REGIONAL PERFORMANCE

USA

Growth momentum in the USA continued, supported by an intense CAPEX program

With a strong performance in an improving construction environment, the US market led the Group's growth in turnover and profitability in 2015.

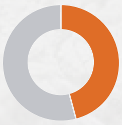
2015 PERFORMANCE HIGHLIGHTS

FINANCIAL

Turnover
49% of Group

€679.8 m

(2014: €468.9 m)



EBITDA
46% of Group

€100.8 m

(2014: €46.5 m)

Total assets
34% of Group

€1,006.3 m

NON-FINANCIAL

SOCIAL

Lost time injuries frequency rate (LTIFR) for employees in 2015
(per 1,000,000 man-hours)

2.05

(2014: 2.06)

Our operations meet country-specific regulations for Health and Safety*

Engagement rate
(Employee opinion survey 2014-2015)

85%

ENVIRONMENTAL

We use relevant voluntary management systems such as LEED (Leadership in Energy and Environmental Design), Green Star NRMCA and Energy Star which are "unit-focused".

PRINCIPAL PRODUCTS/ACTIVITIES

- Cement
- Ready-mix concrete
- Aggregates
- Building blocks
- Fly ash

KEY FACTS

2 Cement plants	6 Quarries	84 Ready-mix plants
15 Distribution terminals	9 Concrete block plants	9 Fly ash processing plants

* In particular, we meet MSHA standards (Mine Safety & Health Administration) and OHSA standards (Occupation Health and Safety Administration). There are internal management monitoring systems, but not certified systems.

Management review

Market overview

With growth in the construction sector continuing for a fourth successive year, the US market is the Group's growth engine. Cement consumption across the USA as a whole grew by 3.7% in 2015 to 92 million metric tons. The South Atlantic States (including Virginia, the Carolinas and Florida), where TITAN's US plants are located, posted particularly strong growth of 7.1% in 2015, well ahead of the national average, with the recovery of the residential housing market fueling the demand for building materials.

Regional performance

TITAN has a strong CAPEX program underway in the USA with investments in 2015 exceeding €90 million, based on a very promising outlook for future growth. In 2015, our sales increased across the whole range of building materials we produce (excluding fly ash), driven more by the strong growth in Florida and Metro New York. Combined with improved pricing in all regions and across all materials, this led to an accelerated improvement in financial performance, with turnover up 45% (19% in US dollar terms) and EBITDA at more than double the 2014 level reaching € 100.8 million.

While supply was constrained for our fly ash product, ProAsh®, in 2015, our Group subsidiary ST Equipment & Technology LLC continued to focus on growth, with new facilities under assessment.

TITAN Virginia Ready-Mix plants in Port Norfolk, Leesburg, Petersburg and Stafford were all awarded Certificates of Conformance for Concrete Facilities following audits, and their Environmental Management Systems were also reviewed by a Green-Star auditor for conformance with the requirements of the NRMCA Green-Star program.

APPLYING THE BEST AVAILABLE TECHNOLOGIES

Our Roanoke plant has a well-established reputation for maintaining best practice in environmental management performance, which is underlined by our commitment to using the Best Available Technologies. We continue to seek improvement, and in 2015, we made an investment of 18.7 million euros that offers even greater benefits for the local environment. Roanoke Cement updated its existing filters with the latest large bag filters to reduce dust emissions from the air stream leaving its facility. Not only have we further reduced the particulate dust emissions through this project, but the collected particulates can also be returned to the production process.

Energy efficiency is one of our priorities in the USA and we are improving our environmental impacts by changing the profile of the fuel we use from traditional fossil fuel to renewable energy sources and increasing the use of secondary fuels. This is a key focus for our ongoing investments in the market.

It is noted that TITAN decided to suspend the development activities for the construction of a cement plant in Castle Hayne, North Carolina, deeming that project financials no longer supported the construction of a new cement plant. As a result, in 2015 the Group recorded an impairment charge of €12.4 million related to the suspended investment.

Looking ahead

The recovery of the construction industry should continue, driven by the residential and commercial segments and, to a lesser extent, public works. The Portland Cement Association (PCA) forecasts growth in cement consumption of approximately 5% per year between 2016 and 2020. Even higher growth rates are expected in the South Atlantic states and Metro New York where the largest share of our operations are located. Based on the growth of the market and its positive outlook, the Group intends to carry out further investments in the USA in 2016, aiming at strengthening the Group's position and further improving its competitiveness.