

## 22. Share capital and premium

### 2010 Programme

On June 3, 2010 the Company approved the introduction of a new, three-year Stock Option Programme (2010 Programme). In the years 2010, 2011 and 2012, executive members of the Company's Board of Directors and senior executives of the Company and its affiliates in Greece and abroad were granted options, vesting of which is subject to the financial results of the Company and the performance of its ordinary share, to acquire up to 1,000,000 ordinary shares of the Company at a sale price equal to the share's nominal value, that is €4.00 per share.

Under this Programme, the options granted each year have a maturity period of three years and can be exercised within two years after the completion of the three year period. Each option must be exercised within the year following the one in which the final number of options that can be exercised is determined. If the deadline is exceeded, those particular options will irrevocably lapse. All vesting is conditional upon the employees' continued employment throughout the vesting period. The number of options that vest each year will be determined as follows:

- 1) One-third of options granted vest based on the financial results of the Company.
- 2) One-third of options granted vest based on Titan Cement's stock performance relative to three Athens Stock Exchange indices during the three year period.
- 3) One-third of options granted vest based on Titan Cement's stock performance relative to that of ten predefined international cement producing companies during the three year period.

The options granted under the 2010 Programme have been accounted for in terms of the requirements of IFRS 2 "Share based payments".

The number of Share Options that were granted during 2010, 2011 and 2012 was 267,720, 301,200 and 376,290 respectively.

The fair value of the options granted in 2010, determined using the Monte Carlo Simulation valuation model, was €5.36 per option. The significant inputs used in the application of the valuation model were share price at grant date of €15.90, standard deviation of share price of 39.42%, dividend yield of 2.68% and the rate of the three-year fixed EUR swap interest rate of 2.25%.

The fair value of the options granted in 2011 was €6.86 per option, determined using the Monte Carlo Simulation valuation model. The significant inputs used in the application of the valuation model were share price at grant date of €17.88, standard deviation of share price of 43.98%, dividend yield of 2.74% and the rate of the three-year fixed EUR swap interest rate of 1.89%.

The fair value of the options granted in 2012 was €3.05 per option, determined using the Binomial Method and the Monte Carlo Simulation valuation model. The significant inputs used in the aforementioned methodology were the share price at grant date of €14.72, the volatility of the share price estimated at 37.4%, the dividend yield of 0.7% and the yield of the 3 year EU Benchmark (Deutsche Bund) Government bond yield rate of 0.32%.

On 31 December 2016, the number of the cancelled share options that were granted during 2010, 2011 and 2012 is 13,380, 17,910 and 16,710 respectively whereas the respective number of the share options that were not vested is 190,746, 118,977 and 61,112.

Out of the share options that were granted during 2010, 8,684 vested and cancelled. The remaining 54,910 share options, that represent 0.06% of Company's total shares of the paid up share capital, were exercised (2013: 50,282 / 2014: 4,628) by 75 Group executives, including 5 executive Board members of the Company. Total purchase cost of common treasury shares of the Company amounted €1,898 thousand (2013: €1,766 thousand / 2014: €132 thousand). The sale price of the Company's common treasury shares (over-the-counter-transaction) equaled to the nominal value of each Company share, i.e. €4.00. The total share price amounted €220 thousand. The loss caused by this transaction amounted to €1,678 thousand (2013: €1,565 thousands / 2014: €113 thousands) and were attributed to the equity holders of the Company.

Out of the share options that were granted during 2011, 15,494 vested and cancelled. The remaining 148,819 share options, that represent 0.17% of Company's total shares of the paid up share capital, were exercised (2014: 136,875 / 2015: 11,944) by 87 Group executives, including 6 executive Board members of the Company. Total purchase cost of common treasury shares of the Company amounted €4,257 thousand (2014: €3,915 thousand / 2015: €342 thousand). The sale price of the Company's common treasury shares (over-the-counter-transaction) equaled to the nominal value of each Company share, i.e. € 4.00. The total share price amounted € 595 thousand. The loss caused by this transaction amounted to €3,662 thousand (2014: €3,368 thousands / 2015: €294 thousands) and were attributed to the equity holders of the Company.

Out of the share options that were granted during 2012, 42,519 vested and cancelled. Out of the remaining 255,949 share options, that represent 0.3% of Company's total shares of the paid up share capital, were exercised during 2016 and 2015 by 13 and 69 Group executives respectively, including 1 executive Board member of the Company. Total purchase cost of common treasury shares of the Company amounted €7,373 thousand (2015: €4,214 thousand / 2016: €2,817 thousand). The sale price of the Company's common treasury shares (over-the-counter-transaction) equaled to the nominal value of each Company share, i.e. €4.00. The total share price amounted €1,026 thousand (2015: €590 thousand / 2016: €436 thousand). The loss caused by this transaction amounted to €6,005 (2015: €3,624 / 2016: €2,381 thousand) and were attributed to the equity holders of the Company.

