturbed at the reporting date and the cost of rehabilitation per metric unit of land at the level of the broader area of interest. Given the complexity of the calculations and the significant assumptions therein. Management provides at the reporting date its best estimate in relation to the present value of the aforementioned liability.

2.8 Provision for staff leaving indemnities

The cost for the staff leaving indemnities is determined based on actuarial valuations. The actuarial valuation requires management making assumptions about future salary increases, discount rates, mortality rates, etc. Management, at each reporting date when the provision is re-examined, tries to give its best estimate regarding the above mentioned parameters.

2.9 Provision for restructuring costs

The Group estimates the level of provision required for restructuring costs based on historical experience as well as other specific relevant factors.

2.10 Contingent liabilities

The existence of contingent liabilities requires from management making assumptions and estimates continuously related to the possibility that future events may or may not occur as well as the effects that those events may have on the activities of the Group.

2.11 Business combinations

On the acquisition of a company or business, a determination of the fair value and the useful lives of tangible and intangible assets acquired is performed, which requires the application of judgement. Future events could cause the assumptions used by the Group to change which could have an impact on the results and net position of the Group. Further information on business combination is given in paragraph 1.2.

2.12 Valuation of financial instruments

The valuation of derivative financial instruments is based on the market position at the reporting date. The value of the derivative instruments fluctuates on a daily basis and the actual amounts realised may differ materially from their value at the reporting date. Further information on financial instruments is given in paragraph 1.27.

2.13 Fair value of share-based payments

Fair values used in calculating the amount to be expensed as a share-based payment is subject to a level of uncertainty. The Group is required to calculate the fair value of the cash-settled instruments granted to employees in terms of the share option schemes, and the share-based payment charges relating to empowerment transactions. These fair values are calculated by applying a valuation model, which is in itself judgmental, and takes into account certain inherently uncertain assumptions. The basic assumptions that are used in the calculations are explained further in note 22. Further information on share based payments is given in paragraph 1.16d.

2.14 Weighted average number of shares

Using the weighted average number of shares during the period reflects the possibility that the amount of shareholders' capital varied during the period as a result of a larger or smaller number of shares being outstanding at any time. Judgment is required to determine the number of shares and the timing when shares are issued. The calculation of the weighted average number of shares impacts the calculation of basic and diluted earnings per share.

2.15 Put options

Put options were granted to the remaining non-controlling shareholders of the Group subsidiary Antea Cement SHA, entitling them to sell their interests in Antea Cement SHA at future contracted dates. The Group has recognized the fair value of the non-controlling interests, being the present value of the future estimated option price, as other non-current liability in the statement of financial position with a corresponding entry reducing non-controlling interests. The present value and timing of the expected redemptions and amounts need to be determined at each reporting date.

Judgment is used in calculating the expected future redemption values and timing as to when the various non-controlling shareholders will exercise their options.

2.16 Sources of estimation uncertainty

There are no significant assumptions made concerning the future or other sources of estimation uncertainty that have been identified as giving rise to a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

2.17 Going concern

Management considers key financial information and, where applicable, compliance in the medium-term budgets, together with the existing term facilities, to conclude that the going-concern assumption used in the compilation of the annual financial statements of the Group and the Company is appropriate.

3. Operating segment information

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

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

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

Information by operating segment

(all amounts in Euro thousands) **For the year ended 31 December 2014**	**Greece and Western Europe**	**North America**	**South Eastern Europe**	**Eastern Mediterranean**	**Total**
Gross revenue	314,269	469,107	207,757	196,840	1,187,973
Inter-segment revenue	-29,356	-189	-14	-	-29,559
Revenue from external customers	284,913	468,918	207,743	196,840	1,158,414
Profit before interest, taxes, depreciation, amortization and impairment	37,105	46,467	67,166	30,853	181,591
Depreciation, amortization & impairment	-17,897	-46,694	-22,190	-18,254	-105,035
ASSETS					
Property, plant & equipment	308,700	547,017	315,882	501,411	1,673,010
Intangible assets and goodwill	27,414	197,056	69,806	151,804	446,080
Other non-current assets	13,981	12,224	5,481	84,241	115,927
Current assets	233,328	124,647	101,236	117,021	576,232
Total Assets	**583,423**	**880,944**	**492,405**	**854,477**	**2,811,249**
LIABILITIES					
Non-current liabilities	204,711	405,719	98,698	189,292	898,420
Current liabilities	94,839	65,948	51,412	73,035	285,234
Total Liabilities	**299,550**	**471,667**	**150,110**	**262,327**	**1,183,654**

(all amounts in Euro thousands)	**Greece and Western Europe**	**North America**	**South Eastern Europe**	**Eastern Mediterranean**	**Total**
Capital expenditures (note 11,12,13)	14,784	36,209	13,799	17,310	82,102
(Reversal of impairment)/impairment of property, plant and equipment (note 11)	-15	339	-	-	324
Reversal of impairment of intangible assets-excluding goodwill (note 13)	-738	-	-	-	-738
(Reversal of allowance)/allowance for doubtful debtors (note 20)	-921	241	1,473	25	818
Investment in associates & joint ventures (note 15)	-	5,377	2,603	78,553	86,533
Defined benefit assets (note 25)	-	4,732	-	-	4,732

Capital expenditures consist of additions of property, plant and equipment, intangible assets and investment property as well as assets from acquisition of subsidiaries.

Impairment charges are included in the income statement.

Turnover is reported in the country in which the customer is located and consists of the sale of goods and services. There are sales between geographical segments at arms length. Total assets and capital expenditures are presented in the geographical segment of the company that owns the assets.

The transactions between segments are performed as described in note 32.

Information by business activities

(all amounts in Euro thousands)

For the year ended 31 December 2014	**Cement**	**Ready mix, aggregates and blocks**	**Other**	**Total**
Turnover	776,816	378,515	3,083	1,158,414

The cement activity includes cement and cementitious materials.

Other operations of the Group mainly consist of administrative expenses not directly attributable to the Group's main activities. They also include shipping and transportation activities which are not material enough to be reported separately.

Note that the Company sold cement and aggregates, representing in 2014 9.93% (2013: 7.16%) of the Company's turnover, to its subsidiary Interbeton S.A..

3. Operating segment information (continued)

Information by operating segment

(all amounts in Euro thousands)

For the year ended 31 December 2013 (Restated)	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Gross revenue	280,211	411,239	216,512	252,112	1,160,074
Inter-segment revenue	-30,879	-216	-1,043	-	-32,138
Revenue from external customers	249,332	411,023	215,469	252,112	1,127,936
Profit before interest, taxes, depreciation, amortization and impairment	14,260	32,058	62,745	77,296	186,359
Depreciation, amortization & impairment	-19,237	-53,857	-22,638	-19,094	-114,826
ASSETS					
Property, plant & equipment	303,860	489,737	322,185	449,163	1,564,945
Intangible assets and goodwill	23,513	177,026	71,956	141,533	414,028
Other non-current assets	22,878	5,157	4,430	72,399	104,864
Current assets	165,072	125,377	181,284	108,285	580,018
Total Assets	**515,323**	**797,297**	**579,855**	**771,380**	**2,663,855**
LIABILITIES					
Non-current liabilities	200,142	371,253	134,568	122,600	828,563
Current liabilities	142,287	54,304	36,544	63,347	296,482
Total Liabilities	**342,429**	**425,557**	**171,112**	**185,947**	**1,125,045**

	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Capital expenditures (note 11,12,13)	12,147	13,671	12,936	10,067	48,821
(Reversal of impairment)/impairment of property, plant and equipment (note 11)	-24	603	-	-	579
Impairment of intangible assets-excluding goodwill (note 13)	42	-	-	-	42
Impairment of Goodwill (note 13)	800	-	-	-	800
(Reversal of allowance)/allowance for doubtful debtors (note 20)	-2,647	197	57	6	-2,387
Investment in associates & joint ventures (note 15)	4,283	-	2,429	70,540	77,252
Defined benefit assets (note 25)	-	4,024	-	-	4,024

Capital expenditures consist of additions of property, plant and equipment, intangible assets and investment properties as well as assets from acquisition of subsidiaries.

Impairment charges are included in the income statement.

Information by business activities

(all amounts in Euro thousands)

For the year ended 31 December 2013 (Restated)	Cement	Ready mix, aggregates and blocks	Other	Total
Turnover	816,502	307,730	3,704	1,127,936

4. Other income and expenses

(all amounts in Euro thousands)	Group		Company	
	2014	2013 Restated	2014	2013
Scrap sales	935	1,007	483	425
Compensation income	414	356	-	-
Income from subsidies	-	-	198	-
Income from services	5,760	3,075	7,093	3,523
Rental income	1,996	1,958	1,325	1,160
Gains on disposal of property, plant and equipment (note 29)	-	1,566	-	56
Fair value gain from investment property (note 12)	125	-	79	-
Reversal of non-utilized provisions (note 29)	-	2,930	-	-
Exceptional items (*)	1,735	1,646	-	-
Other income	4,272	4,377	1,285	2,092
Other income total	**15,237**	**16,915**	**10,463**	**7,256**
Provisions	-1,101	-	506	-181
Losses on disposal of property, plant and equipment (note 29)	-1,537	-	-48	-
Fair value loss from investment property (note 12)	-	-626	-	-683
Staff leaving indemnities (note 25)	-2,877	-1,502	-595	-633
Restructuring cost (note 25)	-1,811	-390	-	-
Other expenses	-1,435	-1,519	-147	-77
Other expenses total	**-8,761**	**-4,037**	**-284**	**-1,574**

(*) Exceptional items are comprised mainly of insurance proceeds related to the collapse of a concrete silo roof at the Group's cement plant in Pennsuco, Florida USA in 2012.

5. Expenses by nature

(all amounts in Euro thousands)	Group		Company	
	2014	2013 Restated	2014	2013
Staff costs and related expenses (note 7, 25)	-218,273	-200,592	-47,480	-43,719
Raw materials and consumables used	-281,337	-262,408	-59,604	-57,358
Energy cost	-210,660	-234,254	-61,827	-66,926
Changes in inventory of finished goods and work in progress	10,500	452	-984	5,186
Distribution expenses	-133,558	-119,649	-45,215	-39,344
Third party fees	-97,106	-86,605	-19,668	-18,598
Other expenses	-52,865	-51,399	-8,753	-8,633
Total expenses by nature	**-983,299**	**-954,455**	**-243,531**	**-229,392**
Included in:				
Cost of sales	-863,906	-846,329	-208,026	-197,677
Administrative expenses	-100,927	-91,185	-35,372	-31,530
Selling and marketing expenses	-18,466	-16,941	-133	-185
	-983,299	**-954,455**	**-243,531**	**-229,392**

6. Finance income/(expense)

(all amounts in Euro thousands)

	Group		Company	
	2014	2013 Restated	2014	2013
Interest expense and related expenses (note 29)	-65,648	-64,385	-42,993	-44,542
Finance costs of actuarial studies (note 25)	-614	-823	-372	-429
Finance lease interest (note 29)	-13	-1	-	-
Finance expense	**-66,275**	**-65,209**	**-43,365**	**-44,971**

7. Staff costs

(all amounts in Euro thousands)

	Group		Company	
	2014	2013 Restated	2014	2013
Wages and salaries	196,531	179,017	38,327	34,220
Social security costs	20,995	20,475	8,522	8,608
Share options granted to directors and employees (note 29)	747	1,100	631	891
Other post retirement and termination benefits - defined benefit plans (note 4,6,25)	5,302	2,715	967	1,062
Total staff costs	**223,575**	**203,307**	**48,447**	**44,781**

Group employees are employed on a full-time basis.
The breakdown by geographical region is as follows:

	Group		Company	
	2014	2013 Restated	2014	2013
Greece and Western Europe	1,150	1,113	813	797
North America	1,849	1,734	-	-
South Eastern Europe	1,455	1,592	-	-
Eastern Mediterranean	769	778	-	-
	5,223	**5,217**	**813**	**797**

8. Income tax expense

(all amounts in Euro thousands)

	Group		Company	
	2014	2013 Restated	2014	2013
Current tax	21,214	18,506	-	-
Deferred tax (note 18)	-11,298	-615	-9,610	-4,767
Non deductible taxes and differences from tax audit	1,188	1,745	1,012	1,150
	11,104	**19,636**	**-8,598**	**-3,617**

The tax on Group profit differs from the amount that would arise had the Group used the nominal tax rate of the country in which the parent Company is based as follows:

(all amounts in Euro thousands)	Group		Company	
	2014	2013 Restated	2014	2013
Profit /(loss) before tax	**46,821**	**-9,360**	**83,126**	**-46,771**
Tax calculated at the statutory tax rate of 26%	12,173	-2,434	21,613	-12,160
Tax adjustments in respect of:				
Income not subject to tax	-2,151	-2,695	-29,120	-
Expenses not deductible for tax purposes	4,295	6,101	126	978
Dividends tax	5,898	753	-	-
Provision for tax on tax exempt reserves under special laws (L.4172/2013)	-1,521	4,509	-1,521	4,234
Other taxes	1,188	1,745	1,012	1,150
Re-measurement of deferred tax - tax rate change in Egypt (2013:Greece)	4,143	4,963	-	2,181
Effect of unrecognized deferred tax asset on tax carry forward losses	6,793	24,117	-	-
Tax incentives	-2,088	-2,150	-301	-
Effect of different tax rates in other countries	-17,400	-14,915	-	-
Over-provision: prior years	-200	-358	-407	-
Utilization of prior years unrecognized losses	-26	-	-	-
Effective tax charge	**11,104**	**19,636**	**-8,598**	**-3,617**

8. Income tax expense (continued)

In accordance with the paragraph 11 of article 70 of L.4172/2013, tax exempt reserve formed under the terms of L.2238/1994 can be either offset against tax losses at the rate of 26% or be distributed after paying 19% tax. The Group and the Company offset tax exempt reserves against tax losses.

On December 31, 2014, certain Group entities had tax carry forward losses of about €471.0 mil. (2013: €452.7 mil.). These entities have recognized a deferred tax asset amounting to €78.2 mil. (2013: €68.0 mil.), attributable to losses amounting to €219.3 mil. (2013: €197.8 mil.). For the remaining tax carry forward losses, no deferred tax asset has been recognized, since they did not meet the recognition criteria according to IAS 12 (note 18).

Of the above tax carry forward losses, €166.9 mil. expire in the period 2015-2019, while €304.1 mil. expire at various dates up to the period 2029-2034.

On December 31, 2014, the Company had recognized deferred tax assets amounting to €16.4 mil. (2013: €19.6 mil.) on tax carry forward losses which met the recognition criteria. The tax losses of the Company can be utilized up to (and including) 2018.

9. Earnings/(losses) per share

Basic earnings/(losses) per share are calculated by dividing the net profit/(loss) attributable to shareholders for the year by the weighted average number of ordinary and preference shares in issue during the year, excluding ordinary and preference shares purchased by the Company and held as treasury shares (note 22).

(all amounts in Euro thousands unless otherwise stated)	Group		Company	
	2014	2013	2014	2013
Net profit/(loss) for the year attributable to Titan S.A. shareholders	30,947	-36,074	91,724	-43,154
Weighted average number of ordinary shares in issue	74,087,882	73,982,062	74,087,882	73,982,062
Weighted average number of preferred shares in issue	7,563,041	7,563,041	7,563,041	7,563,041
Total weighted average number of shares in issue for basic earnings/(losses) per share	81,650,923	81,545,103	81,650,923	81,545,103
Basic earnings/(losses) per ordinary and preferred share (in €)	**0.3790**	**-0.4424**	**1.1234**	**-0.5292**

The diluted earnings/(losses) per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options. For the share options a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. The difference is added to the denominator as an issue of ordinary shares for no consideration. No adjustment is made to net profit/(loss) (numerator).

(all amounts in Euro thousands unless otherwise stated)	Group		Company	
	2014	2013	2014	2013
Net profit/(loss) for the year attributable to Titan S.A. shareholders for diluted earnings/(losses) per share	30,947	-36,074	91,724	-43,154
Weighted average number of ordinary shares for diluted earnings/(losses) per share	74,087,882	73,982,062	74,087,882	73,982,062
Share options	501,563	491,557	501,563	491,557
Weighted average number of preferred shares in issue	7,563,041	7,563,041	7,563,041	7,563,041
Total weighted average number of shares in issue for diluted earnings/(losses) per share	82,152,486	82,036,660	82,152,486	82,036,660
Diluted earnings/(losses) per ordinary and preferred share (in €)	**0.3767**	**-0.4397**	**1.1165**	**-0.5260**

10. Distribution of Contingency Reserves & Proposed Dividend

The Annual General Assembly of Shareholders of TITAN CEMENT COMPANY S.A. on 20 June 2014 decided the distribution of contingency reserves up to the amount of €8,463,252.80, which corresponded to €0.10 per share. This amount was increased by the amount corresponding to the treasury shares held by the Company and on the total amount a 10% withholding tax was imposed. Therefore, the Shareholders have received a net amount of €0.09322 per share. The Board of Directors will propose to the Annual General Assembly of Shareholders, scheduled to take place on 19.6.2015, the distribution of dividend of a total amount of €12,694,879.20, i.e. €0.15 per share.

In addition, the Board of Directors will propose to the General Assembly the distribution of special reserves from previous financial years, of a total amount of €12,694,879.20, i.e. €0.15 per share.

Pursuant to article 16.8(b) of L. 2190/1920, the final amounts to be distributed per share will be increased by the dividend and the amount of distribution of special reserves, corresponding to the treasury shares held by the Company.

11. Property, plant and equipment

(all amounts in Euro thousands)

Group **Year ended 31 December 2013 (Restated)**	**Quarries**	**Land**	**Buildings**	**Plant & equipment**	**Motor vehicles**	**Office furniture, fixtures and equipment**	**Assets under construction**	**Total**
Opening balance	**114,261**	**277,313**	**222,041**	**989,913**	**48,404**	**13,793**	**41,634**	**1,707,359**
Additions	2,290	263	830	3,287	410	229	39,572	46,881
Disposals (NBV) (note 29)	-73	-1,009	-428	-955	-495	-9	-106	-3,075
Reclassification of assets from/to other PPE categories	1,666	-531	3,875	24,409	-2,186	812	-28,045	-
Transfers to inventories (note 19)	-	-	-	-122	-	-	-131	-253
Transfers to investment properties (note 12)	-	-206	-3,314	-	-	-	-	-3,520
Depreciation charge (note 29)	-2,128	-2,736	-10,928	-64,917	-12,331	-3,072	-	-96,112
Impairment of PPE (note 29)	-	-603		24	-	-	-	-579
Exchange differences	-4,337	-18,050	-10,660	-50,988	-845	-223	-1,651	-86,754
Ending balance	**111,679**	**254,441**	**201,416**	**900,651**	**32,957**	**11,530**	**51,273**	**1,563,947**
Leased assets under finance leases								
Opening balance	**-**	**-**	**-**	**493**	**329**	**-**	**-**	**822**
Additions	-	-	-	272	-	-	-	272
Depreciation charge (note 29)	-	-	-	-73	-23	-	-	-96
Exchange differences	-	-	-	1	-1	-	-	-
Ending balance	**-**	**-**	**-**	**693**	**305**	**-**	**-**	**998**
At 31 December 2013								
Cost	**154,064**	**276,268**	**356,797**	**1,565,292**	**180,946**	**53,500**	**51,273**	**2,638,140**
Accumulated depreciation	-28,501	-21,254	-155,381	-661,796	-147,678	-41,739	-	-1,056,349
Accumulated losses of impairment of PPE	-13,884	-573	-	-2,152	-6	-231	-	-16,846
Net book value	**111,679**	**254,441**	**201,416**	**901,344**	**33,262**	**11,530**	**51,273**	**1,564,945**
Year ended 31 December 2014								
Opening balance	**111,679**	**254,441**	**201,416**	**900,651**	**32,957**	**11,530**	**51,273**	**1,563,947**
Additions	2,055	23	516	4,545	479	579	70,336	78,533
Acquisition of subsidiary (note 30)		3,834	929	379	32	12	3	5,189
Disposals (NBV) (note 29)	-	-757	-323	-255	-312	-32	-39	-1,718
Provisions for dismantling	-	-	37	98	-	2	-	137
Reclassification of assets from/to other PPE categories	102	1,707	3,792	19,113	6,795	1,041	-32,216	334
Transfers from inventories (note 19)	-	1,167	-	565	-	-	123	1,855
Transfers from investment properties (note 12)	-	523	3,622	-	-	-	61	4,206
Reclassification of assets from/to intangible assets (note 13)	5	-	-	-	-	-	-402	-397
Depreciation charge (note 29)	-3,064	-2,697	-10,682	-64,380	-9,734	-2,875	-	-93,432
Impairment of PPE (note 29)	-	-	-	-324	-	-	-	-324
Exchange differences	11,967	24,829	10,661	57,302	1,778	226	5,808	112,571
Ending balance	**122,744**	**283,070**	**209,968**	**917,694**	**31,995**	**10,483**	**94,947**	**1,670,901**
Leased assets under finance leases								
Opening balance	**-**	**-**	**-**	**693**	**305**	**-**	**-**	**998**
Additions	-	-	-	334	1,203	-	-	1,537
Reclassification of assets to other PPE categories	-	-	-	-334	-	-	-	-334
Depreciation charge (note 29)	-	-	-	-113	-21	-	-	-134
Exchange differences	-	-	-	23	19	-	-	42
Ending balance	**-**	**-**	**-**	**603**	**1,506**	**-**	**-**	**2,109**
At 31 December 2014								
Cost	173,664	310,467	387,085	1,680,205	199,526	55,517	94,947	2,901,411
Accumulated depreciation	-35,150	-26,745	-177,117	-761,075	-166,025	-45,034	-	-1,211,146
Accumulated losses of impairment of PPE	-15,770	-652	-	-833	-	-	-	-17,255
Net book value	**122,744**	**283,070**	**209,968**	**918,297**	**33,501**	**10,483**	**94,947**	**1,673,010**

11. Property, plant and equipment (continued)

(all amounts in Euro thousands)

Company

Year ended 31 December 2013	Quarries	Land	Buildings	Plant & equipment	Motor vehicles	Office furniture, fixtures and equipment	Assets under construction	Total
Opening balance	**950**	**3,695**	**54,768**	**165,946**	**913**	**8,207**	**3,193**	**237,672**
Additions	33	-	574	1,705	136	230	7,253	9,931
Disposals (NBV) (note 29)	-	-	-	-600	-20	-16	-	-636
Reclassification of assets from/to other PPE categories	-	-	210	1,110	-	-	-1,320	-
Transfers to investment properties (note 12)	-	-170	-1,645	-	-	-	-	-1,815
Depreciation charge (note 29)	-63	-	-2,297	-9,288	-179	-1,017	-	-12,844
Reversal of impairment of PPE due to disposal (note 29)	-	-	-	24	-	-	-	24
Ending balance	**920**	**3,525**	**51,610**	**158,897**	**850**	**7,404**	**9,126**	**232,332**
At 31 December 2013								
Cost	1,640	3,695	91,744	317,347	3,964	26,523	9,126	454,039
Accumulated depreciation	-720	-	-40,134	-156,298	-3,108	-18,888	-	-219,148
Accumulated losses of impairment of PPE	-	-170	-	-2,152	-6	-231	-	-2,559
Net book value	**920**	**3,525**	**51,610**	**158,897**	**850**	**7,404**	**9,126**	**232,332**
Year ended 31 December 2014								
Opening balance	**920**	**3,525**	**51,610**	**158,897**	**850**	**7,404**	**9,126**	**232,332**
Additions	16	-	388	1,536	70	540	10,922	13,472
Disposals/write-offs (NBV) (note 29)	-	-	-	-185	-10	-36	-	-231
Reclassification of assets from/to other PPE categories	-	-	514	2,464	-	245	-3,223	-
Reclassification of assets to intangible assets (note 13)	-	-	-	-	-	-	-197	-197
Provisions for dismantling	-	-	37	98	-	2	-	137
Transfers from investment properties (note 12)	-	523	3,621	-	-	-	-	4,144
Depreciation charge (note 29)	-63	-	-2,237	-9,795	-160	-949	-	-13,204
Reversal of impairment of PPE due to disposal (note 29)	-	-	-	15	-	-	-	15
Ending balance	**873**	**4,048**	**53,933**	**153,030**	**750**	**7,206**	**16,628**	**236,468**
At 31 December 2014								
Cost	1,656	4,048	96,710	317,004	3,489	26,348	16,628	465,883
Accumulated depreciation	-783	-	-42,777	-163,485	-2,739	-19,142	-	-228,926
Accumulated losses of impairment of PPE	-	-	-	-489	-	-	-	-489
Net book value	**873**	**4,048**	**53,933**	**153,030**	**750**	**7,206**	**16,628**	**236,468**

Disposal of assets

Group

During 2014, the Group received €0.2 mil. (2013: €4.7 mil.) from the disposal of tangible assets with total net book value of €1.8 mil. (2013: €3.1 mil.). Thus, the Group recognized a €1.5 mil. loss (2013: €1.6 mil. gain) on disposal of PPE in the consolidated income statement (note 4).

Company

During 2014, the Company received €183 thousand (2013: €692 thousand) from the disposal of tangible assets with total net book value of €231 thousand (2013: €636 thousand). Thus, the Company recognized a €48 thousand loss (2013: €56 thousand gain) on disposal of PPE in the income statement (note 4).

Impairment of property, plant and equipment:

Assets that have an indefinite useful life (land) are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized as an expense immediately in other expenses, for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Pledge of assets

The assets of the Company have not been pledged. The assets of the Group have a pledge for the amount of €3.2 mil. that is related to the Group's subsidiary Transbeton-Domiki S.A., as a security of its bank credit facilities for an amount up to €3.3 mil. and is on the assets of this entity. As at 31.12.2014, utilization under these credit facilities amounted to €2.9 mil..

12. Investment property

The Group's investment property does not include certain investment properties of the Company, which are leased to Group subsidiaries, and as a result, are included in property, plant and equipment in the Group statement of financial position. Investment property is measured at fair value by external, independent, certified valuators, members of the institute of the certified valuators and certified from the European Group of Valuers' Associations (TEGoVA) & RCIS.

(all amounts in Euro thousands)	Group		Company	
	2014	2013	2014	2013
Opening balance	**13,220**	**8,546**	**13,973**	**11,959**
Additions	61	-	-	-
Net gain/(loss) from measurement at fair value	125	-626	79	-683
Transfer from own-used property after revaluation	65	1,780	-	882
Transfer to/from property, plant and equipment (note 11)	-4,206	3,520	-4,144	1,815
Exchange differences	2	-	-	-
Ending balance	**9,267**	**13,220**	**9,908**	**13,973**

	Group		Company	
	2014	2013	2014	2013
Rental income derived from investment property	200	193	52	53
Direct operating expenses (including repair and maintenance) that did not generate rental income	-8	-22	-8	-21
Net profit arising from investment properties carried at fair value	**192**	**171**	**44**	**32**

The fair value of investment property that is located in urban areas, was estimated in accordance with the current market values of similar properties. The fair value of land located in rural areas as well as quarries, was estimated based on local valuations.

13. Intangible assets and Goodwill

(all amounts in Euro thousands)

Group	Initial goodwill	Goodwill impairment	Total goodwill	Licences	Research and development costs	Trademarks	Customer relationships	Other intangible assets	Total
Year ended 31 December 2013 (Restated)									
Opening balance	**352,711**	**-5,426**	**347,285**	**22,821**	**5,335**	**29,501**	**48,961**	**8,278**	**462,181**
Additions	-	-	-	35	470	-	-	1,163	1,668
Disposals (NBV) (note 29)	-	-	-	-	-	-	-	-77	-77
Impairment (note 29)	-	-800	-800	-	-	-	-	-42	-842
Amortization charge (note 29)	-	-	-	-469	-1,083	-1,669	-11,917	-2,387	-17,525
Exchange differences	-23,475	-	-23,475	-1,056	-190	-2,370	-3,853	-433	-31,377
Ending balance	**329,236**	**-6,226**	**323,010**	**21,331**	**4,532**	**25,462**	**33,191**	**6,502**	**414,028**
Year ended 31 December 2014									
Opening balance	**329,236**	**-6,226**	**323,010**	**21,331**	**4,532**	**25,462**	**33,191**	**6,502**	**414,028**
Additions	-	-	-	-	1,437	-	-	534	1,971
Disposals (NBV) (note 29)	-	-	-	-	-	-	-	-70	-70
Additions due to acquisition of joint venture (note 30)	3,138	-	3,138	-	-	-	-	-	3,138
Reclassification of assets to/from property, plant & equipment (note 11)	-	-	-	-	-5	-	-	402	397
Reversal of impairment (note 29)	-	-	-	-	-	-	-	738	738
Amortization charge (note 29)	-	-	-	-449	-1,867	-1,591	-5,972	-2,441	-12,320
Exchange differences	31,360	-	31,360	781	543	2,636	2,500	378	38,198
Ending balance	**363,734**	**-6,226**	**357,508**	**21,663**	**4,640**	**26,507**	**29,719**	**6,043**	**446,080**

13. Intangible assets and Goodwill (continued)

(all amounts in Euro thousands)

Company	Trademarks	Other intangible assets	Total
Year ended 31 December 2013			
Opening balance	**81**	**1,018**	**1,099**
Additions	-	551	551
Amortization charge (note 29)	-	-423	-423
Impairment (note 29)	-	-42	-42
Ending balance	**81**	**1,104**	**1,185**
Year ended 31 December 2014			
Opening balance	**81**	**1,104**	**1,185**
Additions	-	335	335
Disposals (NBV) (note 29)	-	-7	-7
Reclassification of assets from property, plant & equipment (note 11)	-	197	197
Amortization charge (note 29)	-	-475	-475
Reversal of impairment (note 29)	-	738	738
Ending balance	**81**	**1,892**	**1,973**

In 2014, the Group and the Company did not record an impairment of goodwill as the carrying values of the main cash-generating units exceeded their recoverable amounts.

In 2013, the Group recorded an impairment of goodwill amounting to €0.8 mil. in the income statement. The impairment was recorded as certain assumptions that had been used for the goodwill impairment test of a Group subsidiary operating in Greece were not verified.

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to the following cash-generating units ("CGU's") per region of operation.

(all amounts in Euro thousands)

Carrying amount of goodwill (by geographical segment):	**2014**	**2013 Restated**
Greece and Western Europe	16,709	13,571
North America	180,162	158,615
South Eastern Europe	56,621	56,946
Eastern Mediterranean	104,016	93,878
	357,508	**323,010**

The provision of goodwill impairment is charged to the income statement.

Key assumptions

The recoverable amount of all CGUs has been determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below.

The calculation of value-in-use for the Group's evaluated CGUs is most sensitive to the following assumptions:

- Sales volumes;
- Selling prices;
- Gross margin;
- Growth rate used to extrapolate cash flows beyond the specific projection period; and
- Discount rates

13. Intangible assets and Goodwill (continued)

Sales volumes:
Volume assumptions have been provided by local management and reflect its best estimates as derived from sales forecasts for the development of which a combination of factors have been taken into consideration: past performance, local market growth estimates, infrastructure projects in which the company will participate (public investments), etc. In the USA, sales volume growth rates are also based on published industry research and take into account demographic trends including population growth, household formation, and economic output (among other factors) in the states where the Group operates. In addition to demographic trends, long-term growth rates take into account cement/concrete intensity in construction which has historically varied from state to state based on building codes, availability of raw materials, and other factors.

Selling prices:
Price assumptions have been provided by local management and reflect its best estimates. Factors it had taken into consideration involve inflation, brand loyalty, growth rate of the regional economy, competition, production cost increases, etc. The Group has assumed the following compound annual growth rates for sales for the five year period.

Sales Growth	**2014**	**2013 Restated**
Greece and Western Europe	7.2% - 17.3%	6.1% - 18.9%
North America	11.8% - 15.0%	13.2% - 15.1%
South Eastern Europe	0.8% - 7.5%	0.7% - 9.8%
Eastern Mediterranean	11.0%	12.7%

Gross margin:
Illustrates all cost of goods sold related factors and incorporates among others, the evolution of energy cost. The Group has assumed the following gross margin compound annual growth rates for the five year period:

Gross margin Growth	**2014**	**2013 Restated**
Greece and Western Europe	8.3% - 18.7%	7% - 34.6%
North America	11.5% - 33.9%	20.4% - 34.5%
South Eastern Europe	1.8% - 16.3%	5.3% - 16.9%
Eastern Mediterranean	18.7%	25.4%

Perpetual growth rates:

Factors that have been taken into consideration are estimates from the local Central Banks in the countries where the Group operates relating to the growth of the local economies over the next years along with the co-relation that exists between the growth of the economy and that of the construction sector.

In the USA, following the five year specific forecast period, management used a fading-growth-rate model in its value-in-use calculation. Under this approach, cash flows are assumed to increase at a higher rate following the specific projection period before settling into a long-term growth rate. The growth rates have been estimated by management as follows:

Perpetual Growth rates	**2014**	**2013 Restated**
Greece and Western Europe	3%	3%
North America	3% - 4%	3% - 4%
South Eastern Europe	2%	2%
Eastern Mediterranean	3.5%	3%

Discount rates:
Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest bearing borrowings the Group is obliged to service. Country-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Discount rates	**2014**	**2013 Restated**
Greece and Western Europe	12.4%	12.7%
North America	9.1%	9.6%
South Eastern Europe	8.1% - 14.4%	8% -17.6%
Eastern Mediterranean	18.7%	19.3%

Sensitivity of recoverable amounts
As at December 31, 2014, the Group analyzed the sensitivities of the recoverable amounts to a reasonable possible change of a key assumption (notably to a change of one point in the discount rate or the perpetual growth rate). These analyses did not show a situation in which the carrying value of the main CGUs would exceed their recoverable amount.

14. Principal subsidiaries, associates and joint ventures

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	2014 % of investment (*) Direct	2014 % of investment (*) Indirect	2013 % of investment (*) Direct	2013 % of investment (*) Indirect
Full consolidation method						
Titan Cement Company S.A	Greece	Cement producer	Parent company		Parent company	
Aeolian Maritime Company	Greece	Shipping	100.000	-	100.000	-
Aitolika Quarries S.A.	Greece	Quarries & aggregates	-	63.723	-	63.723
Albacem S.A.	Greece	Trading company	99.996	0.004	99.996	0.004
Arktias S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Interbeton Construction Materials S.A.	Greece	Ready mix & aggregates	99.892	0.108	99.851	0.149
Intertitan Trading International S.A.	Greece	Trading company	99.995	0.005	99.995	0.005
KTIMET Quarries S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Porfirion S.A.	Greece	Production and trade of electricity	-	100.000	-	100.000
Gournon Quarries S.A.	Greece	Quarries & aggregates	54.930	45.070	54.930	45.070
Quarries of Tagaradon Community S.A.	Greece	Quarries & aggregates	-	79.928	-	79.928
Quarries of Tanagra S.A. (1)	Greece	Quarries & aggregates	-	-	-	100.000
Vahou Quarries S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Sigma Beton S.A.	Greece	Quarries & aggregates	-	100.000	-	100.000
Titan Atlantic Cement Industrial and Commercial S.A.	Greece	Investment holding company	43.947	56.053	43.947	56.053
Titan Cement International Trading S.A.	Greece	Trading company	99.933	0.067	99.933	0.067
Transbeton - Domiki S.A. (2)	Greece	Ready mix	-	100.000	-	-
Double W & Co OOD	Bulgaria	Port	-	99.989	-	99.989
ECO Conception EOOD	Bulgaria	Alternative fuels	-	99.989	-	99.989
Granitoid AD	Bulgaria	Trading company	-	99.760	-	99.760
Gravel & Sand PIT AD	Bulgaria	Quarries & aggregates	-	99.989	-	99.989
Trojan Cem EOOD (9,10)	Bulgaria	Trading company	-	83.599	-	83.943
Zlatna Panega Beton EOOD	Bulgaria	Ready mix	-	99.989	-	99.989
Zlatna Panega Cement AD	Bulgaria	Cement producer	-	99.989	-	99.989
Green Alternative Energy Assets EAD	Bulgaria	Alternative fuels	-	100.000	-	100.000
Cementi ANTEA SRL	Italy	Trading company	-	60.000	-	60.000
Cementi Crotone S.R.L.	Italy	Import & distribution of Cement	-	100.000	-	100.000
Fintitan SRL	Italy	Import & distribution of cement	100.000	-	100.000	-
Separation Technologies Canada Ltd	Canada	Processing of fly ash	-	100.000	-	100.000
Aemos Cement Ltd	Cyprus	Investment holding company	100.000	-	100.000	-
Alvacim Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Gaea Green Alternative Energy Assets Limited	Cyprus	Investment holding company	-	100.000	-	100.000
Balkcem Ltd (9,10)	Cyprus	Investment holding company	-	88.151	-	88.514
East Cement Trade Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Feronia Holding Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Iapetos Ltd	Cyprus	Investment holding company	100.000	-	100.000	-
KOCEM Limited	Cyprus	Investment holding company	-	100.000	-	100.000
Rea Cement Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Terret Enterprises Ltd (9,10)	Cyprus	Investment holding company	-	88.151	-	88.514
Themis Holdings Ltd	Cyprus	Investment holding company	-	100.000	-	100.000
Titan Cement Cyprus Limited (9,10)	Cyprus	Investment holding company	-	88.151	-	88.514
Tithys Ltd (9,10)	Cyprus	Investment holding company	-	88.151	-	88.514
Alexandria Portland Cement Co. S.A.E (8)	Egypt	Cement producer	-	82.513	-	82.513
Beni Suef Cement Co.S.A.E. (8)	Egypt	Cement producer	-	82.513	-	82.513
Titan Beton & Aggregate Egypt LLC (8)	Egypt	Quarries & aggregates	-	83.118	-	83.118
Sharr Beteiligungs GmbH (9,10)	Germany	Investment holding company	-	88.151	-	88.514

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

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	2014 % of investment (*) Direct	2014 % of investment (*) Indirect	2013 % of investment (*) Direct	2013 % of investment (*) Indirect
Full consolidation method						
Separation Technologies U.K. Ltd [3]	U.K.	Processing of fly ash	-	-	-	100.000
Titan Cement U.K. Ltd	U.K.	Import & distribution of cement	100.000	-	100.000	-
Titan Global Finance PLC	U.K.	Financial services	100.000	-	100.000	-
Alexandria Development Co.Ltd [8]	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 [4]	U.S.A.	Sales of fly ash processing equipment	-	100.000	-	-
Summit Ready-Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Titan Florida LLC [5]	U.S.A.	Cement producer	-	100.000	-	100.000
Titan Carolina Concrete LLC [6]	U.S.A.	Ready mix	-	-	-	100.000
Titan Mid-Atlantic Aggregates LLC	U.S.A.	Quarries & aggregates	-	100.000	-	100.000
Titan Virginia Ready Mix LLC	U.S.A.	Ready mix	-	100.000	-	100.000
Titan America LLC	U.S.A.	Investment holding company	-	100.000	-	100.000
Trusa Realty LLC	U.S.A.	Real estate brokerage	-	100.000	-	100.000
Tyson Material Transport LLC	U.S.A.	Transportation	-	100.000	-	100.000
Cementara Kosjeric AD [9,10]	Serbia	Cement producer	-	88.151	-	88.514
Stari Silo Company DOO [9,10]	Serbia	Trading company	-	88.151	-	88.514
TCK Montenegro DOO [9,10]	Montenegro	Trading company	-	88.151	-	88.514
Cement Plus LTD [9,10]	F.Y.R.O.M	Trading company	-	54.339	-	54.563
GAEA Zelena Alternative Enerjia DOOEL	F.Y.R.O.M	Alternative fuels	-	100.000	-	100.000
Rudmark DOOEL [9,10]	F.Y.R.O.M	Trading company	-	83.599	-	83.943
Usje Cementarnica AD [9,10]	F.Y.R.O.M	Cement producer	-	83.599	-	83.943
Vesa DOOL	F.Y.R.O.M	Trading company	-	100.000	-	100.000
Kosovo Construction Materials L.L.C. [9,10]	Kosovo	Quarries & aggregates	-	88.151	-	88.514
Sharrcem SH.P.K. [9,10]	Kosovo	Cement producer	-	88.151	-	88.514
Alba Cemento Italia, SHPK	Albania	Trading company	-	60.000	-	60.000
Antea Cement SHA	Albania	Cement producer	-	60.000	-	60.000
GAEA Enerjia Alternative e Gjelber Sh.p.k.	Albania	Alternative fuels	-	100.000	-	100.000
Dancem APS	Denmark	Trading company	-	100.000	-	100.000
Aeas Netherlands B.V. [9,10]	Holland	Investment holding company	-	88.151	-	88.514
Colombus Properties B.V.	Holland	Investment holding company	100.000	-	100.000	-
Holtitan B.V. [9,10]	Holland	Investment holding company	-	88.151	-	88.514
Salentijn Properties1 B.V.	Holland	Investment holding company	100.000	-	100.000	-
Titan Cement Netherlands BV [9,10]	Holland	Investment holding company	-	88.151	-	88.514

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

Subsidiary, associate and joint venture name	Country of incorporation	Nature of business	2014 % of investment (*) Direct	2014 % of investment (*) Indirect	2013 % of investment (*) Direct	2013 % of investment (*) Indirect
Equity consolidation method						
Transbeton - Domiki S.A. [(2)]	Greece	Ready mix	-	-	-	50.000
Adocim Cimento Beton Sanayi ve Ticaret A.S. [(7)]	Turkey	Cement producer	-	50.000	-	50.000
ASH Venture LLC [(4)]	U.S.A.	Processing of fly ash	-	33.000	-	-
Karieri AD	Bulgaria	Quarries & aggregates	-	48.711	-	48.711
Karierni Materiali AD	Bulgaria	Quarries & aggregates	-	48.764	-	48.764
Vris OOD	Bulgaria	Quarries & aggregates	-	48.764	-	48.764

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

Significant Group structure changes

Fiscal year 2014

[(1)] Absorbed subsidiary by Interbeton Construction Materials S.A.
[(2)] Acquisition of the remaining 50% of the Group subsidiary Transbeton-Domini S.A (note 30)
[(3)] Liquidated subsidiary during the fiscal year 2014
[(4)] Formed subsidiaries during the fiscal year 2014
[(5)] Rename of the Group subsidiary in USA Tarmac America LLC to Titan Florida LLC
[(6)] Merged subsidiary by S&W Ready Mix LLC
[(7)] Change in method of accounting due to the adoption of IFRS 11 (note 1.1.2)
[(8)] Subsidiaries participating in the consolidated financial statements of the sub-group Alexandria Development Co.Ltd (note 15.3)
[(9)] Subsidiaries participating in the consolidated financial statements of the sub-group Titan Cement Cyprus Limited (note 15.3)
[(10)] Decrease by 0.3632 percentage points due to re-calculation of the Group share of the subsidiary Titan Cement Cyprus Limited

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

(all amounts in Euro thousands)	2014	2013
Participation in subsidiaries on 1st January	**1,243,829**	**1,213,365**
Share capital (decrease)/increase in subsidiaries	-392,950	30,275
Provision for impairment of investments	-5,211	-
Other	139	189
Participation in subsidiaries on 31st December	**845,807**	**1,243,829**

15. Investments in associates, joint ventures and subsidiaries

15.1 Investment in associates

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

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

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

Based on their contribution in its profit/(loss) before taxes, the Group decided that each one of the aforementioned associates is individually immaterial and thus it discloses in aggregate its interests in these associates as follows:

(all amounts in Euro thousands)

Summarized statement of financial position as at 31 December	**Aggregation of associates**	
	2014	**2013**
Non-current assets	49,004	23,987
Current assets	6,801	5,171
Total assets	**55,805**	**29,158**
Non-current liabilities	2,294	2,446
Current liabilities	15,039	16,220
Total liabilities	**17,333**	**18,666**
Equity	**38,472**	**10,492**
Group's carrying amount of the investment	**7,981**	**2,429**
Summarized income statement and statement of comprehensive income for the year ended 31 December		
Turnover	**18,068**	**8,902**
Profit/(loss) after taxes	**3,033**	**-625**
Other comprehensive loss for the year	-16	-
Total comprehensive income/(loss) for the year net of tax	**3,017**	**-625**
Reconciliation of summarized financial information		
Carrying amount of the investment as at 1 January	**2,429**	**2,734**
Profit/(loss) for the year	1,228	-305
Other comprehensive loss for the year	-8	-
Investment in associate	5,133	-
Dividends received	-1,404	-
Foreign exchange differences	603	-
Carrying amount of the investment as at 31 December	**7,981**	**2,429**

15. Investments in associates, joint ventures and subsidiaries (continued)

15.2 Investment in joint ventures

Following the adoption of IFRS 11 on 1 January 2014, the Group incorporates in its financial statements with the equity method of consolidation the companies Transbeton-Domiki S.A., based in Greece, and Adocim Cimento Beton Sanayi ve Ticaret A.S., based in Turkey. The Group's ownership percentage in each company is 50.0%. The Group has joint control over the two joint ventures and therefore applies the equity method, as the new standard requires (note 1.1.2). Until 31 December 2013, the Group incorporated in its financial statements the aforementioned companies with the proportionate method of consolidation.

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

On 1 October 2014, the Group acquired the remaining 50% of the Transbeton-Domiki S.A. and now it is incorporated in consolidated financial statements with the full method of consolidation (note 14, 30).

The following table illustrates the summarized financial information of the Group's investment in the joint venture Adocim Cimento Beton Sanayi ve Ticaret A.S. until 31 December 2014 and the subsidiary Transbeton-Domiki S.A until 30 September 2014:

(all amounts in Euro thousands)

Summarized statement of financial position as at 31 December	**Adocim Cimento Beton Sanayi ve Ticaret A.S.**		**Transbeton-Domiki S.A.**	
	2014	**2013**	**2014**	**2013**
Non-current assets	78,573	73,512	-	2,641
Other current assets	41,633	34,702	-	1,790
Cash and cash equivalents	104	191	-	298
Total assets	**120,310**	**108,405**	**-**	**4,729**
Long-term borrowings	29,510	22,730	-	-
Deferred income tax liability	1,157	880	-	-
Other non-current liabilities	541	492	-	108
Short-term borrowings	25,062	34,480	-	3,318
Other current liabilities	15,065	12,164	-	515
Total liabilities	**71,335**	**70,746**	**-**	**3,941**
Equity	**48,975**	**37,659**	**-**	**788**

Summarized income statement and statement of comprehensive income	**1.1 - 31.12.2014**	**1.1 - 31.12.2013**	**1.1 - 30.9.2014**	**1.1 - 31.12.2013**
Turnover	**82,725**	**81,140**	**1,647**	**2,144**
Profit/(loss) after taxes	**9,212**	**-244**	**-1,846**	**-523**
Other comprehensive loss	-	-	-	-6
Total comprehensive income/(loss) for the year net of tax	**9,212**	**-244**	**-1,846**	**-529**

Reconciliation of summarized financial information	**2014**	**2013**	**2014**	**2013**
Carrying amount of the investment as at 1st of January	**70,540**	**89,000**	**4,283**	**4,548**
Profit/(loss) for the year	4,606	-122	-923	-261
Other comprehensive loss for the year	-	-	-	-4
Change in consolidation method	-	-	-3,360	-
Intra-group eliminations	34	27	-	-
Foreign exchange differences	3,372	-18,365	-	-
Carrying amount of the investment as at 31st of December	**78,552**	**70,540**	**-**	**4,283**

15. Investments in associates, joint ventures and subsidiaries (continued)

15.3 Subsidiaries with significant percentage of non-controlling interests

The following table summarizes the financial information of subsidiaries, in which the non-controlling interests held significant portion (note 14).

(all amounts in Euro thousands)

Summarized statement of financial position as at 31 December	**Alexandria Development Co.Ltd Consolidated ***		**Titan Cement Cyprus Limited Consolidated ***	
	2014	**2013**	**2014**	**2013**
Non-current assets	650,853	588,104	121,461	124,618
Current assets	112,473	67,094	61,526	106,552
Total assets	**763,326**	**655,198**	**182,987**	**231,170**
Non-current liabilities	190,614	186,887	3,774	3,317
Current liabilities	143,240	66,999	13,427	10,152
Total liabilities	**333,854**	**253,886**	**17,201**	**13,469**
Equity	**429,472**	**401,312**	**165,786**	**217,701**
Attributable to:				
Equity holders of the parent	335,671	312,436	139,688	185,073
Non-controlling interests	93,801	88,876	26,098	32,628

Summarized income statement and statement of comprehensive income for the year ended 31 December

	2014	**2013**	**2014**	**2013**
Turnover	**196,292**	**252,112**	**129,010**	**126,276**
Profit/(loss) after taxes	**6,538**	**24,689**	**31,209**	**35,265**
Other comprehensive income for the year	31,938	-47,926	-2,166	-388
Total comprehensive income for the year net of tax	**38,476**	**-23,237**	**29,043**	**34,877**
Total comprehensive income attributable to non-controlling interests	8,165	-5,624	4,227	5,269
Dividends paid to non-controlling interest	452	395	11,571	1,920

Summarized cash flow information for the year ended 31 December

	2014	**2013**	**2014**	**2013**
Cash flows from operating activities	5,188	59,377	40,308	46,400
Cash flows from investing activities	-17,928	-11,474	-8,291	-8,718
Cash flows from financing activities	17,837	-55,198	-81,206	-13,788
Net increase/(decrease) in cash and cash equivalents	**5,097**	**-7,295**	**-49,189**	**23,894**
Cash and cash equivalents at beginning of the year	9,702	20,066	75,387	51,503
Effects of exchange rate changes	2,360	-3,069	-59	-10
Cash and cash equivalents at end of the year	**17,159**	**9,702**	**26,139**	**75,387**

** Consolidated figures before elimination with the broader Group*

16. Available-for-sale financial assets

	Group		**Company**	
(all amounts in Euro thousands)	**2014**	**2013**	**2014**	**2013**
Opening balance	**1,636**	**1,940**	**172**	**169**
Additions	-	3,043	-	3,003
Disposals	-	-3,000	-	-3,000
Revaluations	-171	-342	-	-
Exchange differences	4	-5	-	-
Ending balance	**1,469**	**1,636**	**172**	**172**
Analysis of available-for-sale financial assets:				
Non-current portion	1,406	1,573	111	111
Current portion	63	63	61	61
	1,469	**1,636**	**172**	**172**

Available-for-sale financial assets include mainly non-listed securities.
Available-for-sale investments are fair valued annually at the close of business on 31 December (note 34).

17. Other non current assets

(all amounts in Euro thousands)	**Group**		**Company**	
	2014	**2013 Restated**	**2014**	**2013**
Utility deposits	3,468	3,274	2,916	2,768
Excess benefit plan assets (note 25)	4,732	4,024	-	-
Notes receivable- trade	652	468	-	-
Other non-current assets	7,352	3,851	44	-
	16,204	**11,617**	**2,960**	**2,768**

18. Deferred income taxes

Deferred income taxes are calculated in full on temporary differences under the liability method using the principal tax rates that apply to the countries in which the companies of the Group operate.

(all amounts in Euro thousands)

The movement in the deferred income tax account after set-offs is as follows:	Group		Company	
	2014	2013 Restated	2014	2013
Opening balance, net deferred liability	**162,314**	**175,841**	**14,215**	**17,972**
Income statement charge (note 8)	-11,298	-615	-9,610	-4,767
Tax charged to equity through other comprehensive income	-2,143	2,091	-1,240	1,010
Deferred tax adjustment due to change in income tax rates	14,623	-	-	-
Exchange differences	18,072	-15,003	-	-
Ending balance, net deferred liability	**181,568**	**162,314**	**3,365**	**14,215**

	Group		Company	
Analysis of deferred tax liabilities (before set - offs)	2014	2013 Restated	2014	2013
Property, plant and equipment	257,888	223,635	32,421	34,528
Intangible assets	44,914	38,473	135	-
Provisions	3,339	8,591	1,800	6,253
Long term borrowings	5,011	-	-	-
Receivables and prepayments	1,575	1,533	72	6
Trade and other payables	185	89	54	335
	312,912	**272,321**	**34,482**	**41,122**
Analysis of deferred tax assets (before set - offs)				
Intangible assets	-12,698	-13,813	-	-14
Investments & other non-current receivables	-3,551	-2,286	-2,671	-1,316
Inventories	-1,001	-1,269	-168	-256
Post-employment and termination benefits	-9,536	-7,205	-3,647	-2,933
Receivables and prepayments	-8,333	-6,023	-769	-460
Tax losses carried forward (note 8)	-78,211	-67,988	-16,362	-19,600
Interest expense tax carried forward	-5,705	-	-5,705	-
Long term borrowings	-	-1,660	-	-
Government grants	-49	-704	-1,114	-1,135
Provisions	-12,162	-7,994	-596	-457
Trade and other payables	-98	-36	-85	-
Financial instruments	-	-1,029	-	-736
	-131,344	**-110,007**	**-31,117**	**-26,907**
Net deferred tax liability	**181,568**	**162,314**	**3,365**	**14,215**

The movement in differed tax assets liabilities (prior to offsetting balances within the same tax jurisdiction) during the year is as follows:

Group	January 1, 2014	Debit/(Credit) to net profit	Debit/(Credit) to equity through statement OCI	Deferred tax adjustment due to change in income tax rates	Exchange differences	December 31, 2014
Deferred tax liabilities (before set - offs)						
Property, plant and equipment	223,635	-2,126	-	12,725	23,654	257,888
Intangible assets	38,473	5	-	1,898	4,538	44,914
Provisions	8,591	-5,280	-	-	28	3,339
Long term borrowings	-	4,942	-	-	69	5,011
Receivables and prepayments	1,533	-71	-	-	113	1,575
Trade and other payables	89	85	-	-	11	185
	272,321	**-2,445**	**-**	**14,623**	**28,413**	**312,912**
Deferred tax assets (before set - offs)						
Intangible assets	-13,813	2,652	-	-	-1,537	-12,698
Investments & other non-current receivables	-2,286	-1,265	-	-	-	-3,551
Inventories	-1,269	401	-	-	-133	-1,001
Post-employment and termination benefits	-7,205	-374	-1,531	-	-426	-9,536
Receivables and prepayments	-6,023	-1,933	-	-	-377	-8,333
Tax losses carried forward (note 8)	-67,988	-3,783	-	-	-6,440	-78,211
Interest expense tax carried forward	-	-5,705	-	-	-	-5,705
Long term borrowings	-1,660	1,860	-	-	-200	-
Government grants	-704	495	-	-	160	-49
Provisions	-7,994	-2,815	-	-	-1,353	-12,162
Trade and other payables	-36	-62	-	-	-	-98
Financial instruments	-1,029	1,676	-612	-	-35	-
	-110,007	**-8,853**	**-2,143**	-	**-10,341**	**-131,344**
Net deferred tax liability	**162,314**	**-11,298**	**-2,143**	**14,623**	**18,072**	**181,568**

18. Deferred income taxes (continued)

(all amounts in Euro thousands)

Company	**January 1, 2014**	**Debit/(Credit) to net profit**	**Debit/(Credit) to equity through statement OCI**	**December 31, 2014**
Deferred tax liabilities (before set - offs)				
Property, plant and equipment	34,528	-2,107	-	32,421
Intangible assets	-	135	-	135
Receivables and prepayments	6	66	-	72
Provisions	6,253	-4,453	-	1,800
Trade and other payables	335	-281	-	54
	41,122	**-6,640**	**-**	**34,482**
Deferred tax assets (before set - offs)				
Intangible assets	-14	14	-	-
Investments & other non-current receivables	-1,316	-1,355	-	-2,671
Inventories	-256	88	-	-168
Receivables and prepayments	-460	-309	-	-769
Government grants	-1,135	21	-	-1,114
Provisions	-457	-139	-	-596
Post-employment and termination benefits	-2,933	-86	-628	-3,647
Financial instruments	-736	1,348	-612	-
Trade and other payables	-	-85	-	-85
Interest expense tax carried forward	-	-5,705	-	-5,705
Tax losses carried forward (note 8)	-19,600	3,238	-	-16,362
	-26,907	**-2,970**	**-1,240**	**-31,117**
Net deferred tax liability	**14,215**	**-9,610**	**-1,240**	**3,365**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The movement in deferred tax assets and liabilities (prior to offsetting balances within the same tax jurisdiction) during the prior year is as follows:

(all amounts in Euro thousands)

Group (Restated)	**January 1, 2013**	**Debit/(Credit) to net profit**	**Debit/(Credit) to equity through statement OCI**	**Exchange differences**	**December 31, 2013**
Deferred tax liabilities (before set - offs)					
Property, plant and equipment	228,580	9,520	229	-14,694	223,635
Intangible assets	38,641	3,567	-	-3,735	38,473
Provisions	4,845	3,758	-	-12	8,591
Receivables and prepayments	3,643	-2,065	-	-45	1,533
Trade and other payables	-2,842	2,747	-	184	89
	272,867	**17,527**	**229**	**-18,302**	**272,321**
Deferred tax assets (before set - offs)					
Intangible assets	-10,951	-3,614	-	752	-13,813
Investments & other non-current receivables	-1,962	-324	-	-	-2,286
Inventories	-1,830	515	-	46	-1,269
Post-employment and termination benefits	-7,674	-679	1,012	136	-7,205
Receivables and prepayments	-8,665	2,525	-	117	-6,023
Tax losses carried forward (note 8)	-59,320	-10,593	-	1,925	-67,988
Long term borrowings	-161	-1,564	-	65	-1,660
Government grants	2,274	-2,995	-	17	-704
Provisions	-8,428	208	-	226	-7,994
Trade and other payables	-365	330	-	-1	-36
Financial instruments	56	-1,951	850	16	-1,029
	-97,026	**-18,142**	**1,862**	**3,299**	**-110,007**
Net deferred tax liability	**175,841**	**-615**	**2,091**	**-15,003**	**162,314**

18. Deferred income taxes (continued)

(all amounts in Euro thousands)

Company	January 1, 2013	Debit/(Credit) to net profit	Debit/(Credit) to equity through statement OCI	December 31, 2013
Deferred tax liabilities (before set - offs)				
Property, plant and equipment	27,521	6,778	229	34,528
Receivables and prepayments	-	6	-	6
Provisions	1,800	4,453	-	6,253
Trade and other payables	228	107	-	335
	29,549	**11,344**	**229**	**41,122**
Deferred tax assets (before set - offs)				
Intangible assets	-64	50	-	-14
Investments & other non-current receivables	-	-1,316	-	-1,316
Inventories	-256	-	-	-256
Receivables and prepayments	-765	305	-	-460
Government grants	-969	-166	-	-1,135
Provisions	-346	-111	-	-457
Post-employment and termination benefits	-2,260	-842	169	-2,933
Financial instruments	-	-1,348	612	-736
Tax losses carried forward (note 8)	-6,917	-12,683	-	-19,600
	-11,577	**-16,111**	**781**	**-26,907**
Net deferred tax liability	**17,972**	**-4,767**	**1,010**	**14,215**

19. Inventories

(all amounts in Euro thousands)	Group 2014	Group 2013 Restated	Company 2014	Company 2013
Raw materials-Maintenance stores	197,826	152,966	58,104	54,099
Finished goods	85,293	73,539	15,372	16,580
	283,119	226,505	73,476	70,679
Provision for obsolete inventory	-5,490	-5,382	-646	-985
	277,629	221,123	72,830	69,694
Transfer to/from property, plant and equipment (note 11)	-1,855	253	-	-
	275,774	**221,376**	**72,830**	**69,694**

Analysis of provision for impairment of inventories	Group 2014	Group 2013 Restated	Company 2014	Company 2013
Balance at 1 January	**5,382**	**5,843**	**985**	**1,278**
Charge for the year (note 29)	281	1,169	-	3
Unused amounts reversed (note 29)	-43	-1,357	-	-296
Utilized	-353	-56	-339	-
Exchange differences	206	-217	-	-
Balance at 31 December	**5,490**	**5,382**	**646**	**985**

The Group and the Company have not pledged their inventories as collateral.

20. Receivables and prepayments

(all amounts in Euro thousands)	Group 2014	Group 2013 Restated	Company 2014	Company 2013
Trade receivables	109,170	128,490	16,411	17,666
Cheques receivables	13,073	12,077	5,540	5,883
Trade receivables from related parties (note 32)	-	-	17,606	10,561
Allowance for doubtful debtors	-26,955	-28,226	-2,700	-5,402
	95,288	112,341	36,857	28,708
Creditors advances	8,074	3,393	465	93
Income tax receivables	2,008	3,431	158	375
V.A.T. and other tax receivables	6,550	19,445	2,202	1,799
Clay fee receivable (note 4, 29, 36)	-	2,077	-	-
Prepayments and other receivables	47,692	34,255	12,571	13,706
Other receivables from related parties (note 32)	18	9	2,682	2,752
Allowance for doubtful debtors	-2,181	-2,195	-1,766	-1,763
	62,161	60,415	16,312	16,962
	157,449	**172,756**	**53,169**	**45,670**

As at 31 December, the ageing analysis of trade receivables is as follows:

(all amounts in Euro thousands)	Group 2014	Group 2013 Restated	Company 2014	Company 2013
Neither past due but not impaired	59,427	67,385	30,868	23,000
Past due nor impaired:				
< 30 days	13,340	22,362	3,444	3,049
30-60 days	6,918	7,408	693	489
60-90 days	2,780	1,899	174	311
90-120 days	2,209	1,833	146	97
>120 days	10,614	11,454	1,532	1,762
	95,288	**112,341**	**36,857**	**28,708**

Part of the aforementioned trade receivables is secured by guarantees/collaterals, amounting to €22,743 thousand for the Group and €16,638 thousand for the Company (note 31).
Trade receivables are non-interest bearing and are normally settled on 30-170 days for the Group and the Company.

Allowance for doubtful debtors analysis

(all amounts in Euro thousands)	Group 2014	Group 2013 Restated	Company 2014	Company 2013
Balance at 1 January	**30,421**	**35,413**	**7,165**	**7,751**
Charge for the year (note 29)	3,652	6,098	403	1,604
Unused amounts reversed (note 29)	-2,834	-8,485	-843	-1,570
Utilized	-4,047	-1,983	-2,259	-620
Reclassification from receivables/payables	96	-301	-	-
Additions due to acquisitions	1,251	-	-	-
Exchange differences	597	-321	-	-
Balance at 31 December	**29,136**	**30,421**	**4,466**	**7,165**

21. Cash and cash equivalents

(all amounts in Euro thousands)	Group 2014	Group 2013 Restated	Company 2014	Company 2013
Cash at bank and in hand	86	51	7	3
Short-term bank deposits	142,860	184,206	16,964	8,777
	142,946	**184,257**	**16,971**	**8,780**

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

22. Share capital and premium

(all amounts are shown in Euro thousands unless otherwise stated)	**Group & Company**	
The total number of the authorized ordinary shares is:	**2014**	**2013**
Ordinary shares of €4.00 each	77,063,568	77,063,568
Preference shares of €4.00 each	7,568,960	7,568,960
	84,632,528	**84,632,528**

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 2013	**77,063,568**	**308,254**	**7,568,960**	**30,276**	**22,826**	**84,632,528**	**361,356**
Balance at 31 December 2013	**77,063,568**	**308,254**	**7,568,960**	**30,276**	**22,826**	**84,632,528**	**361,356**
Balance at 31 December 2014	**77,063,568**	**308,254**	**7,568,960**	**30,276**	**22,826**	**84,632,528**	**361,356**

	Ordinary shares		**Preference shares**		**Total**	
Treasury shares	**Number of shares**	**€'000**	**Number of shares**	**€'000**	**Number of shares**	**€'000**
Balance at 1 January 2013	**3,111,697**	**89,329**	**5,919**	**117**	**3,117,616**	**89,446**
Treasury shares sold	-50,282	-1,766	-	-	-50,282	-1,766
Balance at 31 December 2013	**3,061,415**	**87,563**	**5,919**	**117**	**3,067,334**	**87,680**
Treasury shares sold	-141,503	-4,047	-	-	-141,503	-4,047
Balance at 31 December 2014	**2,919,912**	**83,516**	**5,919**	**117**	**2,925,831**	**83,633**

For the year 2014, the average stock price of Titan Cement Company S.A. ordinary shares was €21.50 (2013: €15.67) and the closing price of the ordinary shares at December 31, 2014 was €19.17 (2013: €19.80).

Share options

Share options are granted to members of senior management. Movements in the number of share options outstanding are as follows:

	2010 scheme	**2014 scheme**
Balance at 1 January 2013	**919,830**	**-**
Exercised	-50,282	-
Non vested	-190,746	-
Cancelled	-18,904	-
Balance at 31 December 2013	**659,898**	**-**
Granted	-	250,190
Exercised	-141,503	-
Non vested	-118,977	-
Cancelled	-14,209	-
Balance at 31 December 2014	**385,209**	**250,190**

Share options outstanding at the end of the year have the following terms:

	2013	**2014**	**2014**
Exercise price	€ 4.00	€ 4.00	€ 10.00
Expiration date	**2010 scheme**	**2010 scheme**	**2014 scheme**
2014	9,828	-	-
2015	283,290	25,629	-
2016	366,780	359,580	-
2020	-	-	250,190
	659,898	**385,209**	**250,190**

22. Share capital and premium (continued)

2010 Programme

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

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

1) One-third of options granted vest based on the financial results of the Company.

2) One-third of options granted vest based on Titan Cement's stock performance relative to three Athens Stock Exchange indices during the three year period.

3) One-third of options granted vest based on Titan Cement's stock performance relative to that of ten predefined international cement producing companies during the three year period.

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

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

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

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

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

As of December 31st 2014, 138,684 options had been vested and from these 1,809 were cancelled. The remaining 136,875 options in addition with 4,628 options, that have been granted in 2010 and vested in 2013, were exercised by 84 Group executives, including 5 executive Board members of the Company. The attribution of the respective shares took place with the sale of 141,503 common treasury shares of the Company (over-the-counter transaction) with total purchase cost of €4,047 thousand (31.12.2013: €1,766 thousand). These shares represent 0.17% of Company's total shares of the paid up share capital, at a sale price per share equal to the nominal value of each Company share i.e. €4.00 per share, and a total sale price of €566 thousand (31.12.2013: €201 thousand). The loss caused by this transaction amounted to €3,481 thousand (31.12.2013: €1,565 thousand loss), attributed to the equity holders of the Company.

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

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

2014 Programme

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

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

a) By 50% on the average three year Return on Average Capital Employed (ROACE) compared to the target of each year period, as this will be determined by the Board of Directors before granting the relevant option rights.

b) By 50% on the overall performance of the Company's common share compared to the average overall performance of the shares of the ten predefined international cement producing companies.

In 2014, 250,190 share options were granted.

The options granted under the 2014 Programme have been accounted for in terms of the requirements of IFRS 2 "Share based payments".

The fair value of the options granted in 2014 was €7.39 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodologies were the share price at grant date of €25.32, the employee forfeiture rate 9.2%, the volatility of the share price estimated at 47.2%, the dividend yield of 0.376% and the yield of the 3 year EU Benchmark (Deutsche Bund) Government bond yield rate of 0.083%.

23. Other reserves

(all amounts in Euro thousands)

Group	Legal reserve	Special reserve	Contingency reserves	Tax exempt reserves under special laws	Revaluation reserve	Actuarial differences reserve	Currency translation differences on derivative hedging position	Foreign currency translation reserve	Total other reserves
Balance at 1 January 2013	**88,299**	**-6,477**	**271,892**	**133,192**	**53,739**	**1,432**	**36,163**	**-197,213**	**381,027**
Other comprehensive loss	-	-	-	-	1,065	1,872	1,735	-83,700	-79,028
Non-controlling interest's put option recognition & transfer between reserves	-	-	-	-	-4,515	-	-	-	-4,515
Transfer between reserves	2,527	-	-	-	-6,712	-	-	-	-4,185
Balance at 31 December 2013	**90,826**	**-6,477**	**271,892**	**133,192**	**43,577**	**3,304**	**37,898**	**-280,913**	**293,299**
Other comprehensive income	-	-	-	-	-116	-3,961	3,217	81,602	80,742
Contingency reserve distributed to shareholders (note 10)	-	-	-8,463	-	-	-	-	-	-8,463
Deferred tax adjustment due to change in income tax rates on revaluation reserves	-	-	-	-	-12,067	-	-	-	-12,067
Non-controlling interest's put option recognition & transfer between reserves	-	-	-	-	-735	-	-	-	-735
Transfer between reserves	1,761	600,000	3,096	-14,317	-4,155	-	-	364	586,749
Balance at 31 December 2014	**92,587**	**593,523**	**266,525**	**118,875**	**26,504**	**-657**	**41,115**	**-198,947**	**939,525**

Company	Legal reserve	Special reserve	Contingency reserves	Tax exempt reserves under special laws	Revaluation reserve	Actuarial differences reserve	Currency translation differences on derivative hedging position	Total other reserves
Balance at 1 January 2013	**68,650**	**16,245**	**259,998**	**116,581**	**-2,579**	**1,139**	**48,346**	**508,380**
Other comprehensive income	-	-	-	-	653	482	1,743	2,878
Transfer between reserves	-	-	-	-	4,588	-	-4,588	-
Balance at 31 December 2013	**68,650**	**16,245**	**259,998**	**116,581**	**2,662**	**1,621**	**45,501**	**511,258**
Other comprehensive income	-	-	-	-	-	-1,786	2,846	1,060
Contingency reserve distributed to shareholders (note 10)	-	-	-8,463	-	-	-	-	-8,463
Transfer between reserves	-	-	3,097	-10,716	-	-	-	-7,619
Balance at 31 December 2014	**68,650**	**16,245**	**254,632**	**105,865**	**2,662**	**-165**	**48,347**	**496,236**

Certain Group companies are obliged according to the applicable commercial law to retain a percentage of their annual net profits as legal reserve. This reserve cannot be distributed during the operational life of the company.

The Contingency Reserves include, among others, reserves formed by the Company and certain Group subsidiaries by applying developmental laws. These reserves have exhausted their tax liability or have been permanently exempted from taxation so there is no additional tax charge for the Group and the Company from their distribution.

On 20 June 2014, the Annual General Meeting of Shareholders decided the distribution of €8,463,252.80 from the aforementioned reserves (note 10).

The Tax Exempt Reserves under Special Laws, according to the Greek tax legislation, are exempt from income tax, provided that they are not distributed to the shareholders.

The distribution of the remaining aforementioned reserves can be carried out after the approval of the shareholders at the Annual General Meeting and the payment of the applicable tax. The Group has no intention to distribute the remaining amount of these reserves and consequently, has not calculated the income tax that would arise from such distribution.

23. Other reserves (continued)

In 2014, certain subsidiaries of the Group created a special reserve from prior years' retained earnings, which amounted to €600 mil., in line with the relevant BoD resolutions

The Revaluation Reserve includes: a) €33.8 mil. (2013: €49.8 mil.) as the fair value of tangible and intangible assets that the Group had in Egypt through its participation in the joint venture Lafarge-Titan Egyptian Investments Ltd, until it fully acquired the joint venture, b) €1.5 mil. (2013: €1.3 mil.) in fair value changes on available-for-sale financial assets, c) the €8.3 mil. (2013: €7.6 mil.) debit difference between the fair value and the book value arising from the recognition of the put option of the non-controlling interests for the sale of ANTEA Cement SHA's shares and d) €2.5 mil. as the fair value of tangible assets from the purchase price allocation of Transbeton-Domiki S.A. financial position at its acquisition (note 30).

The Actuarial Differences Reserve records the re-measurement gains and losses (actuarial gains and losses) arising from the actuarial studies performed by the Group's subsidiaries for various benefit, pension or other retirement schemes (note 25).

The Foreign Currency Translation Reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

The Currency Translation Differences on Derivative Hedging Position Reserve illustrates the exchange differences arising from the translation into euro of loans in foreign currency, which have been designated as net investment hedges for certain Group subsidiaries abroad. It also illustrates the exchange differences arising from the valuation of financial instruments used as cash flow hedges for transactions in foreign currencies.

24. Borrowings

(all amounts in Euro thousands)	Group		Company	
	2014	**2013 Restated**	**2014**	**2013**
Current				
Bank borrowings	49,182	43,516	95	173
Debentures	-	50,000	-	50,000
Finance lease liabilities	340	208	-	-
	49,522	**93,724**	**95**	**50,173**
Non-current				
Bank borrowings	122,262	382,241	-	-
Debentures	510,545	216,618	-	-
Loans from related parties	-	-	336,694	745,835
Finance lease liabilities	1,388	210	-	-
	634,195	**599,069**	**336,694**	**745,835**
Total borrowings	**683,717**	**692,793**	**336,789**	**796,008**

Maturity of non-current bank borrowings (excluding finance lease liabilities):

(all amounts in Euro thousands)	Group		Company	
	2014	**2013 Restated**	**2014**	**2013**
Between 1 and 2 years	20,916	300,512	-	648,339
Between 2 and 3 years	216,410	20,580	97,439	-
Between 3 and 4 years	44,097	218,743	117,318	97,496
Between 4 and 5 years	298,486	3,118	121,937	-
Over 5 years	52,898	55,906	-	-
	632,807	**598,859**	**336,694**	**745,835**

The Group subsidiary Titan Global Finance PLC (TGF) entered into a €455 mil. multi-currency forward start revolving credit facility with a syndicate of Greek and international banks. The contract was signed on 30 January 2014, in London. The facility, which is guaranteed by Titan Cement S.A., matures in January 2018 and it was used for refinancing credit facilities and financing general corporate purposes. The revolving credit facility's amount was partially cancelled by TGF's request and was reduced to €300 mil. as of December 2014.

On July 10th 2014, TGF issued €300 mil. nominal value notes at par, of a 5-year tenure, with an annual coupon of 4.25%, guaranteed by Titan Cement S.A.. The notes are being traded on the regulated market of the Luxembourg Stock Exchange. The proceeds from the issue were used for refinancing existing credit facilities of Titan Group.

24. Borrowings (continued)

The effective interest rates that affect the Income Statement are as follows:

	Group		Company	
	2014	2013 Restated	2014	2013
Borrowings (USD)	2.76%	2.90%	-	-
Borrowings (JPY)	2.70%	2.70%	-	-
Borrowings (EGP)	11.42%	11.70%	-	-
Borrowings (BGN)	3.56%	4.01%	-	-
Borrowings (LEK)	4.78%	7.69%	-	-
Borrowings (CAD)	3.22%	3.13%	-	-
Borrowings (€)	5.91%	5.65%	4.58%	4.30%
Finance lease liabilities (USD)	3.5-4.9%	4.95%	-	-
Finance lease liabilities (€)	5.17%	4.2-5.2%	-	-

Bank borrowings in foreign currencies (including finance leases):

	Group	
	Amounts in Euro equivalent	
(all amounts per currency thousands)	2014	2013 Restated
USD	25,964	149,764
JPY	3,444	6,912
EGP	64,955	20,419
BGN	16,300	20,961
LEK	32,429	32,056
CAD	-	1,036
GBP	-	228

The Group has the following undrawn borrowing facilities:

(all amounts in Euro thousands)	Group		Company	
Floating rate:	2014	2013	2014	2013
- Expiring within one year	131,174	156,671	95,765	103,828
- Expiring beyond one year	353,633	482,976	329,223	85,000

The present value of the finance lease liabilities may be analyzed as follows:

(all amounts per currency thousands)	Group	
Finance lease liabilities - minimum lease payments	2014	2013
Not later than 1 year	352	216
Later than 1 year and not later than 5 years	1,555	210
	1,907	426
Future finance charges on finance leases	-179	-8
Present value of finance lease liabilities	**1,728**	**418**

25. Retirement and termination benefit obligations

Greece

Greek labor legislation requires that the payment of retirement and termination indemnities be based on the number of years of service to the Company by the employees and on their final remuneration. The Group grants retirement indemnities which exceed the legal requirements. These retirement indemnities are unfunded and the liabilities arising from such obligations are actuarially valued by an independent firm of actuaries. The last actuarial valuation was undertaken in December 2014. The principal actuarial assumptions used were a discount rate of 1.7% (2013: 3.3%), future salary increases of 3% (2013: 3%) and no change in future pensions.

USA

The Group's U.S. subsidiaries operate defined benefit plans and other post-retirement benefit plans. The method of accounting for the latter, as well as the valuation assumptions and the frequency of valuations are similar to those used for defined benefit plans.

All of the Group's U.S. subsidiary's defined benefit pension plans and all but one of its other post-retirement plans have been frozen as to new participants and credited service. One post-retirement benefit plan exists (for certain active and former employees) whereby eligible retirees receive benefits consisting primarily of assistance with medical insurance costs between the dates of early retirement and Medicare eligibility.

On December 31, 2014 the plan assets of the Group's subsidiaries in the US have invested approximately 56% (2013: 58%) in equity investments and 44% (2013: 42%) in fixed investments. The discount rate that has been adopted for the study of the pension plans of the Group's subsidiaries in the U.S. was 3.75% (2013: 4.25%).

Multi-employer plan

Certain employees participate in a union sponsored, defined benefit multi-employer pension plan. This plan is not administered by the Group's U.S. subsidiary and contributions are determined in accordance with the provisions of the negotiated labor contract. These contributions are affected by the funded status of the plan.

Excess benefit plan

This plan is intended to constitute an unfunded plan of deferred compensation for a selected group of highly compensated employees under the Employee Income Security Act of 1974 ("ERISA"). For this purpose the Group's U.S. subsidiary created an irrevocable trust to facilitate the payment of deferred compensation to participants under this plan. Under this plan the participants are eligible to defer from 0% to 20% of eligible compensation for the applicable plan year. In 2012, the Group's U.S. subsidiary suspended its matching amounts for all contributions. On December 31, 2014 and 2013, plan assets totaled €4,732 thousand and €4,024 thousands, respectively, and are classified as other non current assets in the accompanying consolidated statement of financial position (note 17). There were no costs for the plan for the year ended December 31, 2014 or 2013.

The amounts relating to defined benefit pension plans and other post retirement and termination benefits (defined benefit plans) recognized in the statement of comprehensive income in the account other expenses are as follows:

	Group		Company	
(all amounts in Euro thousands)	2014	2013 Restated	2014	2013
Current service cost	2,049	1,179	395	353
Interest cost	937	1,987	372	429
Return on plan assets	-323	-1,164	-	-
	2,663	**2,002**	**767**	**782**
Additional post retirement and termination benefits paid out, not provided for	2,639	713	200	297
	5,302	**2,715**	**967**	**1,079**
Amounts recognized in the other operating income and other expenses (note 4)	4,688	1,892	595	650
Amounts recognized in finance cost (note 6)	614	823	372	429
Amounts recognized in the income statement	**5,302**	**2,715**	**967**	**1,079**
Re-measurement losses/(gains) recognized immediately in other comprehensive income/(loss)	5,485	-2,889	2,414	-651
Amount charged to statement of total comprehensive income	**10,787**	**-174**	**3,381**	**428**
Present value of the liability at the end of the period	**41,849**	**32,397**	**14,029**	**11,279**
Minus fair value of US plans assets	-10,122	-8,740	-	-
	31,727	**23,657**	**14,029**	**11,279**

25. Retirement and termination benefit obligations (continued)

(all amounts in Euro thousands)

Liabilities' movement recognized in the statement of financial position:	Group		Company	
	2014	2013 Restated	2014	2013
Opening balance	**23,657**	**26,692**	**11,279**	**11,299**
Total expense	5,302	2,715	967	1,079
Re-measurement losses/(gains) recognized immediately in other comprehensive income/(loss)	5,485	-2,889	2,414	-651
Other	108	-	-	-
Exchange differences	1,216	52	-	-
Benefits paid during the year	-4,041	-2,913	-631	-448
Ending balance	**31,727**	**23,657**	**14,029**	**11,279**

Changes in the fair value of US plan assets	Group	
	2014	2013
Fair value of plan assets at the beginning of the period	8,740	8,205
Expected return	315	1,159
Company contributions	724	570
Benefits paid	-854	-805
Exchange difference	1,197	-389
Fair value of plan assets at the end of the period	**10,122**	**8,740**

A quantitative sensitivity analysis for significant assumptions as at 31 December 2014 is shown below:

(all amounts in Euro thousands)

Assumptions	Group		Company	
	1.0% increase	1.0%decrease	1.0% increase	1.0% decrease
Impact on the net defined benefit obligation:				
Discount rate	-203	7,541	1,209	4,598
Salary	5,489	1,454	4,553	1,213
Health care costs	200	168	-	-
Impact on the current service costs:				
Discount rate	222	374	142	407
Salary	465	147	412	137
Healthcare costs	6	-5	-	-

The sensitivity analyses above have been determined based on a method that extrapolates the impact on net defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.
The following payments are expected contributions to be made in the future years out of the defined benefit plan obligation:

(all amounts in Euro thousands)	Group		Company	
	2014	2013 Restated	2014	2013
Not later than 1 years	2,851	2,963	1,739	1,971
Later than 1 years and not later than 5 years	5,106	3,865	1,035	528
Later than 5 years and not later than 10 years	9,805	8,347	3,891	3,398
Beyond 10 years	29,897	25,189	10,887	10,477
Total expected payments	**47,659**	**40,364**	**17,552**	**16,374**

The components of re-measurement losses/(gains) recognized immediately in the other comprehensive income/(loss) for the years ended December 31, 2014 and 2013 are as follows:

(all amounts in Euro thousands)	Group		Company	
	2014	2013 Restated	2014	2013
Due to experience	1,771	-576	72	-330
Due to assumptions (financial)	3,448	-1,199	2,342	-321
Due to assumptions (demographic)	169	-231	-	-
Re-measurement losses/(gains) on DBO	5,388	-2,006	2,414	-651
Re-measurement gains on plan assets	97	-883	-	-
Re-measurement losses/(gains) for the period	**5,485**	**-2,889**	**2,414**	**-651**

26. Provisions

(all amounts in Euro thousands)

Group		January 1, 2014	Charge for the year	Unused amounts reversed	Utilized	Exchange differences	December 31, 2014
Provisions for restoration of quarries	a	10,722	3,067	-646	-162	604	13,585
Provisions for other taxes	b	365	437	-	-	-	802
Litigation provisions	c	828	-	-	-	89	917
Other provisions	d	2,784	4,082	-2,137	-113	138	4,754
		14,699	**7,586**	**-2,783**	**-275**	**831**	**20,058**

Restated		January 1, 2013	Charge for the year	Unused amounts reversed	Utilized	Exchange differences	December 31, 2013
Provisions for restoration of quarries	a	14,222	1,218	-4,408	-145	-165	10,722
Provisions for other taxes	b	365		-	-	-	365
Litigation provisions	c	1,377	164	-558	-16	-139	828
Other provisions	d	2,853	2,633	-2,594	-109	1	2,784
		18,817	**4,015**	**-7,560**	**-270**	**-303**	**14,699**

	2014	2013
Non-current provisions	15,922	12,686
Current provisions	4,136	2,013
	20,058	**14,699**

Company		January 1, 2014	Charge for the year	Unused amounts reversed	Utilized	December 31, 2014
Provisions for restoration of quarries	a	1,754	681	-282	-	2,153
Other provisions	d	1,771	3,508	-1,635	106	3,750
		3,525	**4,189**	**-1,917**	**106**	**5,903**

		January 1, 2013	Charge for the year	Unused amounts reversed	Utilized	December 31, 2013
Provisions for restoration of quarries	a	1,836	486	-568	-	1,754
Other provisions	d	1,242	1,670	-1,230	89	1,771
		3,078	**2,156**	**-1,798**	**89**	**3,525**

	2014	2013
Non-current provisions	2,293	1,756
Current provisions	3,610	1,769
	5,903	**3,525**

a. This provision represents the present value of the estimated costs to reclaim quarry sites and other similar post-closure obligations. It is expected that this amount will be used over the next 2 to 50 years.

b. This provision relates to future obligations that may result from tax audits for other taxes. It is expected that this amount will be fully utilized in the next five years.

c. This provision has been established with respect to claims made against certain companies in the Group by third parties, mainly against the subsidiaries in Egypt. These claims concern labour compensations, labour cases for previous years' benefits and dues and claims for shares revaluation. It is expected that this amount will be utilized mainly in the next twelve months.

d. The other provisions are comprised of amounts relating to risks none of which are individually material to the Group. The Company's existing carrying amount includes, among others, the provision for staff bonuses. It is expected that the remaining amounts will be used over the next 2 to 20 years.

27. Other non-current liabilities

(all amounts in Euro thousands)	Group		Company	
	2014	2013	2014	2013
Government grants	5,357	4,840	4,312	4,472
Other non-current liabilities (note 34)	24,696	24,795	134	85
	30,053	**29,635**	**4,446**	**4,557**

The other non-current liabilities of the fiscal year 2014 include among others the amount of €23.8 mil. (2013: €23.4 mil.), which relates to the fair value of the put option, given by the Group to non-controlling interests, specifically the European Bank for Reconstruction and Development (EBRD) and International Finance Corporation (IFC), so that such non-controlling interests have the right to sell their shares in ANTEA Cement SHA to the Group at predetermined conditions (note 31, 36).

Analysis of Government grants:

(all amounts in Euro thousands)	Group		Company	
	2014	2013	2014	2013
Non - current	5,357	4,840	4,312	4,472
Current (note 28)	-	224	-	224
	5,357	**5,064**	**4,312**	**4,696**

(all amounts in Euro thousands)	Group		Company	
	2014	2013	2014	2013
Opening balance	**5,064**	**5,748**	**4,696**	**5,275**
Additions	891	-	-	-
Grand settlements	-161	-356	-162	-356
Amortization (note 29)	-437	-328	-222	-223
Ending balance	**5,357**	**5,064**	**4,312**	**4,696**

Government grants are recognized at fair value when it is certain that the grant will be received and that the Group will comply with the terms and conditions of the grant.

Government grants relating to capital expenses are reflected as long-term liabilities and are amortized on a straight line basis, based on the estimated useful life of the asset for which the grant was received.

Government grants received in respect of expenses are reflected in the income statement when the related expense is incurred so that the expense is matched to the income received.

28. Trade and other payables

(all amounts in Euro thousands)	Group		Company	
	2014	2013 Restated	2014	2013
Trade payables	118,989	108,970	27,941	29,104
Amounts due to related parties (note 32)	154	521	9,239	9,796
Other payables	17,200	14,109	4,547	3,951
Accrued expenses	42,986	34,647	3,956	1,026
Social security	3,430	3,419	2,455	2,453
Customer down payments/advances	25,799	16,432	2,080	265
Dividends payable	276	313	119	160
Government grants (note 27)	-	224	-	224
Other taxes	11,628	8,598	2,088	1,340
	220,462	**187,233**	**52,425**	**48,319**

Other payables consists mainly of liabilities relating to transportation for cement and raw materials as well as employee benefit payables.

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled in 10-180 days for the Group and the Company.

Other payables are non-interest bearing and have an average term of one month both for the Group and the Company.

29. Cash generated from operations

(all amounts in Euro thousands)	Group		Company	
	2014	**2013 Restated**	**2014**	**2013**
Net profit/(loss) for the year as per income statement	35,717	-28,996	91,724	-43,154
Adjustments for:				
Taxes (note 8)	11,104	19,636	-8,598	-3,617
Depreciation (note 11)	93,566	96,208	13,204	12,844
Amortization of intangibles (note 13)	12,320	17,525	475	423
Amortization of government grants received (note 27)	-437	-328	-222	-223
Impairment of assets (note 11,13)	-414	1,421	-753	18
Net loss/(profit) on sale of property, plant and equipment (note 4)	1,537	-1,566	48	-56
Provision for impairment of debtors charged to income statement (note 20)	818	-2,387	-440	34
Provision for inventory obsolescence (note 19)	238	-188	-	-293
Provision for restoration of quarries (note 26a)	2,421	-3,190	399	-82
Provision for litigation (note 26c)	-	-394	-	-
Other provisions (note 26d)	1,945	39	1,873	440
Provision for retirement and termination benefit obligations (note 25)	2,663	2,002	767	765
Loss on investments	1,609	281	5,211	281
(Increase)/decrease of investment property (note 12)	-125	626	-79	683
Finance income	-2,148	-3,612	-110	-699
Dividend income	-	-	-112,000	-
Interest expense and related expenses (note 6)	65,661	64,386	42,993	44,542
Gain/(loss) from foreign exchange differences	-31,056	18,354	-1,679	158
Share stock options (note 7)	747	1,100	631	891
Share in (profit)/loss of associates and joint ventures (note 15)	-4,945	661	-	-
Changes in working capital:				
(Increase)/decrease in inventories	-40,540	404	-3,136	-321
Decrease/(increase) in trade and other receivables	17,894	3,433	-7,121	8,348
(Increase)/decrease in operating long-term receivables and payables	-4,623	-2,491	81	6
Increase in trade payables	10,326	3,255	4,226	9,144
Cash generated from operations	**174,278**	**186,179**	**27,494**	**30,132**

In the cash flow statement, proceeds from the sale of property, plant and equipment				
Net book amount (note 11)	1,718	3,075	231	636
Net (loss)/profit on sale of property, plant and equipment (note 4)	-1,537	1,566	-48	56
Proceeds from the sale of property, plant and equipment	**181**	**4,641**	**183**	**692**

30. Business combinations and acquisition of non-controlling interest

Year ended 31 December 2014

On 1 October 2014, the Group acquired the remaining 50% of the joint venture Transbeton Domiki S.A.. Since the above acquisition date, this company consolidated in the Group's financial statements with the full consolidation method, instead of equity method.
The assets and liabilities of the above mentioned company, as they were preliminary recorded at the date of acquisition, are as follows:

(all amounts in Euro thousands)	Fair value recognised on acquisition	Carrying value on acquisition
Assets		
Non-current assets	5,192	5,192
Inventory	44	44
Receivables and prepayments	675	675
Deferred tax assets	-	790
Cash and cash equivalents	109	109
Total assets	**6,020**	**6,810**
Liabilities		
Long-term borrowings	87	87
Short-term borrowings	3,207	3,207
Deferred tax liabilities	97	97
Other liabilities and taxes payable	1,163	1,163
Total liabilities	**4,554**	**4,554**
Total identifiable net assets at fair value	1,466	
Goodwill arising on acquisition (note 13)	3,138	
Total consideration	**4,604**	
Cash flow on acquisition:		
Fair value of previously held stake in joint venture	1,754	
Purchase consideration for remaining 50% stake settled in cash	2,850	
Net cash acquired with the subsidiaries	-109	
	2,741	
Total consideration	**4,495**	

Purchase price allocation of the acquired company will be completed within twelve months from acquisition date.
The goodwill of €3,138 thousand comprises the fair value of expected synergies arising from acquisition. From the date of acquisition, Transbeton Domiki S.A. ontributed €653.7 thousands of revenue and €100.8 thousand profit to profit after tax from continuing operations for the Group.

31. Contingencies and commitments

Contingent liabilities	**Group**		**Company**	
(all amounts in Euro thousands)	**2014**	**2013 Restated**	**2014**	**2013**
Guarantees to third parties on behalf of subsidiaries	-	-	834,638	653,418
Bank guarantee letters	47,304	42,368	8,195	10,373
Other	7,746	4,555	2,698	2,478
	55,050	**46,923**	**845,531**	**666,269**

Litigation matters in Egypt

A. Privatization cases

1. In 2011, two former employees of Beni Suef Cement Company S.A.E. (BSCC), a Titan Group company in Egypt, filed an action before the Administrative Court of Cairo, seeking the nullification of the privatization of BSCC which took place in 1999 through the sale of BSCC's shares to Financiere Lafarge after a public auction. Titan Group acquired in 1999 50% and in 2008 the balance of Lafarge's interest in BSCC. Approximately 99.98% in the share capital of BSCC is held today by Alexandria Portland Cement Company S.A., a Titan group company listed in the Egyptian Stock Exchange. The Administrative Court of Cairo issued on 15 February 2014 a first instance judgment which entirely dismissed the request for cancellation of the privatization of BSCC. The Court further judged the re-employment of ex-employees who had left the company in the framework of voluntary redundancy schemes. BSCC and the plaintiffs have already appealed against the judgment of the first instance court. On 19 January 2015 the Supreme Administrative Court issued its judgment whereby the case was suspended until the Supreme Constitutional Court rules on the lawsuit no. 120 of 36 JY challenging the constitutionality of law no. 32/2014 (Appeal Procedures on State Contracts Law). The view of BSCC's lawyers is that the plaintiffs' action is devoid of any legal or factual ground.

2. In June 2013, BSCC was notified of another action filed before the Administrative Court of Cairo seeking as in the above case to cancel the sale of the shares of BSCC to Financiere Lafarge. The hearings scheduled in respect of this case have been repeatedly postponed and to date no judgment has been handed down. The view of BSCC's lawyers is that the action is devoid of any legal or factual ground.

3. In 2012, an ex-employee of Alexandria Portland Cement Company SA (APCC), a Titan Group company in Egypt, brought an action before the Administrative Court of Alexandria against the President of the Republic of Egypt, the Prime Minister, the Minister of Investments, the Minister of Industry, the Governor of Alexandria, the Manager of the Mines and Salinas Project in Alexandria and the Manager of the Mines and Quarries Department in Alexandria seeking the annulment of the sale of the shares of APCC to Blue Circle Cement Group in 1999. APCC was not named defendant in the action. Following a capital market transaction concluded in 2001, Blue Circle Cement Group was acquired by Lafarge Group, which subsequently sold its interest in APCC through two private transactions to Titan Group in 2002 and 2008. On 31 January 2015 the Administrative Court of Alexandria issued its judgment whereby the case was suspended for a period of two months, upon the request of the claimants. The view of APCC's lawyers is that the action is devoid of any legal and factual ground.

4. In May 2013, a new action was filed by 3 ex-employees of APCC seeking as in the above case the annulment of the sale of the shares of APCC to Blue Circle Cement Group. The action has been raised against the Prime Minister, the Minister of Investment, and the Chairman of the holding company for chemical industries, the President of the Central Auditing Organization, the legal representative of Alexandria Portland Cement Company and the legal representative of Blue Circle industries. The case has been repeatedly adjourned and to date no judgment has been handed down. The view of APCC's lawyers is that the action is devoid of any legal and factual ground.

B. Other cases

1. An individual residing in the vicinity of the plant of Alexandria Portland Cement Company SA (APCC), a Titan Group company in Egypt has filed a claim before the Administrative Court of Alexandria against the Governor of Alexandria, the Head of El-Agamy District, the Minister of Trading and Industry, the Minister of Environment, the President of Alexandria Environmental Affairs Agency, the President of Industrial Development Authority and APCC, seeking the abolition of the administrative decision of the competent Egyptian authority which issued the operating license for the APCC plant in Alexandria, alleging violations of environmental and related regulation. On 25 May 2014 the court decided to refer this case to the Cairo Administrative Court due to lack of jurisdiction. The case has not been heard yet before the Court. The view of APCC's Legal Department is that the plant's operating license has been issued lawfully and in full compliance with the relevant Egyptian laws and regulations.

2. In 2007, Beni Suef Cement Company S.A. (BSCC), a Group subsidiary in Egypt, obtained the license for the construction of a second production line at the company's plant through a bidding process run by the Egyptian Trading and Industrial Authority for the amount of EGP 134.5 mil. The Egyptian Industrial Development Authority subsequently raised the value of the license to EGP251 mil. In October 2008 BSCC filed a case before the Administrative Court against the Minister of Trade and Industry and the chairman of the Industrial Development Authority requesting an order obliging the Industrial Development Authority to grant the expansion license to BSCC for EGP 500. Alternatively, if the court rejects this request, BSCC is requesting the price to be the EGP134.5 mil offered by BSCC in the bid. On August 30, 2014 the Court decided to transfer the case to the State Commissioners to prepare a legal opinion report. To date no judgment has been handed down. The view of BSCC's lawyers is that the action is devoid of any legal or factual ground.

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

Put option in Antea

The Group has granted to non controlling interest shareholders, European Bank for Reconstruction and Development (EBRD) and International Finance Corporation (IFC) the option to sell their shares in ANTEA Cement SHA at predetermined conditions. On 31.12.2014 the put option's fair value recorded a liability of €23.8 mil. (31.12.2013: €23.4 mil.) (note 27).

Contingent tax liability

The financial years, referred to in note 35, have not been audited by the tax authorities and therefore the tax obligations of the Company and its subsidiaries for those years have not yet been finalized.

31. Contingencies and Commitments (continued)

Contingent assets

(all amounts in Euro thousands)	**Group**		**Company**	
	2014	**2013 Restated**	**2014**	**2013**
Bank guarantee letters for securing trade receivables (note 20)	20,234	14,326	15,299	10,117
Other collaterals against trade receivables (note 20)	2,509	3,782	1,339	1,339
	22,743	18,108	16,638	11,456
Collaterals against other receivables	3,945	3,739	3,945	3,739
	26,688	**21,847**	**20,583**	**15,195**

Commitments

Capital commitments

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

(all amounts in Euro thousands)	**Group**		**Company**	
	2014	**2013**	**2014**	**2013**
Property, plant and equipment	153	5,181	-	3,355

Purchase commitments

Energy supply contracts (Gas, electricity, etc.)

(all amounts in Euro thousands)	**Group**	
	2014	**2013**
Not later than 1 years	79,188	51,024
Later than 1 years and not later than 5 years	395,940	255,121
Beyond 5 years	441,392	335,480
	916,519	**641,625**

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

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

Operating lease commitments - where a Group company is the lessee

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

(all amounts in Euro thousands)	**Group**		**Company**	
	2014	**2013**	**2014**	**2013**
Not later than 1 years	10,858	7,467	678	641
Later than 1 years and not later than 5 years	26,437	21,388	1,102	928
Beyond 5 years	8,897	12,599	-	-
	46,192	**41,454**	**1,780**	**1,569**

32. Related party transactions

Titan Cement Company S.A. is the parent company of the Group. The Company and its subsidiaries enter into various transactions with related parties are during the year. The sales to and purchases from related parties are made at normal market prices. Outstanding balances at year-end are unsecured and settlement occurs in cash. Intra-group transactions are eliminated on consolidation. Related party transactions exclusively reflect transactions between the companies of the Group.

The following is a summary of transactions that were carried out with related parties during the year:

(all amounts in Euro thousands)

Year ended 31 December 2014

Group	**Sales to related parties**	**Purchases from related parties**	**Amounts owed by related parties**	**Amounts owed to related parties**
Other related parties	-	1,069	-	154
Executives and members of the Board	-	-	18	-
	-	**1,069**	**18**	**154**

(all amounts in Euro thousands)

Year ended 31 December 2014

Company	**Sales to related parties**	**Purchases from related parties**	**Amounts owed by related parties**	**Amounts owed to related parties**
Aeolian Maritime Company	2	-	-	262
Albacem S.A.	2	-	-	-
Interbeton Construction Materials S.A.	26,719	5,561	10,320	1,341
Intertitan Trading International S.A.	6,441	-	240	-
Transbeton - Domiki S.A.	908	-	1,216	-
Quarries Gournon S.A.	2	-	-	-
Adocim Cimento Beton Sanayi ve Ticaret A.S.	2,313	-	-	-
Titan Cement International Trading S.A.	2	-	-	-
Fintitan SRL	7,407	1	4,076	-
Cementi Crotone S.R.L.	308	-	-	-
Titan Cement U.K. Ltd	15,072	34	-	-
Usje Cementarnica AD	8,089	-	479	-
Beni Suef Cement Co.S.A.E.	4,564	-	1,979	-
Alexandria Portland Cement Co. S.A.E	421	11	165	-
Cementara Kosjeric DOO	93	-	31	-
Zlatna Panega Cement AD	4	15	4	-
Titan America LLC	30	1	-	168
Essex Cement Co. LLC	18,677	63	1,491	-
KTIMET Quarries S.A.	-	5	-	3
Antea Cement SHA	1,125	23	254	-
Titan Global Finance PLC	-	37,475	-	344,214
Quarries of Tanagra S.A.	4	-	-	-
SharrCem Sh.P.K	26	7	10	-
Other subsidiaries	18	-	5	-
Other related parties	-	1,069	-	154
Executives and members of the Board	-	-	18	-
	92,227	**44,265**	**20,288**	**346,142**

Year ended 31 December 2013

Group	**Sales to related parties**	**Purchases from related parties**	**Amounts owed by related parties**	**Amounts owed to related parties**
Other related parties	-	2,286	-	521
Executives and members of the Board	-	-	9	-
	-	**2,286**	**9**	**521**

32. Related party transactions (continued)

Year ended 31 December 2013

(all amounts in Euro thousands)

Company	Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Aeolian Maritime Company	7	-	-	270
Albacem S.A.	3	-	-	-
Interbeton Construction Materials S.A.	17,283	5,068	5,889	1,012
Intertitan Trading International S.A.	4,529	-	-	-
Transbeton - Domiki S.A.	775	-	254	-
Quarries Gournon S.A.	3	-	586	-
Adocim Cimento Beton Sanayi ve Ticaret A.S.	549	-	-	-
Titan Cement International Trading S.A.	7	-	240	-
Fintitan SRL	7,169	-	2,693	-
Cementi Crotone S.R.L.	176	-	88	-
Titan Cement U.K. Ltd	9,523	29	3	-
Usje Cementarnica AD	7,944	386	74	-
Beni Suef Cement Co.S.A.E.	7,440	-	940	-
Alexandria Portland Cement Co. S.A.E	421	-	341	-
Cementara Kosjeric DOO	112	-	12	-
Zlatna Panega Cement AD	8	3	-	-
Titan America LLC	24	20	-	254
Essex Cement Co. LLC	17,055	44	1,574	7
Pozolani S.A.	-	31	-	-
Antea Cement SHA	1,553	-	604	-
Titan Global Finance PLC	-	37,936	-	753,878
Quarries of Tanagra S.A.	5	-	6	-
SharrCem Sh.P.K	63	-	-	-
Other subsidiaries	13	-	-	-
Other related parties	-	2,286	-	521
Executives and members of the Board	-	-	9	-
	74,662	**45,803**	**13,313**	**755,942**

Key management compensation

	Group		Company	
	2014	**2013**	**2014**	**2013**
Salaries and other short-term employee benefits	4,948	4,850	4,948	4,850

Key management includes executive committee members.

Directors	**2014**	**2013**
Executive members on the Board of Directors	7	7
Non-executive members on the Board of Directors	8	8

33. Financial risk management objectives and policies

Financial Risk Factors

The Group, by nature of its business and geographical positioning, is exposed to financial risks. The Group's overall financial risk is managed by Group Finance and Treasury units, aiming to minimize the potential unfavorable impact arising from the markets' fluctuations on Group's financial performance. The Group does not engage in speculative transactions or transactions which are not related to its commercial, investing or borrowing activities.

a) Liquidity risk

The Group, in addition to its operating cash flows, maintains sufficient cash and other liquid assets, as well as extensive credit lines with several international banks to ensure the fulfillment of its financial obligations. Group Treasury controls Group funding as well as the management of liquid assets.

The table below summarizes the maturity profile of financial liabilities at 31 December 2014 based on contractual undiscounted payments.

(all amounts in Euro thousands)

Group	**Less than 1 month**	**1 to 6 months**	**6 to 12 months**	**1 to 5 years**	**>5years**	**Total**
Year ended 31 December 2014						
Borrowings (note 24)	11,294	28,465	10,339	710,016	62,083	822,197
Other non-current liabilities (note 27)	-	-	-	24,696	-	24,696
Trade and other payables (note 28)	124,172	50,988	2,316	-	-	177,476
	135,466	79,453	12,655	734,712	62,083	1,024,369
Year ended 31 December 2013 (Restated)						
Borrowings (note 24)	21,720	61,307	11,821	627,725	65,195	787,768
Other non-current liabilities (note 27)	-	-	-	24,795	-	24,795
Trade and other payables (note 28)	82,389	64,170	6,027	-	-	152,586
	104,109	125,477	17,848	652,520	65,195	965,149

Company	**Less than 1 month**	**1 to 6 months**	**6 to 12 months**	**1 to 5 years**	**>5years**	**Total**
Year ended 31 December 2014						
Borrowings (note 24)	95	-	-	397,208	-	397,303
Trade and other payables	29,494	15,667	3,308	-	-	48,469
	29,589	15,667	3,308	397,208	-	445,772
Year ended 31 December 2013						
Borrowings (note 24)	173	50,684	-	800,001	-	850,858
Trade and other payables (note 28)	39,228	6,762	1,303	-	-	47,293
	39,401	57,446	1,303	800,001	-	898,151

Borrowings include the floating and fixed rate outstanding principal at year-end plus accrued interest up to maturity.

The amounts that are described as "on demand" are short-term uncommitted facilities.

b) Foreign Exchange Risk

Group exposure to exchange rate (FX) risk derives from existing or expected cash flows denominated in currencies other than the Euro (imports / exports) and from international investments.

FX risks are managed using natural hedges, FX derivatives / swaps and FX forwards. Borrowings denominated in the same currency as the assets that are being financed, create a natural hedge for investments in foreign subsidiaries exposed to FX conversion risk.

Part of the financing of Group activities in the USA, Egypt and Albania, is in different currencies (Euro) than their functional ones. Their refinancing in local currencies is examined at regular intervals.

In the first semester of 2012, the Group's subsidiary Titan America LLC had entered into a two and a half year loan (up to December 2014) of €53.5 mil. from Titan Global Finance, while at the same time, it also entered into currency forward contracts with two financial institutions maturing in December 2014, hedging the foreign currency risk (€/$) associated with the borrowing. At the inception of the hedge transaction, Titan America LLC formally designated the hedge as a cash flow hedge, documented the risk management objective for undertaking the hedge and the hedge was assessed to be highly effective.

33. Financial risk management objectives and policies (continued)

On 11 July 2014, Titan America LLC proceeded to an early repayment of the above mentioned loan to Titan Global Finance. Consequently, the aforementioned hedging relationship was terminated resulting in the reclassification adjustment of €370 thousand loss from the other comprehensive income to the income statement.

Simultaneously, the Group closed the open positions of the above currency forward contracts by entering into new reverse positions of currency forward contracts that were initially recognized at fair value on the effective date of the contract, and are being subsequently re-measured at fair value. The valuations of the above positions resulted in an €6 thousand net gain that was included in the account "gain/(loss) from foreign exchange differences" in the income statement for the year ended 31 December 2014.

TALLC in July 2014 borrowed €177 mil. with five year maturity and fixed interest rate from Titan Global Finance (use of proceeds of the €300 million bond) and entered into cross currency interest rate swap agreements (CCS) with two financial institutions, essentially converting the Euro-loan to a US dollar-loan at a pre-agreed foreign exchange rate and swapping the Euro fixed rate loan to US dollar floating rate based on 6-month LIBOR. The transactions were undertaken in order to hedge the foreign currency risk (€/$) on both the notional amount and the interest payments associated with the Euro denominated borrowing. The terms of the CCS perfectly match the terms of the loan. At the inception of the hedge transaction, TALLC formally designated the hedge as a fair value hedge, documented the risk management objective for undertaking the hedge and the hedge was assessed to be highly effective. As at 31 December 2014, the fair value of the CCS was recorded as a liability of €18,582 thousand in the statement of financial position and the result of this valuation recorded in the account "gain/(loss) from foreign exchange differences", which was offset with a gain for the same amount on the borrowings income statement for the period ended on 31 December 2014.

In Egypt, the old Yen financing has been hedged up to its maturity, i.e. December 2015, via FX forwards in US dollar/ Yen, that were executed through the Group's subsidiary Iapetos Ltd. As at December 31, 2014, the fair value of the forward exchange contracts was recorded as a liability of €127 thousand in the statement of financial position and the valuation's result of €173 thousand of the abovementioned derivatives was recorded in the account "gain/(loss) from foreign exchange differences" in the income statement for the year ended 31 December 2014.

Sensitivity analysis of Group's borrowings due to interest rate changes

The following table demonstrates the sensitivity of the Group's profit before tax and the Group's equity to reasonable changes in the USA Dollar, Serbian Dinar, Egyptian Pound, British Pound, Turkish Lira and Albanian Lek floating exchange rates, with all other variables held constatnt:

(all amounts in Euro thousands)	Foreign Currency	Increase / Decrease of Foreign Currency vs. €	Effect on Profit Before Tax	Effect on equity
Year ended 31 December 2014	USD	-5%	-775	21,072
		5%	701	-19,065
	RSD	-5%	559	1,614
		5%	-506	-1,460
	EGP	-5%	1,366	35,015
		5%	-1,236	-31,680
	GBP	-5%	40	375
		5%	-36	-339
	TRY	-5%	309	1,289
		5%	-280	-1,166
	ALL	-5%	-13	2,127
		5%	12	-1,924
Year ended 31 December 2013	USD	-5%	-2,475	19,224
		5%	2,239	-17,393
	RSD	-5%	513	2,193
		5%	-464	-1,984
	EGP	-5%	2,874	33,456
		5%	-2,601	-30,270
	GBP	-5%	156	295
		5%	-141	-267
	TRY	-5%	-7	991
		5%	7	-897
	ALL	-5%	-117	2,165
		-1,0%	106	-1,959

Note: Calculation of "Effect on Profit before tax" is based on year average FX rates; calculation of "Effect on Equity" is based on year end FX rate changes.

The Company has limited (relative to the Group) exposure to changes in foreign exchange rates. The majority of transactions and balances are in Euro, and hence, a 5% change of the Euro vs. the aforementioned currencies would have an overall impact of about €250 thousand on profit before tax.

33. Financial risk management objectives and policies (continued)

c) Interest Rate Risk

The ratio of fixed to floating rates of the Group's net borrowings is determined by market conditions, Group strategy and financing requirements. Occasionally interest rate derivatives may be used to mitigate the relevant risk and balance the mix of fixed and floating rates of the Group's borrowings.

In 2011, Titan Cement Company S.A. borrowed €100 mil. under floating interest rate (one month Euribor) from Titan Global Finance and subsequently entered into floating to fixed interest rate swaps for the same amount at terms matching the terms of the loan. The swap matured in December 2014. At the inception of the hedge transaction, Titan Cement Company S.A. formally designated the hedge as a cash flow hedge, documented the risk management objective and the hedge was assessed to be highly effective. The derivative financial instrument was initially recognized at fair value on the effective date of the contract, and subsequently re-measured at fair value until its maturity. After the expiration of the cash flow hedge, a €2,234 thousand loss (2013: €2,355 thousand), was reclassified from the other comprehensive income into finance expenses of the income statement for the period ended on 31 December 2014.

Titan Cement Company S.A. had an interest rate swap amounting to €30 mil. since 2009, matured on November 2014, which was recognized as a fair value hedge. The valuation's result of €11 thousand of the abovementioned derivative was recorded as finance expense in the income statement for the year ended on 31 December 2014.

After the issuance of €300 million notes, which refinanced existing floating rate credit facilities and entering into the cross currency swaps, as of 31 December 2014 the ratio of fixed to floating rates of Group's debt results at 47:53.

The impact of interest rate volatility is limited in the income statement and cash flow from operating activities of the Group, as shown in the sensitivity analysis table below:

Sensitivity analysis of Group's borrowings due to interest rate changes

(all amounts in Euro thousands)		**Interest rate variation (+/-)**	**Effect on profit before tax (+/-)**
Year ended 31 December 2014	EUR	1,0%	489
	USD	1,0%	2,223
	BGN	1,0%	165
	EGP	1,0%	659
	ALL	1,0%	329
Year ended 31 December 2013 Restated	EUR	1,0%	2,164
	USD	1,0%	2,031
	BGN	1,0%	213
	EGP	1,0%	207
	ALL	1,0%	325

Note: Table above excludes the positive impact of interest received from deposits.

Interest rate trends and the duration of the Group's financing needs are monitored on a forward looking basis. Consequently, decisions about the duration and the mix between fixed and floating rate debt are taken on an ad-hoc basis.

d) Credit Risk

The Group has no significant concentrations of credit risk. Trade accounts receivable consist mainly of a large, widespread customer base. All Group companies monitor the financial position of their debtors on an ongoing basis.

When considered necessary, additional collateral is requested to secure credit. Provisions for impairment losses are made for special credit risks. As at 31st December 2014, there are no outstanding doubtful significant credit risks which are not already covered by a provision for doubtful receivables.

Credit risk arising from financial institutions' inability to meet their obligations towards the Group deriving from placements, investments and derivatives, is mitigated by pre-set limits on the degree of exposure to each individual financial institution. These pre-set limits are set in accordance to the Group Treasury policies. At December 31st 2014, the Group's majority financial assets and derivative financial instruments were held with investment grade financial institutions.

As at 31 December 2014, the Group's cash and cash equivalents were held at time deposits and current accounts. Note 21 includes an analysis on cash & cash equivalents.

33. Financial risk management objectives and policies (continued)

e) Capital management

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its operations and maximize shareholder value.

The Group manages its capital structure conservatively with the leverage ratio, as this is shown from the relationship between total liabilities and total equity as well as net debt and EBITDA.

Titan's policy is to maintain leverage ratios in line with an investment grade profile.

The Group includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents.

	Group		Company	
(all amounts in Euro thousands)	**2014**	**2013 Restated**	**2014**	**2013**
Long term borrowings (note 24)	634,195	599,069	336,694	745,835
Short term borrowings (note 24)	49,522	93,724	95	50,173
Debt	**683,717**	**692,793**	**336,789**	**796,008**
Less: cash and cash equivalents (note 21)	142,946	184,257	16,971	8,780
Net Debt	**540,771**	**508,536**	**319,818**	**787,228**
Profit before interest, taxes, depreciation and amortization (EBITDA)	**181,591**	**186,359**	**30,617**	**11,002**
Total liabilities	**1,183,654**	**1,125,045**	**416,957**	**880,735**
Total equity	**1,627,595**	**1,538,810**	**823,301**	**737,668**

34. Fair value measurement

Set out below is a comparison by category of carrying amounts and fair values of the Group's and the Company's assets and liabilities, 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	
Assets	**2014**	**2013 Restated**	**2014**	**2013 Restated**	**2014**	**2013**	**2014**	**2013**
Investment property (note 12)	9,267	13,220	9,267	13,220	9,908	13,973	9,908	13,973
Available-for-sale financial assets (note 16)	1,469	1,636	1,469	1,636	172	172	172	172
Other non-current assets (note 17)	16,204	11,617	16,204	11,617	2,960	2,768	2,960	2,768
Derivative financial instruments	-	1,566	-	1,566	-	-	-	-
Liabilities								
Long-term borrowings (note 24)	634,195	599,069	651,656	621,736	336,694	745,835	346,372	757,409
Short-term borrowings (note 24)	49,522	93,724	49,525	93,819	95	50,173	95	50,173
Derivative financial instruments	2,565	3,375	2,565	3,375	-	2,832	-	2,832
Other non current liabilities (note 27)	30,053	29,635	30,053	29,635	4,446	4,557	4,446	4,557

Note: Derivative financial instruments consist of cross currency interest rate swaps (CCS), forward foreign exchange contracts and interest rate swaps.

The management assessed that the cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities 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.

34. Fair value measurement (continued)

The following table provides the fair value measurement hierarchy of the Group's and the Company's assets and liabilities. The valuation was carried at 31 December 2014.

(all amounts in Euro thousands)	Group Fair value		Company Fair value		Fair value hierarchy
Assets	**2014**	**2013 Restated**	**2014**	**2013**	
Investment property	9,267	13,220	9,908	13,973	Level 3
Available-for-sale financial assets	1,469	1,636	172	172	Level 3
Derivative financial instruments-hedged accounts	-	1,566	-	-	Level 2
Liabilities					
Long-term borrowings	651,656	621,736	346,372	757,409	Level 2
Short-term borrowings	49,525	93,819	95	50,173	Level 2
Derivative financial instruments-hedged accounts	2,565	3,375	-	2,832	Level 2
Other non current liabilities	23,843	23,416	-	-	Level 3

During the reporting period there were no transfers into and out of level 3.

The fair value of level 3 investment property is estimated by the Group and the Company by external, independent, certified valuators (note 12).

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

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

Level 3 available-for-sale financial assets refer mainly to investments in foreign property funds in which the Group owns an insignificant percentage. Their valuation is made based on their financial statements, which present the assets at fair value (note 16).

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

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

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

	2014	**2013**
Gross margin growth rate	29.4%	14.3%
Discount rate	13.5%	12.5%

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

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

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

Sensitivity analysis of Group's gross margin growth changes:

(all amounts in Euro mil.)	**Effect on the fair value**
Increase by 2 percentage points in the gross margin growth rate:	+1.0
Decrease by 2 percentage points in the gross margin growth rate:	-0.9

35. Fiscal years unaudited by the tax authorities

(1) Titan Cement Company S.A	2010, 2012, 2013,2014	(2) Cementi ANTEA SRL	2010-2014
(2) Aeolian Maritime Company	-	Colombus Properties B.V.	2010-2013-2014
(1) Albacem S.A.	2012-2014	Holtitan BV	2010-2013-2014
(1) Arktias S.A.	2010, 2012, 2013,2014	Aeas Netherlands B.V.	2010-2013-2014
(1) Interbeton Construction Materials S.A.	2007-2010, 2012,2013,2014	Titan Cement U.K. Ltd	2009-2014
(1) Intertitan Trading International S.A.	2012,2013,2014	Separation Technologies U.K. Ltd	-
(1) Porfirion S.A.	2010, 2012, 2013,2014	(2) Titan America LLC	2011-2014
(1) Vahou Quarries S.A.	2010, 2012, 2013,2014	(2) Separation Technologies Canada Ltd	2011-2014
(1) Quarries Gournon S.A.	2010, 2012, 2013,2014	(5) Stari Silo Copmany DOO	2008-2014
(1) Quarries of Tagaradon Community S.A.	2010, 2012, 2013,2014	Cementara Kosjeric DOO	2006-2014
(1) Quarries of Tanagra S.A.	-	TCK Montenegro DOO	2007-2014
(1) Aitolika Quarries S.A.	2012,2013,2014	Double W & Co OOD	2007-2014
(1) Sigma Beton S.A.	2010, 2012, 2013,2014	Granitoid AD	2007-2014
(1) Titan Atlantic Cement Industrial and Commercial S.A.	2010-2014	Gravel & Sand PIT AD	2007-2014
(1) Titan Cement International Trading S.A.	2012,2013,2014	Zlatna Panega Beton EOOD	2008-2014
(1) KTIMET Quarries S.A.	2010, 2012, 2013,2014	Zlatna Panega Cement AD	2010-2014
(1) Aemos Cement Ltd	2007-2013-2014	Cement Plus LTD	2012-2014
Alvacim Ltd	2010-2013-2014	Rudmark DOOEL	2006-2014
Balkcem Ltd	2008,2010-2013-2014	Usje Cementarnica AD	2009-2014
Iapetos Ltd	2007-2013-2014	Titan Cement Netherlands BV	2010-2013-2014
(3) Rea Cement Ltd	2008-2013-2014	Alba Cemento Italia, SHPK	2012-2014
Themis Holdings Ltd	2007-2013-2014	Antea Cement SHA	2013-2014
Tithys Ltd	2006,2008-2013-2014	Sharr Beteiligungs GmbH	2011-2013-2014
Feronia Holding Ltd	2007-2013-2014	Kosovo Construction Materials L.L.C.	-
(4) Vesa DOOL	2006-2014	SharrCem Sh.P.K	2011-2014
Trojan Cem EOOD	2010-2014	Alexandria Development Co.Ltd	-
Dancem APS	2009-2014	Alexandria Portland Cement Co. S.A.E	2010-2014
Titan Global Finance PLC	2007-2014	GAEA Green Alternative Energy Assets Ltd	2007-2013-2014
Geospan Dooel	2010-2013-2014	(2) Beni Suef Cement Co.S.A.E.	2009-2014
Terret Enterprises Ltd	2009-2013-2014	East Cement Trade Ltd	2006-2013-2014
Salentijn Properties1 B.V.	2010-2013-2014	Titan Beton & Aggregate Egypt LLC	2009-2014
Titan Cement Cyprus Limited	2007-2013-2014	Titan Egyptian Inv. Ltd	-
KOCEM Limited	2007-2013-2014	Green Alternative Energy Assets EAD	2012-2014
ECO Conception EOOD	2013-2014	GAEA Zelena Alternative Enerjia DOOEL	2013-2014
Fintitan SRL	2009-2014	(2) GAEA Enerjia Alternative e Gjelber Sh.p.k.	2014
Cementi Crotone S.R.L.	2009-2014		

(1) For the fiscal years 2012 and 2013 the above companies were tax audited by their Certified Auditors Accountants, according to the terms of article 82 of the Law 2238/1994. The tax audit for the fiscal year 2014 conducted by the statutory auditors according to the article 65A of L. 4174/2013.

(2) Under special tax status.

(3) Fiscal year of 2009 has been audited.

(4) Fiscal year of 2007 has been audited.

(5) Companies operating in the U.S.A., are incorporated in the Titan America LLC subgroup (note 14).

36. Events after the reporting period

Alvacim Ltd, a Group subsidiary, purchased the 20% stake held by the European Bank for Reconstruction and Development (EBRD) in ANTEA CEMENT SHA (ANTEA), a Group subsidiary in Albania. As a result of this purchase, the Group holds 80% of ANTEA's share capital, whereas the remaining 20% is held by the International Finance Corporation (IFC).

TITAN CEMENT COMPANY S.A.

Company's Number in the General Electronic Commercial Registry: 224301000
(former Company's Number in the Register of Societes Anonymes: 6013/06/B/86/90)
22A Halkidos Street - 111 43 Athens
SUMMARY FINANCIAL RESULTS for the year ended 31 December 2014
(in terms of article 135 of Law 2190, for companies publishing annual financial statements in accordance with IAS/IFRS)

The figures illustrated below provide summary information about the financial position of Titan Cement S.A. and its subsidiaries. We advise the reader who seeks a complete picture of the financial position to visit the Company's web site, where the full year financial statements according to International Financial Reporting Standards together with the auditor's report, are presented.

Supervising Authority:	Ministry of Economy, Infrastructure, Marine and Tourism (Department for Companies and G.E.MI.)
Company's web address:	www.titan-cement.com
Board of Directors:	Andreas Canellopoulos - Chairman, Efstratios-Georgios (Takis) Arapoglou*-Deputy Chairman, Dimitrios Papalexopoulos - Chief Executive Officer, Nellos Canellopoulos, Takis-Panagiotis Canellopoulos, Doros Constantinou*, Vassilios Fourlis*, Domna Mirasyesi-Bernitsa*, Alexandra Papalexopoulou-Benopoulou, Petros Sabatacakis*, Ploutarchos Sakellaris*, Michael Sigalas, Eftichios Vassilakis*,Efthimios Vidalis, Vassilios Zarkalis. **Independent non-executive directors*
Date of approval of the Financial Statements :	5 March 2015
Name of the auditor:	Chris Pelendridis (SOEL R.N. 17831)
Auditing firm:	Ernst & Young (HELLAS) Certified Auditors Accountants SA
Report of the Auditors:	Without qualification

CONDENSED STATEMENT OF FINANCIAL POSITION

(amounts in € thousand)

	GROUP		COMPANY	
ASSETS	**31/12/2014**	**31/12/2013**	**31/12/2014**	**31/12/2013**
Tangible assets	1,673,010	1,564,945	236,468	232,332
Investment properties	9,267	13,220	9,908	13,973
Intangible assets	446,080	414,028	1,973	1,185
Other non current assets	106,660	91,644	848,878	1,246,708
Inventories	275,774	221,376	72,830	69,694
Trade receivables	95,288	112,340	36,856	28,708
Other current assets	62,224	62,045	16,374	17,023
Cash and cash equivalents	142,946	184,257	16,971	8,780
TOTAL ASSETS	**2,811,249**	**2,663,855**	**1,240,258**	**1,618,403**
SHAREHOLDERS EQUITY AND LIABILITIES				
Share Capital (84,632,528 shares of € 4.00)	338,530	338,530	338,530	338,530
Share Premium	22,826	22,826	22,826	22,826
Share stock options	1,620	3,971	1,620	3,971
Treasury Shares	-83,633	-87,680	-83,633	-87,680
Retained earnings and other reserves	1,227,662	1,138,480	543,958	460,021
Total share capital and reserves (a)	**1,507,005**	**1,416,127**	**823,301**	**737,668**
Non-controlling interests (b)	120,590	122,683	-	-
Total Equity (c)=(a)+(b)	**1,627,595**	**1,538,810**	**823,301**	**737,668**
Long-term borrowings	634,195	599,069	336,694	745,835
Provisions and other long-term liabilities	264,225	229,494	24,133	31,807
Short-term borrowings	49,522	93,724	95	50,173
Other short-term liabilities	235,712	202,758	56,035	52,920
Total liabilities (d)	**1,183,654**	**1,125,045**	**416,957**	**880,735**
TOTAL SHAREHOLDERS EQUITY AND LIABILITIES (c)+(d)	**2,811,249**	**2,663,855**	**1,240,258**	**1,618,403**

CONDENSED INCOME STATEMENT

(amounts in € thousand)

	GROUP		COMPANY	
	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Revenue	**1,158,414**	**1,127,936**	**263,969**	**234,712**
Cost of sales	-863,906	-846,329	-208,026	-197,677
Gross profit before depreciation and amortization	**294,508**	**281,607**	**55,943**	**37,035**
Other operating income	6,476	12,878	10,179	5,682
Administrative expenses	-100,927	-91,185	-35,372	-31,530
Selling and marketing expenses	-18,466	-16,941	-133	-185
Profit before interest, taxes and depreciation and amortization	**181,591**	**186,359**	**30,617**	**11,002**
Depreciation, amortization and impairment of tangibles/ intangibles assets	-105,035	-114,826	-12,704	-13,062
Profit/(loss) before interest and taxes	**76,556**	**71,533**	**17,913**	**-2,060**
Gains from participations and investments	-	-	112,000	-
Losses from participations and investments	-1,609	-281	-5,211	-281
Finance costs	-33,071	-79,951	-41,576	-44,430
Share on profit/(loss) of associates and joint ventures	4,945	-661	-	-
Profit/(loss) before taxes	**46,821**	**-9,360**	**83,126**	**-46,771**
(Less)/Plus: Income tax expense	-11,104	-19,636	8,598	3,617
Profti/(loss) after taxes (a)	**35,717**	**-28,996**	**91,724**	**-43,154**
Attributable to:				
Equity holders of the parent	30,947	-36,074	91,724	-43,154
Non-controlling interests	4,770	7,078	-	-
Basic earnings/(losses) per share (in €)	0.37902	-0.44238	1.12337	-0.52920
Diluted earnings/(losses) per share (in €)	0.37670	-0.43973	1.11651	-0.52603

CONDENSED STATEMENT OF COMPREHENSIVE INCOME

(amounts in € thousand)

	GROUP		COMPANY	
	1/1-31/12/2014	1/1-31/12/2013	1/1-31/12/2014	1/1-31/12/2013
Profit/(loss) after taxes (a)	**35,717**	**-28,996**	**91,724**	**-43,154**
Other comprehensive income/(loss):				
Exchange differences on translation of foreign operations	88,142	-93,559	-	-
Cash flow hedges	2,605	2,585	2,234	2,355
Net losses on financial assets available for sale	-171	-342	-	-
Revaluation of land and buildings	65	1,780	-	882
Re-measurement (losses)/gains on defined benefit plans	-5,492	2,884	-2,414	651
Income tax relating to components of other comprehensive income	2,143	-2,091	1,240	-1,010
Other comprehensive income/(loss) net of tax (b)	**87,292**	**-88,743**	**1,060**	**2,878**
Total comprehensive income/(loss) net of tax (a)+(b)	**123,009**	**-117,739**	**92,784**	**-40,276**
Total comprehensive income/(loss) attributable to:				
Shareholders	111,689	-115,102	92,784	-40,276
Non-controlling interests	11,320	-2,637	-	-

CONDENSED STATEMENT OF CHANGES IN EQUITY

(amounts in € thousand)

	GROUP		COMPANY	
	31/12/2014	31/12/2013	31/12/2014	31/12/2013
Equity balance at beginning of the year (1/1/2014 and 1/1/2013 respectively)	**1,538,810**	**1,659,941**	**737,668**	**776,663**
Total comprehensive income/(loss)	123,009	-117,739	92,784	-40,276
Share based payment transactions	746	1,080	746	1,080
Sale - disposal of treasury shares for option plan	566	201	566	201
Contingency reserve distributed to shareholders	-8,463	-	-8,463	-
Dividends distributed to non-controlling interests	-12,023	-2,315	-	-
Non-controlling interest's put option recognition	-427	-2,358	-	-
Deferred tax adjustment due to change in income tax rates on revaluation reserves	-14,623	-	-	-
Equity balance at year end (31/12/2014 and 31/12/2013 respectively)	**1,627,595**	**1,538,810**	**823,301**	**737,668**

CASH FLOW STATEMENT

(amounts in € thousand)

	GROUP		COMPANY	
	1/1-31/12/2014	**1/1-31/12/2013**	**1/1-31/12/2014**	**1/1-31/12/2013**
Cash flows from operating activities				
Profit/loss before taxes	46,821	-9,360	83,126	-46,771
Adjustments for:				
Depreciation	105,449	113,405	13,457	13,044
Impairment of tangible and intangible assets	-414	1,421	-753	18
Provisions	8,085	-4,118	2,599	864
Losses from participations and investments	1,609	281	5,211	281
Dividend income	-	-	-112,000	-
Exchange differences	-31,056	18,354	-1,679	158
Interest expense	65,661	64,386	42,993	44,542
Other non cash items	-4,934	-2,791	490	819
Operating profit before changes in working capital	191,221	181,578	33,444	12,955
(Increase)/decrease in inventories	-40,540	404	-3,136	-321
Decrease/(increase) in trade and other receivables	17,894	3,433	-7,121	8,348
(Increase)/decrease in operating long-term receivables/payables	-4,623	-2,491	81	6
Increase in trade & other payables (excluding banks)	10,326	3,255	4,226	9,144
Cash generated from operations	174,278	186,179	27,494	30,132
Income tax paid	-20,946	-22,128	-180	-1,150
Net cash flows from operating activities (a)	153,332	164,051	27,314	28,982
Cash flows from investing activities				
Purchase of tangible assets	-80,131	-47,153	-13,472	-9,931
Purchase of intangible assets	-1,971	-1,668	-335	-551
Proceeds from the sale of property, plant and equipment	181	4,641	183	692
Proceeds from dividends	1,404	-	112,000	-
Acquisition of subsidiaries, net of cash	-2,812	-8,003	-	-
Share capital decrease/(increase) in subsidiaries	-	-	392,950	-30,464
Purchase of available-for-sale financial assets	-	-43	-	-3
Interest received	2,148	3,612	110	699
Net cash flows (used in)/from investing activities (b)	-81,181	-48,614	491,436	-39,558
Net cash flows after investing activities (a)+(b)	72,151	115,437	518,750	-10,576
Cash flows from financing activities				
Proceeds from sale of treasury shares	566	201	566	201
Proceeds from government grants	891	-	-	-
Interest paid	-55,316	-57,990	-44,135	-42,633
Dividends written-off and paid to the Greek State	-67	-70	-67	-70
Dividends paid to non-controlling interests	-11,267	-2,265	-	-
Contingency reserve paid to shareholders	-8,438	-	-8,438	-
Proceeds from borrowings	1,057,652	884,086	177,900	249,830
Payments of borrowings	-1,102,163	-1,035,128	-636,327	-223,532
Net cash flows used in financing activities (c)	-118,142	-211,166	-510,501	-16,204
Net (decrease)/increase in cash and cash equivalents (a)+(b)+(c)	**-45,991**	**-95,729**	**8,249**	**-26,780**
Cash and cash equivalents at beginning of the year	184,257	283,987	8,780	35,601
Effects of exchange rate changes	4,680	-4,001	-58	-41
Cash and cash equivalents at end of the year	**142,946**	**184,257**	**16,971**	**8,780**

NOTES

1. The total number of its own shares that the Company holds as at 31.12.2014 is 2,925,831 of aggregate value €83,633 thousand and they have been deducted from the Shareholders Equity of the Group and the Company.

2. Certain amounts of the previous period do not correspond to the annual consolidated financial statements as at 31.12.2013 and reflect adjustments due to the application of the new IFRS 11. By applying the new standard, the proportional method of consolidation for the joint ventures, Adocim Cimento Beton Sanayi ve Ticaret AS and Transbeton - Domiki SA, is replaced with the equity method (note 1.1.2 of annual financial statements at 31.12.2014). On 1.10.2014, the Group acquired the remaining 50% of Transbeton - Domiki S.A. and from that date is incorporated with the full consolidation method in the financial statements (note 15.2 of annual financial statements at 31.12.2014).

3. The assets of the Company have not been pledged. The assets of the Group have a pledge for the amount of €3.2 mil. that is related to the Group's associate Transbeton-Domiki S.A., as a security of its bank credit facilities for an amount up to €3.3 mil. and is on the assets of this entity. As at 31.12.2014, utilization under these credit facilities amounted to €2.9 mil..

4. Number of employees at the end of the reporting period: Group 5,223 (2013: 5,217), Company 813 (2013: 797).

5. Capital expenditure excluding acquisitions and intangible assets for the fiscal year of 2014 amounted to: Group €80.1m (31.12.2013: €47.2m), Parent Company €13.5 m (31.12.2013: €9.9 m).

6. Transactions during the fiscal year 2014 and balances as of 31 December 2014 with related parties, as defined in IAS 24, are as follows:

(amounts in € thousand)	**Group**	**Company**
a) Income	-	92,227
b) Expenses	1,069	44,265
c) Receivables	-	20,270
d) Payables	154	346,142
e) Key management compensations	4,948	4,948
f) Receivables from key management	18	18

7. Companies included in the consolidated financial statements of fiscal year 2014 are presented in the note 14 of the Group's annual financial statements including locations, percentage Group ownership and consolidation method.

8. The unaudited by the tax authorities fiscal years for the Company and the Group's subsidiaries are presented in detail in the note 35 of the annual financial statements. There are no material provisions accounted for the unaudited by the tax authorities fiscal years as well as for litigation issues both for the Group and the Company.

9. The balance of other provisions (short and long term) as of 31.12.2014 amounted to €20.1 m for the Group (31.12.2013: €14.7 m.) and €5.9 m. for the Company (31.12.2013: €3.5 m.).

10. In accordance with the Stock Option Plan instituted pursuant to resolution dated 3.6.2010 of the Annual General Meeting of Shareholders the Company proceeded, in the during of fiscal year 2014, to the sale of 141,503 common treasury shares representing 0.17% of its paid up share capital to 84 Titan Group executives, at a sale price per share equal to the nominal value of each Company share i.e. €4.00 per share, and a total sale price of €566 thousand.

11. The Annual General Assembly of Shareholders of Titan Cement Company S.A. on 20 June 2014 decided the distribution of contingency reserves up to the amount of €8,463 thousand, which corresponded to €0.10 per share. This amount was increased by the amount corresponding to the treasury shares held by the Company and on the total amount a 10% withholding tax was imposed. Therefore, the Shareholders have received a net amount of €0.09322 per share.

12. Earnings/(losses) per share have been calculated on the total weighted average number of common and preference shares, excluding the average number of treasury shares.

13. The Board of Directors will propose to the Annual General Meeting of Shareholders, scheduled on 19 June 2015, the distribution of dividends of €12,694,879.20, which corresponds to €0.15 per share. In addition, the Board of Directors will propose to the Annual General Meeting of Shareholders the distribution of €12,694,879.20, which corresponds to €0.15 per share, from prior years special reserves.

Athens, 5 March, 2015

Chairman of the Board of Directors
ANDREAS L. CANELLOPOULOS
I.D.No AB500997

Chief Executive Officer
DIMITRIOS TH. PAPALEXOPOULOS
I.D.No AK031353

Chief Financial Officer
MICHAEL H. COLAKIDES
Passport No E152969

Finance Director Greece
GRIGORIOS D. DIKAIOS
I.D No AB291692

Financial Consolidation Senior Manager
ATHANASIOS S. DANAS
I.D.No AB006812

REPORT

Regarding Company transactions with affiliated companies, in accordance to article 2, par. 4 of Codified Law 3016/2002, for 2014

During 2014, Company's transactions with the previously mentioned companies are as listed below:

(all amounts in Euro)

I. INFLOWS		1/1 - 31/12/2014
A. Sales		
1. Cement & Clinker sales		
	INTERBETON CONSTRUCTION MATERIALS S.A.	24,376,315
	TRANSBETON S.A.	904,073
	ADOCIM CIMENTO BETON	2,245,673
	BENI SUEF CEMENT CO.	2,362,388
	INTERTITAN S.A.	6,438,300
	FINTITAN SRL	7,407,048
	CEMENTI CROTONE SRL	308,000
	ANTEA CEMENT SHA	194,431
	TITAN CEMENT U.K. LTD	15,037,886
	ESSEX CEMENT CO LLC	18,676,694
	CEMENTARNICA USJE A.D.	988,071
	CEMENTARA KOSJERIC A.D.	72,830
		79,011,709
2. Aggregates sales		
	INTERBETON CONSTRUCTION MATERIALS S.A.	1,842,894
		1,842,894
3. Solid Fuels sales		
	CEMENTARNICA USJE AD	7,012,450
		7,012,450
4. Fixed assetes sales		
	INTERBETON CONSTRUCTION MATERIALS S.A.	2,156
	IAPETOS LTD.	570
	TANAGRA QUARRIES S.A.	671
	CEMENTARNICA USJE A.D.	66,200
		69,597
5. Spare parts sales		
	BENI SUEF CEMENT CO.	1,100,000
	ZLATNA PANEGA CEMENT A.D.	3,705
	ADOCIM CIMENTO BETON SANAYI VE TICARET SA	67,359
	ANTEA CEMENT SHA	4,000
	SHARRCEM SH.P.K.	7,964
	GOURNES QUARRIES S.A.	947
	CEMENTARNICA USJE AD	22,141
		1,206,116
	TOTAL A.	**89,142,766**
B. Services		
1. Provision of computerization and IT services		
	INTERTITAN S.A.	655
	ALBACEM SHA	655
	GOURNES QUARRIES S.A.	2,000
	PORFYRION S.A.	655
	VAHOU QUARRIES S.A.	655
	AITOLIKA QUARRIES S.A.	655
	ARKTIAS S.A.	655
	TITAN CEMENT ATLANTIC S.A.	655
	TITAN INTERNATIONAL TRADING S.A.	655
	TRANSBETON S.A.	3,893
	INTERBETON CONSTRUCTION MATERIALS S.A.	311,920
		323,053

2. Other income from services

BENI SUEF CEMENT CO.	1,101,122
ALEXANDRIA PORTLAND CEMENT Co	421,386
TITAN AMERICA LLC	29,801
TITAN CEMENT U.K. LTD	34,512
ALBACEM SHA	1,200
INTERTITAN S.A.	1,200
INTERBETON CONSTRUCTION MATERIALS S.A.	154,204
AEOMOS LTD	10,216
AEOLIAN M.C.	1,140
TITAN INTERNATIONAL TRADING S.A.	1,200
TITAN CEMENT ATLANTIC S.A.	1,200
GOURNES QUARRIES S.A.	400
TANAGRA QUARRIES S.A.	2,826
CEMENTARA KOSJERIC A.D.	19,913
ANTEA CEMENT SHA	926,301
SHARRCEM SH.P.K.	18,116
	2,724,737
TOTAL B.	**3,047,791**

C. Rents and leases

INTERBETON CONSTRUCTION MATERIALS S.A.	31,026
AEOLIAN M.C.	605
INTERTITAN S.A.	605
ALBACEM SHA	605
PORFYRION S.A.	605
VAHOU QUARRIES S.A.	605
ARKTIAS S.A.	586
AITOLIKA QUARRIES S.A.	605
TITAN CEMENT ATLANTIC S.A.	605
TITAN INTERNATIONAL TRADING S.A.	605
	36,453
TOTAL C.	**36,453**
	92,227,009

II. OUTFLOWS

A. Purchases

1. Aggregates purchases

INTERBETON CONSTRUCTION MATERIALS S.A.	3,080,364
KTIMET SA	4,649
	3,085,013

2. Ready-mix concrete purchases

INTERBETON CONSTRUCTION MATERIALS S.A.	49,400
	49,400
TOTAL A.	**3,134,413**

B. Services

1. Rents and leases

INTERBETON CONSTRUCTION MATERIALS S.A.	38,111
	38,111

2. Various payments from services

TITAN GLOBAL FINANCE PLC	37,475,012
INTERBETON CONSTRUCTION MATERIALS S.A.	2,392,845
ALEXANDRIA PORTLAND CEMENT Co	10,635
ANTEA CEMENT SHA	22,575
ESSEX CEMENT CO LLC	63,010
FINTITAN SRL	676
SHARRCEM SH.P.K. SH.P.K.	7,195
ZLATNA PANEGA CEMENT A.D.	15,460
TITAN CEMENT U.K. LTD	34,467
TITAN AMERICA LLC	973
	40,022,848
TOTAL B.	**40,060,959**
	43,195,372

III. BALANCES

The balances on 31.12.2014 are as follow:

	31/12/2014	
	DEBIT BALANCE	**CREDIT BALANCE**
CEMENTARNICA USJE AD	478,851	
FINTITAN SRL	4,075,688	
ANTEA CEMENT SHA	253,548	
INTERBETON CONSTRUCTION MATERIALS S.A.	10,319,506	1,340,505
KTIMET SA		2,564
TRANSBETON S.A.	1,215,901	
GOURNES QUARRIES S.A.	41	
ESSEX CEMENT CO LLC	1,491,125	
TITAN AMERICA LLC		168,164
TITAN INTERNATIONAL TRADING S.A.	240,000	
CEMENTARA KOSJERIC A.D.	31,270	
SHARRCEM SH.P.K. SH.P.K.	10,152	
BENI SUEF CEMENT CO.	1,979,433	
ALEXANDRIA PORTLAND CEMENT Co	164,943	
ZLATNA PANEGA CEMENT A.D.	3,705	
AEMOS LTD	6,526	
TITAN GLOBAL FINANCE PLC		344,214,228
AEOLIAN M.C.		262,444
	20,270,689	**345,987,905**

Information According to Article 10 of Law 3401/2005

The following Announcements/notifications have been sent to the Daily Official List Announcements and are posted to the Athens Exchange website as well as to our Company's website www.titan-cement.com

3/1/2014	Announcement pursuant to Law 3556/2007
9/1/2014	Announcement pursuant to Law 3556/2007
3/2/2014	Forward Start Syndicated Credit Facility
4/2/2014	Announcement pursuant to Law 3556/2007
5/2/2014	Announcement pursuant to Law 3556/2007
13/2/2014	Announcement pursuant to Law 3556/2007
17/2/2014	Announcement pursuant to Law 3556/2007
19/2/2014	Announcement pursuant to Law 3556/2007
27/2/2014	Financial Calendar 2014
27/2/2014	Analysts' presentation
27/2/2014	Press Release
27/2/2014	Full year results 2013
28/2/2014	Announcement pursuant to Law 3556/2007
4/3/2014	Change of Group Treasurer
10/3/2014	Announcement pursuant to Law 3556/2007
18/3/2014	Announcement pursuant to Law 3556/2007
2/4/2014	Announcement pursuant to Law 3556/2007
5/5/2014	Announcement pursuant to Law 3556/2007
6/5/2014	Announcement pursuant to Law 3556/2007
15/5/2014	Press Release
15/5/2014	Financial Results of Q1 2014
20/5/2014	Sale of treasury stocks
21/5/2014	Invitation to the Annual General Meeting of Shareholders
9/5/2014	Announcement pursuant to Law 3556/2007
27/5/2014	Announcement pursuant to Law 3556/2007
27/5/2014	Announcement pursuant to Law 3556/2007
10/6/2014	Termination of share buyback period
11/6/2014	Announcement pursuant to Law 3556/2007
23/6/2014	Notice of decision taken by the Annual General Meeting of Shareholders on 20th June 2014
23/6/2014	Announcement on payment of extraordinary reserves for the financial year 2014
23/6/2014	Share buy-back
30/6/2014	TITAN GLOBAL FINANCE PLC issue of eurobonds
25/7/2014	Announcement pursuant to Law 3556/2007
28/7/2014	Announcement pursuant to Law 3556/2007
31/7/2014	Press Release for the 1st half 2014
31/7/2014	Analysts' presentation
31/7/2014	Financial results of 1st half 2014
11/8/2014	Announcement pursuant to Law 3556/2007
14/8/2014	Announcement pursuant to Law 3556/2007
19/8/2014	Announcement pursuant to Law 3556/2007
22/8/2014	Announcement pursuant to Law 3556/2007
20/10/2014	Announcement pursuant to Law 3556/2007
10/11/2014	Sale of treasury stocks
13/11/2014	Press Release for the 9months 2014
13/11/2014	Analysts' presentation
13/11/2014	Financial Results for the nine months of 2014
15/12/2014	Change of Chief Accountant

The annual financial statements, the auditors reports and the Board of Directors reports of the companies included in the consolidated financial statement are available on the Company's website titan-cement.com.