cementirholding
GRUPPO CALTAGIRONE

Cementir Holding: Board of Directors approves results at 31 December 2009

Revenues: EUR 822 million (EUR 1,092 million at 31 December 2008)
EBITDA: EUR 135 million di euro (EUR 209 million at 31 December 2008)
Profit before taxes: EUR 48 million (EUR 92 million at 31 December 2008)
Work to expand production capacity in China completed

Rome, 11 February 2010 – The Board of Directors of Cementir Holding, chaired by Francesco Caltagirone Jr., approved the results for full-year 2009 and the fourth quarter of 2009.

Financial highlights

(millions of euros)	January December 2009	January December 2008	% change
Revenues	822.5	1,092.2	-24.7%
EBITDA	135.5	209.2	-35.2%
EBIT	52.1	128.1	-59.3%
Profit before tax	48.0	92.2	-47.9%

Net financial position

(millions of euros)	31-12-2009	30-09-2009	31-12-2008
NFP	(381.3)	(406.6)	(416.4)

Sales volumes

('000)	January December 2009	January December 2008	% change
Grey and white cement (metric tons)	9,641	10,461	-7.8%
Ready-mixed concrete (m3)	3,074	4,056	-24.2%
Aggregates (metric tons)	4,079	4,539	-10.1%

Group employees

	31-12-2009	31-12-2008	30-09-2009
Number of employees	3,439	3,847	3,509

Cementir Holding's results for 2009 reflect the recession that has hit the world economic system. Demand was weak and uneven, a situation the expansionary monetary policy pursued by the governments and central banks of the leading industrial countries was unable to counter.
Given this situation, the Group focused on improving operational efficiency by containing operating costs and maintaining its presence in key markets.
In the area of production, work was completed in late 2009 on expanding production capacity in China, where a new white cement plant was built with an annual capacity of 600 thousand metric tons.

Revenues amounted to EUR 822.5 million, down 24.7% from 31 December 2008, due mainly to the reduction in volumes across all sectors, combined with strong price competition.
This decline was more marked in the industrial countries, where the Group has a larger presence. However, sales volumes rose sharply in Egypt, where the Group doubled its production capacity last year.
The drop in revenues was offset by the containment of **operating costs,** which fell by a total of 22.7% compared with 31 December 2008.
Specifically, raw material costs fell 23.5% as a result of the decline in energy and transport costs and reduced output. Despite the non-recurring reorganisation charge of EUR 6.2 million, personnel costs declined by 14% (about EUR 24.1 million) compared with 31 December 2008, following the continuation of the corporate reorganisation begun the previous year. The decrease in other operating costs of 26.8% compared with 31 December 2008 was the result of management's constant search for efficiency along the entire production process.

EBITDA amounted to EUR 135.5 million (EUR 209.2 million at 31 December 2008).
However, the actions taken led to a gradual improvement in the ratio of EBITDA to revenues, which came to 16.5% in 2009 (from 11.7% in the first quarter of 2009 to 18.4% in the forth quarter of 2009), reflecting the upward trend in profitability.

Financial management yielded a negative EUR 4.1 million (negative EUR 35.9 million at 31 December 2008), leaving debt of EUR 381,3 million at the end of the period. This result reflects the effectiveness of foreign exchange and commodity hedges, and the careful, efficient management of the debt and the related borrowing costs.

Profit before tax amounted to EUR 48 million (EUR 92.2 million at 31 December 2008).

The **net financial position** came to a negative EUR 381.3 million at 31 December 2009 (an improvement of EUR 35 million from 31 December 2008).
This figure is even more impressive considering that the Group continued to pursue planned extraordinary investments close to EUR 38 million (mainly due to the completion of the Chinese and Egyptian plants) and distributed dividends of EUR 12.7 million.

Performance in the fourth quarter of 2009

Financial highlights

(millions of euros)	4th quarter 2009	4th quarter 2008	% change
Revenues	192.5	231.8	-16.9%
EBITDA	35.3	35.9	-1.8%
EBIT	12.5	12.8	-2.2%
Profit before tax	9.9	(9.8)	201%

In the fourth quarter of 2009, **revenues** came to EUR 192.5 million (EUR 231.8 million in the fourth quarter of 2008).
The decline in sales volumes for the fourth quarter was less pronounced than in the first nine months of the year, with the quarterly drop being much less than that for the year as a whole, particularly with regard to cement. We expect demand for cement, ready-mixed concrete and aggregates to stabilise at current levels for the next few months.
During the fourth quarter, **EBITDA** came to EUR 35.3 million (in line with the EUR 35.9 million posted in the fourth quarter of 2008), **EBIT** amounted to EUR 12.5 million (EUR 12.8 million in the fourth quarter of 2008) and **profit before tax** was a positive EUR 9.9 million, a sharp reversal of performance in the year-earlier period (a loss of EUR 9.8 million).

Th**e net financial position** improved by EUR 25.3 million in the fourth quarter of 2009 thanks to the positive cash flows generated by operations and careful management of the stock of working capital.

Outlook

Performance in 2010 is expected to be substantially in line with that in 2009. There are currently no clear signs of an impending recovery. The Group will continue the reorganisation effort aimed at boosting efficiency and profitability.

The Group's extraordinary investment programme came to an end with the completion of the new plant in China at the end of 2009.

Rome, 11 February 2010

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Oprandino Arrivabene, as the manager responsible for preparing the Company's financial reports, certifies, pursuant to Article 154-bis (2) of the Consolidated Law on Financial Intermediation, that the accounting information contained in this press release corresponds with that contained in company documents, books and accounting records.

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Results

(EUR '000)	Jan-Dec 2009	Jan-Dec 2008	Δ %	4th Quarter 2009	4th Quarter 2008	Δ %
REVENUES	**822,473**	**1,092,186**	**-24,69%**	**192,497**	**231,831**	**-16,97%**
Change in inventories	520	9,664		8,407	(1,105)	
Other revenues [1]	14,150	15,137		5,793	4,445	
TOTAL OPERATING REVENUES	**837,143**	**1,116,987**	**-25,05%**	**206,697**	**235,171**	**-12,11%**
Raw material costs	(355,999)	(465,497)	-23,52%	(82,821)	(96,687)	-14,34%
Personnel costs	(147,918)	(172,019)	-14,01%	(35,682)	(43,751)	-18,44%
Other operating costs	(197,735)	(270,244)	-26,83%	(52,852)	(58,738)	-10,02%
TOTAL OPERATING COSTS	**(701,652)**	**(907,760)**	**-22,71%**	**(171,355)**	**(199,176)**	**-13,97%**
EBITDA	**135,491**	**209,227**	**-35,24%**	**35,342**	**35,995**	**-1,81%**
EBITDA Margin %	*16.47%*	*19.16%*		*18.36%*	*15.53%*	
Depreciation, Amortisation and Provisions	(83,354)	(81,085)	2,80%	(22,812)	(23,176)	-1,57%
EBIT	**52,137**	**128,142**	**-59,31%**	**12,530**	**12,819**	**-2,25%**
EBIT Margin %	*6.34%*	*11.73%*		*6.51%*	*5.53%*	
FINANCIAL INCOME (EXPENSE)	**(4,106)**	**(35,934)**	**88,57%**	**(2,645)**	**(22,615)**	**88,30%**
PROFIT BEFORE TAX	**48,031**	**92,208**	**-47,91%**	**9,885**	**(9,796)**	**200,91%**
PROFIT BEFORE TAX Margin %	*5.84%*	*8.44%*		*5.14%*	*-4.23%*	

[1] "Other revenues" includes the items of the income statements "Increases for internal work" and "Other operating revenues".

Sales volumes

('000)	Jan-Dec 2009	Jan-Dec 2008	Δ %	4th Quarter 2009	4th Quarter 2008	Δ %
Grey and white cement (metric tons)	9,641	10,461	-7.83%	2,339	2,345	-0.26%
Ready-mixed concrete (m^3)	3,074	4,056	-24.21%	792	923	-14.17%
Aggregates (metric tons)	4,079	4,539	-10.13%	1,073	1,225	-12.41%

Group employees

	31-12-2009	31-12-2008	30-09-2009
Number of employees	3,439	3,847	3,509

Net financial position

(EUR '000)	31-12-2009	30-09-2009	31-12-2008
Cash and cash equivalents	63,477	63,919	41,639
Non-current financial liabilities	(265,719)	(262,928)	(206,586)
Current financial liabilities	(179,051)	(207,585)	(251,485)
NET FINANCIAL POSITION	**(381,293)**	**(406,594)**	**(416,432)**