

## Cementir Holding: Board of Directors approves results at 31 March 2011

- **Revenues: EUR 188.6 million (EUR 157.7 million at 31 March 2010)**
- **EBITDA: EUR 8.5 million (EUR 9.7 million at 31 March 2010)**
- **Loss before tax: EUR 2.3 million (EUR 10.9 million loss at 31 March 2010)**

**Rome, 9 May 2011** – The Board of Directors of Cementir Holding, chaired by Francesco Caltagirone Jr., today approved Cementir Holding's results for the first quarter of 2011.

### Financial highlights

(millions of euros)	1 <sup>st</sup> Quarter 2011	1 <sup>st</sup> Quarter 2010	% change
Revenues	188.6	157.7	19.6%
EBITDA	8.5	9.7	-12.3%
EBIT	-12.3	-11.0	-11.6%
Profit before taxes	-2.3	-10.9	78.5%

### Sales volumes

('000)	1 <sup>st</sup> Quarter 2011	1 <sup>st</sup> Quarter 2010	% change
Grey and white cement (metric tons)	2,123	1,966	8.0%
Ready-mix concrete (m <sup>3</sup> )	847	581	45.8%
Aggregates (metric tons)	679	495	37.2%

### Group employees

	31-03-2011	31-12-2010
Number of employees	3,287	3,365

Cementir Holding ended the first quarter of 2011 with results that marked a partial recovery, thanks mainly to the good performance posted in Scandinavia, Turkey and the Far East, where rising sales volumes across all business sectors were reported, with prices remaining stable or in some cases even

increasing slightly. The Italian market continued to suffer from the weakness that has affected it the past several quarters, a situation that led to a further decline in industrial profitability, in part due to higher energy costs. The Egyptian market felt the impact of the social and political events that have plagued that country in recent months and that led to temporary halts in operations.

**Revenues** amounted to EUR 188.6 million (EUR 157.7 at 31 March 2010), **EBITDA** came to EUR 8.5 million (EUR 9.7 million at 31 March 2010) and **EBIT** to EUR-12.3 million (negative EUR 11 million at 31 March 2010). The increase in revenues of approximately 20% reflects general recovery signs on main business markets except for Italy, whose sales recorded a reduction of 8% compared with the same period of last year. While revenues have essentially returned to the same level reported in the first quarter of 2009, EBITDA and EBIT showed a slight decline in profitability compared with the first quarter of 2010 (-12.3% and -11.6% respectively) due in part to the negative results reported in Italy and to the slowdown in operations in Egypt, and in part to higher operating costs (up +22.6% compared with the first quarter of 2010), mainly as a result of rising fuel prices that also had an impact on transport and logistics costs.

**Financial management** yielded a positive EUR 9.9 million (EUR 100 thousand at 31 March 2010), thanks to measurement of interest rate, foreign exchange and commodity hedges. Financial management also benefited from low interest rates and the narrow spreads paid to banks thanks to the Group's high credit rating.

The **loss before tax** was EUR 2.3 million, a considerable improvement over 31 March 2010 (loss of EUR 10.9 million).

The **net financial position** showed a net debt of EUR 359.2 million (negative EUR 336.1 million at 31 December 2010). The deterioration mainly reflects changes in working capital, annual maintenance of plants, usually carried out during the first months of the year, and investments in the waste management sector in Turkey.

At today's meeting the Board also confirmed the appointment of Oprandino Arrivabene, the Company's CFO, as the manager responsible for the preparation of company accounting documentation for 2011. Moreover, the Board determined that directors Flavio Cattaneo, Massimo Confortini, Alfio Marchini and Enrico Vitali continue to meet the requirements for independence under applicable law and the Corporate Governance Code for Listed Companies.

### **Significant events during the quarter**

During the first quarter of 2011, Cementir Holding, through its Turkish subsidiary Recydia, which operates in the waste management and renewable energy sector, signed a 25-year contract to handle and treat around 700,000 metric tons of Istanbul's municipal solid waste per year; this accounts for 14% of that city's solid urban waste.

### **Outlook**

We expect that demand will continue to vary by region and that production costs will rise across all areas throughout the year.

\* \* \*

*Oprandino Arrivabene, as the manager responsible for the preparation of company accounting documentation, 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 the results contained in company documents, books and accounting records.*

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