



TITAN CEMENT

Outlook:

Following the announcement of Titan's 9M17 results, we retain our thesis regarding the Group's Fair Estimated Price to 23.50Euros/Share and change our rating to UV1 from OV1 previously.

- Titan's consolidated revenues reached 1.144bn. Euros a 1.80% from the 9M16 period.
- EBITDA gains marked a 4.60% increase despite the adverse impact of Irma hurricane in US region's operations and one-off restructuring costs for the Middle East operations.
- Group's net income reached 33.10mn. Euros substantially below the previous 9M period level, as are not incorporating carry forward tax credit from US operations.

Date: 09/11/17

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

Investment Thesis: **UV1**

Key Statistics:

Valuation	9/11/2017
Share Price	20,32
Price High 52 week	26,75
Price Low 52 week	20,29
Current num. of shares	77.063.568
Trailing P/E	47
Market Cap.	1.565.931.702
EPS (Trailing)	0,43
DPS(Proposed)	N/A
<i>*Closing Price as 08/11/2017</i>	

We retain our projections regarding the Group's Fair Estimated Price to 23.50Euros/Share and change our rating to UV1 from OV1 previously.

Titan's 9M results were characterized by the solid performance in the U.S. region; the revenue acceleration in the South East Europe region (SEE), the ongoing declining demand for the Group's products in the Hellenic market and the adverse operating challenges coming from the problematic macroeconomic environment in East Mediterranean region (Egypt). In addition, we should note that TITAN's interim financial results were negatively impacted by two extraordinary events: the Irma Hurricane which affected the Group's operations in the US region and Egypt's one off restructuring costs amounting to 6.30mn.Euros.

The US sector is still the key fundamental growth driver of the Group; that fact is confirmed by the sector's 22.40% revenue growth compared to the 9M'16 period combined with an extraordinary operating performance as depicted in the reported EBITDA. We should note that US sector's Q3 results were negatively impacted by the hurricane Irma.

The S.E European operating sector is facing a substantial acceleration in terms of revenues (+12%) above our expectations that called for flat growth due to the performance of Romanian and Albania operations. On the other hand, Greece and Central Europe still face the ongoing lower demand for the Group's products due to the freeze of public infrastructure projects in Greece and the declining housing activity.

On the same manner, the main challenges for the Group in the East Mediterranean region (ongoing deteriorating macroeconomic terms which are reflected in the volatility of the Egyptian pound) still remain and hurt bottom line results: the Egypt region's sales further dropped by 39% in Euro terms despite the +22% increase in the Egyptian pound and the operating profits (EBITDA) followed the same direction and further burdened from the 6,30mn. Euros one –off restructuring costs.

We remain confident in our projections regarding the growth of the U.S. operations (albeit taking into account the extraordinary event of hurricane Irma), satisfied from the performance of the European regions (SEE and Central Europe) and still cautious vis-a-vis the Middle East region performance due to the ongoing deterioration of the macro environment in Egypt.

As a result, we stick to our projections for the Group's total Revenues for FY17 to 1.58bn.Euros, EBITDA gains of 300.00mn.Euros and bottom line earnings of 75mn.Euros in the absence of the extraordinary carry-forward tax credit of the US operations at the previous period.

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.

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

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