



Share Price:		18,98
Closing Price as 17/03/16		
Price High 52week		22,78
Price Low 52week		15,00
Market Capitalisation		1.462.666.521
Current num. of shares		77.063.568
Long Term Debt		716.766.000

Key Financials	12/15	12/16E	12/17E
Sales	1.397.818.000	1.470.972.410,00	1.555.505.248,60
EBITDA	216.422.000	226.743.102,50	264.131.364,64
EBITDA margin	15%	15%	17%
Total Debt/Equity	0,43	0,45	0,45
P/E	33,00	43,00	26,00
EPS	0,46	0,43	0,71
Dividend/Share	0,30	0,30	0,30

Enterprise Value	2.278.081.308
Shareholders value	1.561.315.308

TITAN S.A

Sector: Construction&Materials-Building Materials& Fixtures

Activity: Production and trade in cement and related products.

Outlook:

We reiterate Titan's Fair Value at 18.60 Euros/Share, which is our last posted FV (see Titan Cement Update at 06/08/15). FY15 proved another solid year for Titan's operations, characterized by strong improvement in the United States in terms of Revenues and EBITDA.

Hellenic and East Mediterranean operations faced a challenging year caused by a) the decline reported in revenues for both the Hellenic and SEE markets and b) increased total sales albeit higher operating costs for the East Mediterranean market.

Points of concern for 2016 are still the evidenced slowdown in demand in the Hellenic and S.E.E markets as well as the rate of improvement in the margins of Titan's Egyptian subsidiary.

Overall, our model calls for further growth in revenues from the US Markets for the coming years as a result of further strengthening of the US macro environment and for more conservative growth estimates for all other markets.

We also factor improved operating costs due to the expected reduction in Energy costs in Egypt which lead us to increased Cash Flow projections.

We would like to point out that the continuing management efficiency of the Group offers conviction to our estimates and makes Titan one of the few value plays in the Domestic Market.

Strengths:

Healthy Capital structure (Debt/Equity 0,43)

Export oriented company (75% of total sales in foreign countries)

Weaknesses:

Great exposure to commodity and energy costs.

Opportunities:

Further growth in cement consumption in USA.

Threats:

Continuous political tension in Egypt and Middle East Sector affecting Group's performance.

DATE

18/03/16

FAIR ESTIMATED PRICE	18,60
Δ% from Current Price	-2%
Investment Thesis	FV

TITAN's Summary tables

Income Statement	2015	2016E	2017E	2018E	2019E
Sales	1.397.818.000,00	1.470.972.410,00	1.555.505.248,60	1.630.209.000,99	1.719.647.888,12
CGS	1.039.425.000,00	1.103.229.307,50	1.151.073.883,96	1.206.354.660,73	1.272.539.437,21
Gross Profit	358.393.000,00	367.743.102,50	404.431.364,64	423.854.340,26	447.108.450,91
Other Income	9.508.000,00	10.000.000,00	10.000.000,00	12.000.000,00	12.000.000,00
Income from relative Comp.		0,00	0,00	0,00	0,00
Admin. Costs	114.169.000,00	115.000.000,00	120.000.000,00	122.000.000,00	128.000.000,00
Sales Costs	21.326.000,00	22.000.000,00	19.300.000,00	19.300.000,00	19.300.000,00
Rest Cost/Income	16.074.000,00	14.000.000,00	11.000.000,00	11.000.000,00	11.000.000,00
EBITDA	216.422.000,00	226.743.102,50	264.131.364,64	283.554.340,26	300.808.450,91
CGS D&A	107.442.000,00	109.000.000,00	112.000.000,00	110.000.000,00	110.000.000,00
Impairment Losses	17.045.000,00	0,00	0,00		
Admin. Costs Depreciati	6.208.000,00	6.500.000,00	6.800.000,00	7.000.000,00	7.200.000,00
EBIT	85.727.000,00	111.243.102,50	145.331.364,64	166.554.340,26	183.608.450,91
Income from Sec.	1.565.000,00	0,00	0,00	0,00	0,00
Cost from Sec.	2.805.000,00	1.500.000,00	1.500.000,00	1.500.000,00	1.500.000,00
Interest Income	1.767.000,00	3.000.000,00	3.000.000,00	3.000.000,00	3.000.000,00
Interest Expense	67.360.000,00	68.000.000,00	71.000.000,00	71.000.000,00	71.000.000,00
Penalty Fees					
Losses from Relative Co	5.815.000,00				
FX Income/Loss	17.435.000,00				
EBT	42.144.000,00	46.243.102,50	77.331.364,64	98.554.340,26	115.608.450,91
Taxation	6.848.000,00	13.410.499,73	22.426.095,74	28.580.758,67	33.526.450,76
Net Income	35.296.000,00	32.832.602,78	54.905.268,89	69.973.581,58	82.082.000,15

FCF(E)	2016E	2017E	2016E
EBIT	111.243.102,50	145.331.364,64	166.554.340,26
Taxation (1-Tax Rate)	71%	71%	71%
NOPAT	78.982.602,78	103.185.268,89	118.253.581,58
Depreciation	115.500.000,00	118.800.000,00	117.000.000,00
Capital Exp.	30.000.000,00	30.000.000,00	30.000.000,00
IWC	14.618.200,68	10.150.953,78	13.717.942,73
NCF	149.864.402,10	181.834.315,11	191.535.638,85

Growth/Margins/Metrics(E)	12/15	12/16E	12/17E
Sales Growth	21%	5%	6%
EBITDA growth Y-Y	19%	5%	16%
Net Profit/Loss growth	-1%	-5%	67%
RATIOS	12/15	12/16E	12/17E
Debt/Equity	0,43	0,45	0,45
Capex/EBITDA	80%	13%	11%
ROE	2%	2%	3%
WACC	11,50%	11,50%	11,50%
VALUATION	12/15	12/16E	12/17E
Book Value	22,13	22,13	22,13
P/BV	1,13	1,13	1,13
P/E	33,00	43,00	26,00

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

Οδηγός Συστάσεων/Ratings	
UV	Χαμηλή Αποτίμηση/ Χαμηλός Κίνδυνος
UVI	Χαμηλή Αποτίμηση/ Κίνδυνος
FV	Σωστή Αποτίμηση/ Χαμηλός Κίνδυνος
OVI	Σωστή Αποτίμηση/ Κίνδυνος
OV	Υπερτιμημένη Μετοχή

Underpriced/ Small Risk
Stock Price < 20% of Fair
Underpriced/ Risk
Stock Price < 10% of Fair
Fairly Priced/ Small Risk
10% < Stock Price < 10%
Fairly Priced/ Risk
Stock Price > 10% of Fair
Overvalued
Stock Price > 20% of Fair

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