



Ciments Français
Italcementi Group

Conference call

First Half 2010 Results



Italian Pavilion at Expo 2010 Shanghai China
featuring the new “transparent cement” expressly developed by Italcementi

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IFRS 8 - New Segment Reporting

Starting from Q1 2010 results , to be compliant with IFRS 8 and in order to improve the readability of Group's results we have modified our segment reporting.

Main changes are:

- ⊙ Focus on main countries (all minor countries, in each area, are grouped in one single line)
- ⊙ Kuwait: from “Trading” to “Emerging Europe -Middle East – North Africa”

IAS 16 - Property, plant and equipment

The list of the components and useful lives of the industrial assets in the cement sector was reviewed, generating a decrease of 12.5 EURm in depreciation charges in the first half 2010.

Ciments Français Income Statement

Decline of revenues and EBITDA driven by negative price effect. No depreciation of assets.

EURm

	H1 2010	H1 2009	Change	% Change
Revenues	2,133	2,174	(41)	-1.9%
EBITDA - recurring	437	462	(25)	-5.3%
<i>% on revenues</i>	20.5%	21.2%	-0.7p.p.	-
Other non rec.income / (exp.)	(0)	(2)	2	n.s.
EBITDA	437	460	(23)	-5.0%
<i>% on revenues</i>	20.5%	21.2%	-0.7p.p.	-
Amortisation and depreciation	(184)	(175)	(9)	+5.0%
Depreciation of assets	(0)	(20)	20	-97.7
EBIT	253	265	(12)	-4.5%
<i>% on revenues</i>	11.9%	12.2%	- 0.3 p.p.	-

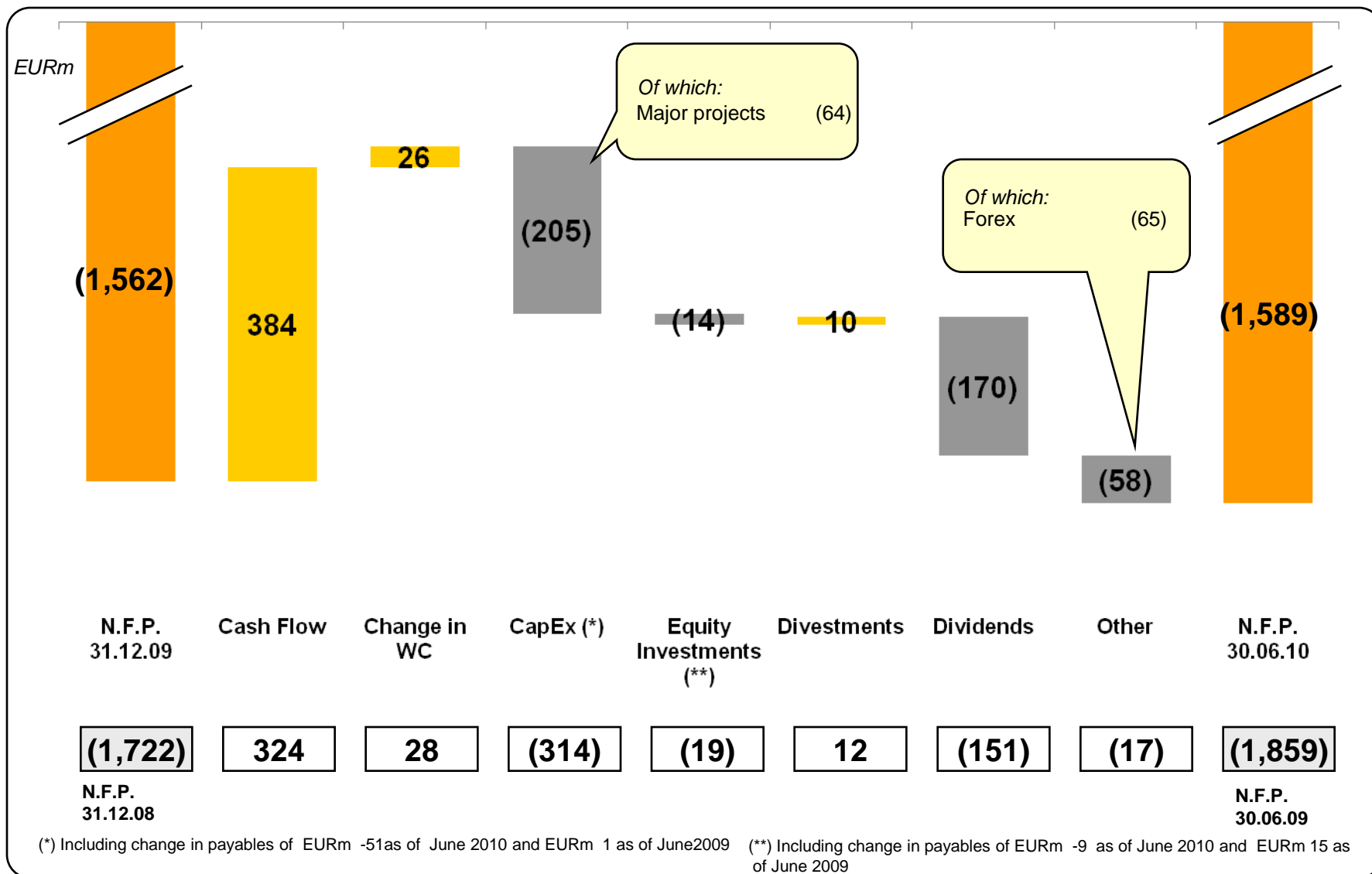
Ciments Français Income Statement

Net profit in line with last year mainly thanks to lower financial expenses

EURm	Of which Rate 5 Volume 6 Forex 15 USPP prepayment charges (16)	H1 2010	H1 2009	Change	% Change
		EBIT	253	265	(12)
<i>% on revenues</i>	11.9%	12.2%	-0.3 p.p.	-	
Financial income and expenses	(33)	(42)	9	-22.9%	
Adjustment to financial assets value	0	0	0	-	
Result of comp. valued with the equity method	8	5	3	+62.3%	
Profit before Tax (Pbt)	229	228	1	+0.3%	
<i>% on revenues</i>	10.7%	10.5%	+0.2 p.p.	-	
Income tax expense	(62)	(62)	0	-0.4%	
Net profit	167	166	1	+0.6%	
<i>% on revenues</i>	7.8%	7.6%	+0.2 p.p.	-	
Group net profit	103	114	(11)	-9.3%	
Minority interest	64	52	12	+22.2%	

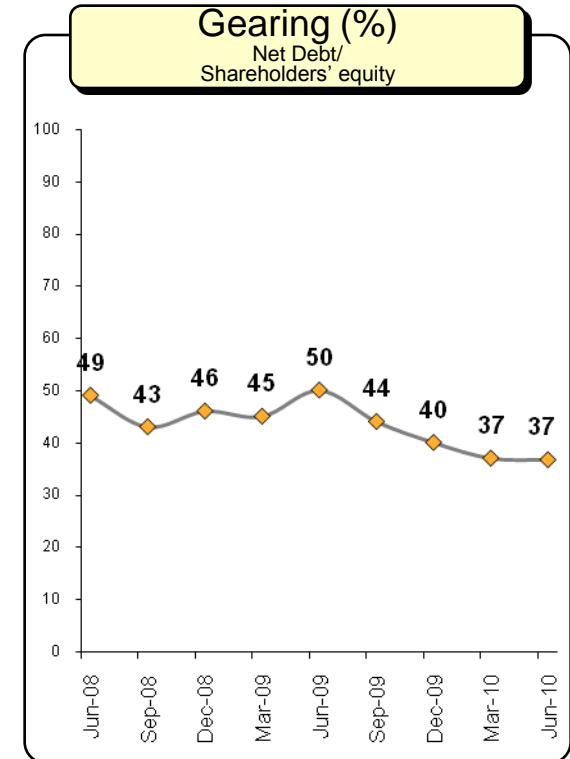
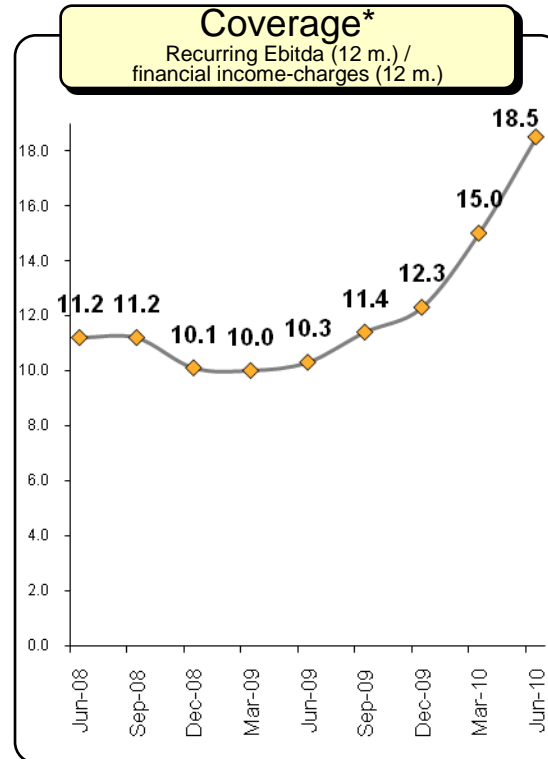
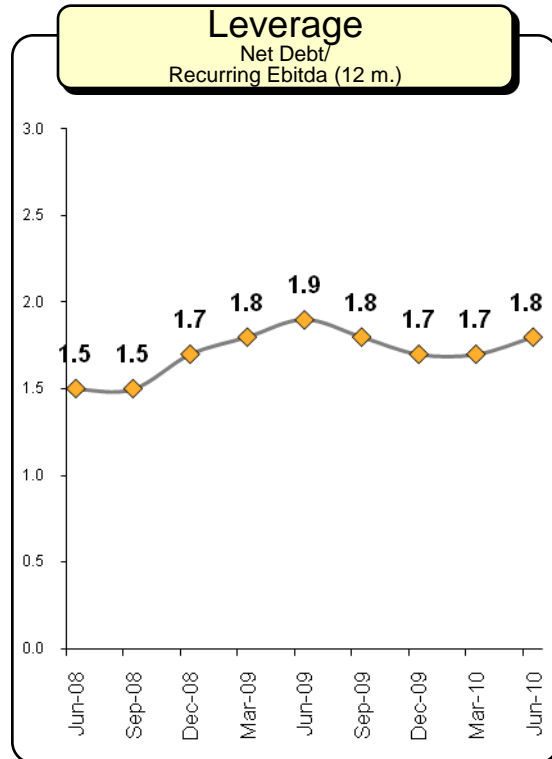
Ciments Français Cash flow

Control on CapEx and containment of working capital lead to stability of NFP even after dividend payment



Financial ratios: Leverage, Coverage & Gearing

Cash generation and financial prudence underpin solid ratios and investment grade rating



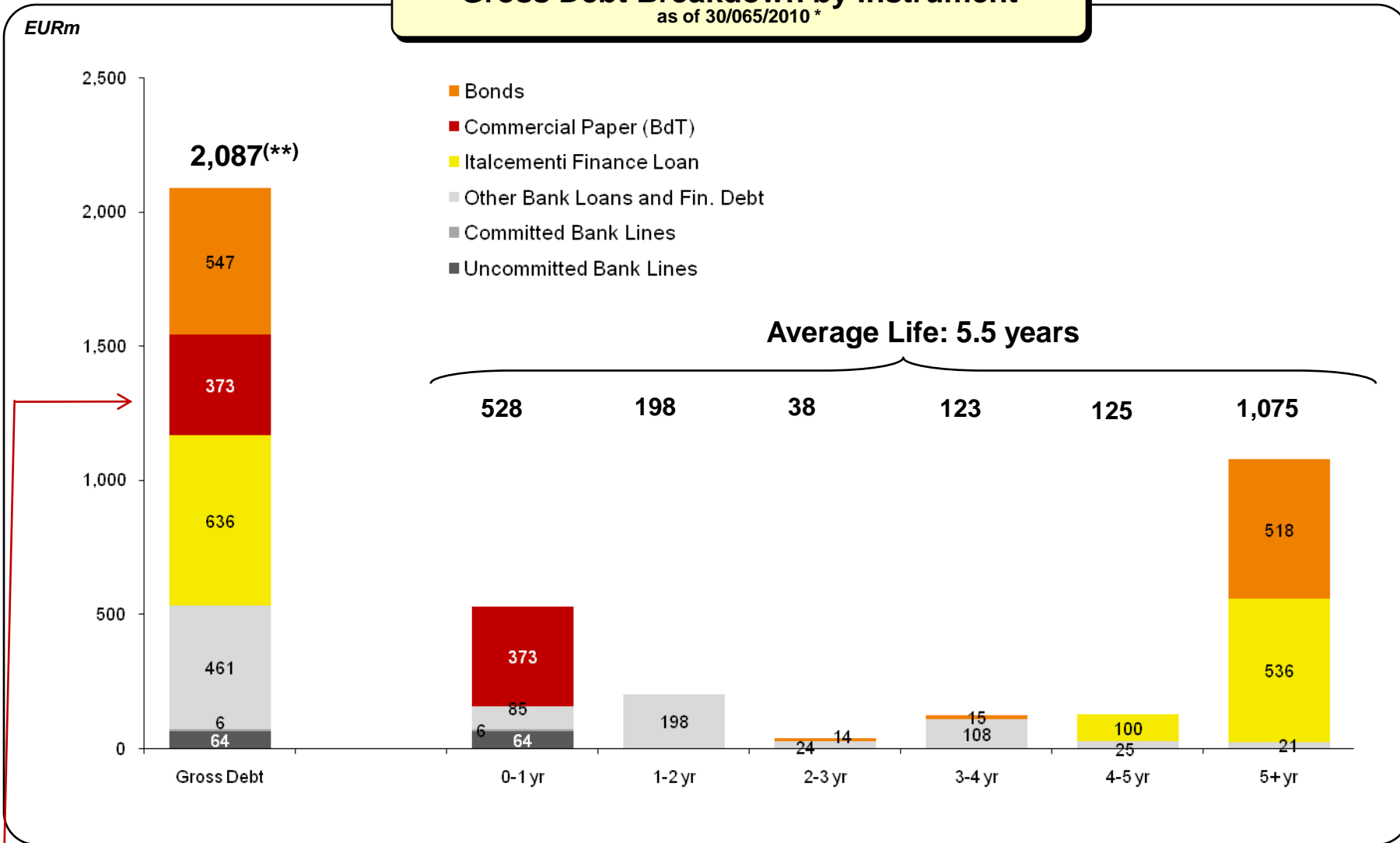
	LT Rating	Outlook	Last Action Last publication
Moody's	Baa2	Negative	20/7/2009 Affirmed - 9/3/2010
S&P	BBB-	Stable	17/9/2009 No change - 20/4/2010

(*) 2009 Financial income /expenses net USPP repurchase expenses

Debt maturity at 30 June 2010

Safe debt maturity schedule, well diversified finance and ample liquidity reserves

Gross Debt Breakdown by Instrument as of 30/06/2010 *



(*) EURm 373 of outstanding BdT classified on Balance Sheet as L/T debt are shown here as 0-1 yr maturity following rating agency analysis; unutilised M/T credit lines are shown gross of the same amount
 (**) Excluding MTM of derivatives instruments

The background features two sets of concentric circles. One set, in blue, is larger and positioned lower on the page. The other set, in orange, is smaller and positioned higher. A solid yellow horizontal bar is located in the lower right quadrant, containing the word 'Appendix' in black text.

Appendix

Sales volume by business and by area

AREA	CEMENT & CLINKER (kt)											
	Q1 2010	Q1 2009	Δ	Δ L-f-L	Q2 2010	Q2 2009	Δ	Δ L-f-L	H1 2010	H1 2009	Δ	Δ L-f-L
Western Europe	2,177	2,453	- 11.2%	- 11.2%	2,843	2,842	+ 0.0%	+ 0.0%	5,020	5,295	- 5.2%	- 5.2%
North America	596	676	- 11.8%	- 11.8%	1,176	1,133	+ 3.7%	+ 3.7%	1,771	1,810	- 2.1%	- 2.1%
MATURE COUNTRIES	2,773	3,129	- 11.4%	- 11.4%	4,019	3,976	+ 1.1%	+ 1.1%	6,792	7,104	- 4.4%	- 4.4%
Emerging Europe, North Africa & Middle East	4,759	4,891	- 2.7%	- 2.7%	5,499	5,280	+ 4.1%	+ 4.1%	10,258	10,171	+ 0.9%	+ 0.9%
Asia	2,521	2,576	- 2.1%	- 2.1%	2,869	2,608	+ 10.0%	+ 10.0%	5,390	5,184	+ 4.0%	+ 4.0%
EMERGING COUNTRIES	7,280	7,466	- 2.5%	- 2.5%	8,368	7,888	+ 6.1%	+ 6.1%	15,648	15,354	+ 1.9%	+ 1.9%
Trading & others	1,214	739	+ 64.3%	+ 64.3%	933	1,083	- 13.9%	- 13.9%	2,147	1,822	+ 17.8%	+ 17.8%
Eliminations	-956	-504	n.s.	n.s.	-559	-631	n.s.	n.s.	-1,515	-1,135	n.s.	n.s.
TOTAL	10,311	10,830	- 4.8%	- 4.8%	12,760	12,316	+ 3.6%	+ 3.6%	23,071	23,146	- 0.3%	- 0.3%

AREA	AGGREGATES (kt)											
	Q1 2010	Q1 2009	Δ	Δ L-f-L	Q2 2010	Q2 2009	Δ	Δ L-f-L	H1 2010	H1 2009	Δ	Δ L-f-L
Western Europe	7,368	8,313	- 11.4%	- 11.4%	10,022	9,921	+ 1.0%	+ 1.0%	17,390	18,234	- 4.6%	- 4.6%
North America	185	91	+ 104.4%	+ 49.5%	285	140	+ 103.1%	+ 49.7%	471	231	+ 103.6%	+ 49.6%
MATURE COUNTRIES	7,554	8,404	- 10.1%	- 10.5%	10,307	10,062	+ 2.4%	+ 1.9%	17,861	18,466	- 3.3%	- 3.7%
Emerging Europe, North Africa & Middle East	497	554	- 10.3%	- 10.3%	691	721	- 4.1%	- 4.1%	1,188	1,275	- 6.8%	- 6.8%
Asia	76	143	- 46.9%	- 46.9%	70	114	- 38.1%	- 38.1%	146	256	- 43.0%	- 43.0%
EMERGING COUNTRIES	573	697	- 17.8%	- 17.8%	762	834	- 8.7%	- 8.7%	1,334	1,531	- 12.8%	- 12.8%
TOTAL	8,127	9,100	- 10.7%	- 11.0%	11,069	10,896	+ 1.6%	+ 1.1%	19,195	19,997	- 4.0%	- 4.4%

AREA	READY-MIX CONCRETE (kmc)											
	Q1 2010	Q1 2009	Δ	Δ L-f-L	Q2 2010	Q2 2009	Δ	Δ L-f-L	H1 2010	H1 2009	Δ	Δ L-f-L
Western Europe	1,252	1,394	- 10.2%	- 11.6%	1,638	1,682	- 2.6%	- 3.9%	2,889	3,075	- 6.0%	- 7.4%
North America	110	129	- 15.0%	- 18.6%	240	210	+ 14.0%	+ 5.5%	349	339	+ 3.0%	- 3.5%
MATURE COUNTRIES	1,361	1,523	- 10.6%	- 12.2%	1,877	1,892	- 0.8%	- 2.8%	3,239	3,415	- 5.1%	- 7.0%
Emerging Europe, North Africa & Middle East	883	833	+ 6.0%	+ 0.3%	1,216	1,044	+ 16.4%	+ 14.9%	2,099	1,878	+ 11.8%	+ 8.3%
Asia	162	153	+ 5.6%	+ 0.2%	185	128	+ 44.8%	+ 30.0%	347	281	+ 23.5%	+ 14.2%
EMERGING COUNTRIES	1,044	986	+ 5.9%	+ 0.3%	1,401	1,172	+ 19.5%	+ 16.7%	2,445	2,158	+ 13.3%	+ 9.1%
Trading & others	4	6	- 39.5%	- 39.5%	4	10	- 64.6%	- 64.6%	7	17	- 55.4%	- 55.4%
TOTAL	2,410	2,515	- 4.2%	- 7.2%	3,282	3,075	+ 6.7%	+ 4.4%	5,692	5,590	+ 1.8%	- 0.8%

Revenues by country

	Q2 2010	Q2 2009	% Chg. 10-09	H1 2010	H1 2009	% Chg. 10-09	
			actual			actual	like-for-like
France/Belgium	445	436	2.1%	771	796	-3.1%	-3.2%
Spain	49	58	-16.2%	93	115	-19.0%	-15.9%
Greece	20	21	-7.0%	37	40	-8.2%	-8.2%
<i>Eliminations</i>	(6)	(3)	n.s.	(11)	(7)	n.s.	n.s.
Western Europe	508	512	-0.9%	891	944	-5.7%	-5.4%
North America	124	115	7.8%	186	190	-2.1%	-2.5%
Egypt	232	200	16.1%	445	418	6.6%	5.0%
Morocco	94	86	8.6%	174	167	4.7%	4.7%
Bulgaria	18	33	-46.1%	27	60	-55.7%	-55.7%
Turkey	40	38	6.5%	66	61	7.8%	1.4%
Kuwait	15	15	-0.9%	28	26	8.4%	-3.2%
<i>Eliminations</i>	73	86	n.s.	28	25	n.s.	n.s.
Emerging Europe, North Africa & Middle East	472	458	3.0%	740	731	1.2%	-0.6%
Thailand	44	36	24.8%	86	79	8.9%	1.0%
India	43	46	-6.4%	82	95	-13.6%	-20.0%
Kazakhstan	14	10	42.6%	20	13	44.9%	40.6%
China	16	12	33.0%	25	24	5.0%	4.4%
<i>Eliminations</i>	0	-	n.s.	-	-	n.s.	n.s.
Asia	118	104	13.7%	213	212	0.6%	-5.5%
Trading Cement & Clinker	64	59	8.1%	129	108	18.8%	16.7%
Others	70	52	33.5%	136	116	17.1%	13.4%
Eliminations	(153)	(153)	n.s.	(161)	(127)	n.s.	n.s.
Total	1,203	1,147	4.8%	2,133	2,174	-1.9%	-3.1%

Recurring EBITDA by country

	Q2 2010		Q2 2009		Change 10 vs. 09		H1 2010		H1 2009		Change 10 vs. 09	
		% on sales		% on sales				% on sales		% on sales		
France/Belgium	125	28.1%	119	27.4%	6	4.6%	167	21.7%	173	21.8%	(6)	-3.3%
Spain	9	19.0%	16	27.7%	(7)	-42.6%	18	19.4%	23	20.4%	(5)	-22.9%
Greece	5	26.2%	6	28.0%	(1)	-12.9%	9	24.4%	9	22.4%	0	0.2%
Western Europe	139	27.5%	141	27.7%	(2)	-1.5%	195	21.8%	206	21.8%	(11)	-5.4%
North America	12	9.5%	(1)	-1.0%	13	n.s.	-5	-2.9%	-10	-5.5%	5	48.0%
Egypt	73	31.3%	63	31.4%	10	15.8%	134	30.2%	137	32.8%	(3)	-1.9%
Morocco	36	38.1%	36	42.2%	(1)	-2.0%	67	38.2%	67	40.1%	(0)	-0.2%
Bulgaria	10	56.7%	11	31.9%	(0)	-4.3%	11	42.8%	19	31.0%	(7)	-38.8%
Turkey	(1)	-3.3%	(2)	-6.0%	1	41.6%	(5)	-7.1%	-5	-7.5%	(0)	-2.3%
Kuwait	2	13.3%	2	10.2%	0	29.6%	3	12.2%	1	3.5%	2	n.s.
Emerging Europe, North Africa & Middle East	119	25.2%	109	23.8%	10	9.2%	211	28.5%	219	29.9%	(8)	-3.6%
Thailand	1	2.9%	2	5.1%	(1)	-28.7%	7	8.5%	9	11.5%	(2)	-19.5%
India	11	26.7%	19	42.4%	(8)	-41.0%	19	23.6%	40	41.7%	(20)	-51.1%
Kazakhstan	4	26.0%	2	n.s.	2	n.s.	4	18.3%	0	0.0%	4	n.s.
China	3	20.4%	3	24.3%	0	11.8%	4	15.6%	4	16.0%	0	2.3%
Asia	20	16.8%	26	24.9%	(6)	-23.5%	34	16.0%	53	24.8%	(18)	-35.0%
Trading Cement & Clinker	8	12.9%	3	4.8%	5	n.s.	11	8.7%	5	5.0%	6	n.s.
Others	(1)	n.s.	(6)	n.s.	5	n.s.	(8)	n.s.	(10)	n.s.	2	20.8%
Total	297	24.7%	272	23.7%	26	9.4%	437	20.5%	462	21.2%	(24)	-5.3%

Contacts

Ciments Français

Tour Ariane – 92088 Paris La Défense Cedex - France
www.cimfra.com

Raffaele Lupotto, IR

Tel. +33 1 42 91 76 76

Fax + 33 1 42 91 75 70

E-mail: r.lupotto@cimfra.com

Italcementi Group

Via G. Camozzi, 124 - 24121 Bergamo - Italy
www.italcementigroup.com

Giancarlo Berera, Head of IR

Tel. +39 035 39 67 51

Fax +39 035 39 66 19

E-mail: g.berera@italcementi.it

Arturo Carchio, IR

Tel. +39 035 396 866

Fax +39 035 396 619

E-mail: a.carchio@italcementi.it