

3. Operating segment information

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

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 operating segment for effective financial controlling and performance monitoring.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on Earnings before Interest, Taxes, Depreciations & Amortization (EBITDA). The Group financing is managed on a group basis and finance costs and finance revenue is allocated to operating segments.

Additional information of operating segment

(all amounts in Euro thousands)

For the year ended 31 December 2012

	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Adjustments and eliminations	Total
Gross revenue	263.925	369.878	225.131	295.954	-	1.154.888
Inter-segment revenue	-23.771	-426	-31	-	-	-24.228
Revenue from external customers	240.154	369.452	225.100	295.954	-	1.130.660
Profit before interest, taxes, depreciation and amortization	32.649	5.833	64.235	93.766	-645	195.838
Depreciation & amortization	-19.526	-58.679	-21.433	-25.248	203	-124.683
Impairment of tangible and intangible assets related to cost of sales	-5.287	-	-616	-144	-	-6.047
Profit/(loss) before interest and taxes	7.836	-52.846	42.186	68.374	-442	65.108
Finance costs - net	-41.730	-18.159	6.228	-11.908	-	-65.569
Share of losses of the associates	-284	-	-557	-	-	-841
(Loss)/profit before taxes	-34.178	-71.005	47.857	56.466	-442	-1.302
Less: Income tax	3.426	1.846	-7.582	-15.216	-	-17.526
(Loss)/profit after taxes	-30.752	-69.159	40.275	41.250	-442	-18.828
Attributable to:						
Titan Cement S.A. shareholders	-30.745	-69.159	40.805	35.025	-442	-24.516
Non-controlling interests	-7	-	-530	6.225	-	5.688
	-30.752	-69.159	40.275	41.250	-442	-18.828

	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Adjustments and eliminations	Total
ASSETS						
Non-current assets	2.378.092	744.838	460.360	832.801	-2.101.329	2.314.762
Current assets	314.733	131.992	414.442	375.046	-518.933	717.280
Total Assets	2.692.825	876.830	874.802	1.207.847	-2.620.262	3.032.042
LIABILITIES						
Non-current liabilities	1.299.218	285.516	163.092	202.997	-975.169	975.654
Current liabilities	610.880	160.898	44.892	98.717	-518.940	396.447
Total Liabilities	1.910.098	446.414	207.984	301.714	-1.494.109	1.372.101

3. Operating segment information (continued)

(all amounts in Euro thousands)

	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Capital expenditures (note 11,12,13)	8.980	7.376	13.884	20.729	50.969
(Reversal of impairment)/impairment of property, plant and equipment (note 11)	-1.041	-	128	-	-913
Impairment of intangible assets-excluding goodwill (note 13)	4.501	-	486	-	4.987
Impairment of Goodwill (note 13)	1.829	-	-	144	1.973
(Reversal of allowance)/allowance for doubtful debtors (note 20)	-2.669	1.353	1.208	195	87
Investment in associates (note 15)	-	-	2.734	-	2.734

Capital expenditures consist of additions of property, plant and equipment, intangible assets and investment properties including 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 comprises of the sale of goods and services. There are sales between geographical segments at arms length. Total assets and capital expenditures are presented at the geographical segment of the company that owns the assets.

The transactions between segments are performed on the basis described in note 33.

Additional information for business activities

(all amounts in Euro thousands)

For the year ended 31 December 2012

	Cement	Ready mix, aggregates and blocks	Other	Total
Turnover	828.906	294.808	6.946	1.130.660

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. It also includes shipping and transportation activities that are not of sufficient size to be reported separately.

Note that the Company sold cement and aggregates to its subsidiary Interbeton S.A. that represented in 2012 8.37% (2011: 13.4%) of the Company's turnover.

3. Operating segment information (continued)

Additional information of operating segment

(all amounts in Euro thousands)

For the year ended 31 December 2011

	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Adjustments and eliminations	Total
Gross revenue	285.844	303.841	250.215	277.848	-	1.117.748
Inter-segment revenue	-17.109	-174	-9.061	-	-	-26.344
Revenue from external customers	268.735	303.667	241.154	277.848	-	1.091.404
Profit/(losses) before interest, taxes, depreciation and amortization	35.451	-5.693	87.155	127.479	-334	244.058
Depreciation & amortization	-19.011	-54.980	-22.276	-23.865	202	-119.930
Impairment of tangible and intangible assets related to cost of sales	-3.912	-14.798	-	-	-	-18.710
Profit/(loss) before interest and taxes	12.528	-75.471	64.879	103.614	-132	105.418
Finance costs - net	-42.340	-16.835	2.866	-9.979	-	-66.288
Share of losses of the associates	-225	-	-1.166	-	-	-1.391
(Loss)/profit before taxes	-30.037	-92.306	66.579	93.635	-132	37.739
Less: Income tax expense	-966	13.735	-8.722	-20.106	-	-16.059
(Loss)/profit after taxes	-31.003	-78.571	57.857	73.529	-132	21.680
Attributable to:						
Titan Cement S.A. shareholders	-31.006	-78.571	56.828	63.892	-132	11.011
Non-controlling interests	3	-	1.029	9.637	-	10.669
	-31.003	-78.571	57.857	73.529	-132	21.680

	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Adjustments and eliminations	Total
ASSETS						
Non-current assets	2.437.729	832.318	682.644	979.924	-2.466.103	2.466.512
Current assets	389.264	146.829	144.263	329.156	-207.017	802.495
Total Assets	2.826.993	979.147	826.907	1.309.080	-2.673.120	3.269.007
LIABILITIES						
Non-current liabilities	1.756.615	403.575	130.198	147.945	-1.340.685	1.097.648
Current liabilities	268.078	67.747	56.543	266.632	-188.089	470.911
Total Liabilities	2.024.693	471.322	186.741	414.577	-1.528.774	1.568.559

	Greece and Western Europe	North America	South Eastern Europe	Eastern Mediterranean	Total
Capital expenditures (note 11,12,13)	10.253	6.265	29.879	11.670	58.067
Impairment of property, plant and equipment (note 11)	126	14.798	-	-	14.924
Impairment of Goodwill (note 13)	3.786	-	-	-	3.786
Allowance for doubtful debtors (note 20)	5.533	2.483	4.117	-10.234	1.899
Investment in associates (note 15)	4.888	-	3.325	-	8.213

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

Impairment charges are included in the Income Statement.

Additional information for business activities

For the year ended 31 December 2011

	Cement	Ready mix, aggregates and blocks	Other	Total
Turnover	792.524	287.428	11.452	1.091.404