Cementir Holding: Board of Directors approves results at 31 March 2012

- **Revenues: EUR 195.4 million, up 3.6% (EUR 188.6 million at 31 March 2011)**
- **EBITDA: EUR 12.6 million, up 48% (EUR 8.5 million at 31 March 2011)**
- **EBIT: a negative EUR 8.0 million, an improvement of 35%**
- **Loss before tax: EUR 11.4 million (EUR 2.3 million loss at 31 March 2011)**

Rome, 9 May 2012 – The Board of Directors of Cementir Holding, chaired by Francesco Caltagirone Jr., today approved Cementir Holding's results for the first quarter of 2012.

Financial highlights

(millions of euro)	1st Quarter 2012	1st Quarter 2011	% change
Revenues	195.4	188.6	3.6%
EBITDA	12.6	8.5	48.2%
EBIT	-8.0	-12.3	35.1%
Profit before taxes	-11.4	-2.3	N/A

Sales volumes

('000)	1st Quarter 2012	1st Quarter 2011	% change
Grey and white cement (metric tons)	1,892	2,123	-10.9%
Ready-mixed concrete (m3)	823	847	-2.8%
Aggregates (metric tons)	719	679	5.9%

Group employees

	31-03-2012	31-12-2011	31-03-2011
Number of employees	3,224	3,200	3,287

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Cementir Holding ended the first quarter of 2012 with significantly improved results thanks to the good performance posted in Scandinavia, Egypt and the Far East, which more than offset the difficulties encountered in Turkey and Italy due to adverse weather conditions and the decline in volumes of cement and ready-mixed concrete sold, especially in Italy, where the market experienced a decline of about 30% in demand.

Revenues amounted to EUR 195.4 million (EUR 188.6 million at 31 March 2011), **EBITDA** came to EUR 12.6 million (EUR 8.5 million at 31 March 2011) and **EBIT**, although a negative EUR 8.0 million, improved by 35.1% on the same period of the previous year (negative EUR 12.3 million). The increase of 3.6% in revenues compared with the same period of last year reflects the improving economies in its major markets and the slow but steady recovery in demand in some markets. In Scandinavia, revenues rose by around EUR 13 million over the first quarter of 2011, thanks to sales growth in Denmark and Norway and in the major export markets and to higher average prices. Revenues grew by around EUR 2.5 million in Egypt due to higher exports of white cement, although the internal market is still characterised by political uncertainty and economic instability. The increase in revenues in the Far East, equal to around EUR 2.2 million, is the result of greater quantities sold, mainly in China, where the market continues to develop now that the new plant is fully operational, and in Australia, where prices have risen slightly. By contrast, Turkey and Italy experienced a contraction in volumes sold, with prices remaining stable in Turkey and trending higher in Italy, causing revenues to fall compared with 2011. The decline in volumes sold in the first quarter of 2012 compared with the year-earlier period reflected especially adverse weather conditions, along with several days of strikes by truckers in Italy in protest of higher fuel taxes. EBITDA also improved in absolute terms (up EUR 4.1 million compared with the first quarter of 2011) and in terms of industrial profitability, for an EBITDA to revenues ratio of 6.4%, an improvement over the 4.5% posted the previous year.

Financial management yielded a negative EUR 3.4 million, in line with average market conditions, with net debt at period-end of EUR 410.0 million. The change with respect to the previous year (when financial management yielded a positive EUR 9.9 million) reflects the extraordinary positive valuation of hedging derivatives in the first quarter of 2011.

The **loss before tax** for the period of EUR 11.4 million and the comparison with the previous year (a EUR 2.3 million loss) also reflected the impact of the extraordinary performance posted by financial management in the first quarter of 2011.

The **net financial position** at 31 March 2012 showed net debt of EUR 410.0 million (EUR 357.5 million at 31 December 2011), with the change reflecting developments in working capital, annual plant maintenance usually performed in the early part of the year, and investments made in Turkey's waste management sector. The performance was nevertheless better than expected.

Significant events

During the first quarter of 2012, activities to obtain permits for the refurbishment of the Taranto (Italy) plant moved forward with the goal of improving the plant's industrial efficiency and mitigating its environmental impact. At the start of May the final permit necessary was issued. As regards treating waste and developing renewable energy through the Turkish subsidiary Recydia, activities continued under the 25-year contract to handle and treat around 700,000 metric tons of Istanbul's municipal solid waste per year.

Outlook

The economic situation discussed above, marked by a slow but steady recovery in demand in our markets with the exception of Italy, should continue throughout the year unless there is a sudden worsening of the financial crisis that has affected the last few years.

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Massimo Sala, 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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