



TITAN CEMENT

Outlook:

We retain Titan's Fair Estimated Price to 23.50Euros/Share on the back of the satisfactory Q1'17 results in terms of top-line performance of the US and South East Europe (SEE) regions and the improved q-o-q operating profitability (EBITDA); factors that confirm the resilience of the Group's operating ability for the current year.

Titan's Q1'17 published results confirmed the ongoing solid performance of the US sector in terms of revenue growth and profitability, were in-line with our estimates regarding the performance of the SEE and Europe regions and finally were marked by the operating challenges of the East Mediterranean region.

The US sector is still the fundamental growth driver for the Group: On a q-o-q basis, the sector's revenues came up at 221.2mn. Euros 27% better than the previous period combined with a substantial operating performance as depicted in the sector's EBITDA (34.10mn. Euros, 90% up from the previous period).

On the other hand, the East Mediterranean region is still posing challenges for the Group especially in macroeconomic terms as reflected in the extreme volatility of the country's base currency. As a result the Group's revenue dropped by 31% from the previous quarter and the operating profits (EBITDA) followed the same direction (-17%) despite the significant reduction of the sector's energy costs, a development that will be enhancing the Group's operating efficiency.

The European operating sector is still facing a slight deceleration in terms of revenues due to the freeze of public infrastructure projects in Greece and the flat overall housing activity.

We retain the main assumptions in our valuation model which are incorporating the evidenced higher growth rate in the US market's operations, the reduction of operating costs that overcomes the needs for increased maintenance CAPEX and the improvement of the WACC of the company due to

Date: 18/05/17

FAIR ESTIMATED PRICE: **23,50Euros/Share**

Investment Thesis: **FV**

Key Statistics:

Valuation	Date 18/05/17
Share Price	25,32
Price High 52 week	25,80
Price Low 52 week	17,50
Current num. of shares	77.063.568
Trailing P/E	NA
Market Cap.	1.951.249.542
EPS (Trailing)	N/A
DPS(Proposed)	N/A
<i>*Closing Price as 17/05/2017</i>	

the further gradual de-risking of the Hellenic economy as depicted in the 10YGGB.

Specifically, for the FY17 our projections for the Group's total Revenues are 1.66bn.Euros, EBITDA gains of 292.00mn. Euros and bottom line earnings of 75mn.Euros as we exclude from our projections the previous year's tax credit which boosted TITAN's Net Profitability.

Based on the above we maintain our previously reported thesis regarding TITAN's Fair Estimated Price to 23.50Euros/Share and we continue to include the TITAN in our Top Picks list from the Hellenic Equities Universe.

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Ρήτρα Περιορισμού Ευθύνης:

Απαγορεύεται η αναδημοσίευση του παρόντος χωρίς την άδεια της Ν. ΧΡΥΣΟΧΟΪΔΗΣ ΧΡΗΜΑΤΙΣΤΗΡΙΑΚΗΣ Α.Ε.Π.Ε.Υ. Οι απόψεις που περιέχονται βασίζονται σε πηγές που θεωρούνται αξιόπιστες, ωστόσο η Ν. ΧΡΥΣΟΧΟΪΔΗΣ ΧΡΗΜΑΤΙΣΤΗΡΙΑΚΗ Α.Ε.Π.Ε.Υ. δεν ευθύνεται για την εγκυρότητα, ορθότητα ή αξιοπιστία τους και διατηρεί το δικαίωμα αλλαγής τους χωρίς πρότερη ειδοποίηση. Τόσο η Ν. ΧΡΥΣΟΧΟΪΔΗΣ ΧΡΗΜΑΤΙΣΤΗΡΙΑΚΗ Α.Ε.Π.Ε.Υ. όσο και οι διευθύνοντες και υπάλληλοι της δεν φέρουν ουδεμία ευθύνη για οποιαδήποτε συνέπεια των πληροφοριών αυτών. **Το παρόν δεν αποτελεί προσφορά, προτροπή ή επενδυτική πρόταση για αγορά ή πώληση μετοχών ή άλλων κινητών αξιών. Οι επενδύσεις που αναφέρονται ενδέχεται να μην είναι οι ενδεικνυόμενες για ορισμένους επενδυτές.**

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Σημειώσεις/Notes

P:	Τρέχουσα Τιμή	Market Price
MCAP:	Κεφαλαιοποίηση	Capitalization
EPS:	Καθαρά Κέρδη Ανά Μετοχή	Earnings per Share
P/E:	Λόγος Τιμής προς Κέρδη	Price/Earnings Ratio
P/S:	Λόγος Τιμής προς Πωλήσεις	Price/Sales Ratio
D/A:	Συνολικός Δανεισμός προς Παθητικό	Total Debt/Assets Ratio
DY:	Απόδοση Μερίσματος	Dividend Yield
ROE:	Απόδοση Ιδίων Κεφαλαίων	Return on Equity
FV:	Τιμή Σωστής Αποτίμησης	Fair Value Price

Οδηγός Συστάσεων/Ratings

UV	Χαμηλή Αποτίμηση/ Χαμηλός Κίνδυνος	Underpriced/ Small Risk Stock Price < 20% of Fair
UV1	Χαμηλή Αποτίμηση/ Κίνδυνος	Underpriced/ Risk Stock Price < 10% of Fair
FV	Σωστή Αποτίμηση/ Χαμηλός Κίνδυνος	Fairly Priced/ Small Risk 10% < Stock Price < 10%
OV1	Σωστή Αποτίμηση/ Κίνδυνος	Fairly Priced/ Risk Stock Price > 10% of Fair
OV	Υπερτιμημένη Μετοχή	Overvalued Stock Price > 20% of Fair
N/R	Μη Αποτιμημένη Μετοχή	Not Rated