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**Ciments Français**  
Italcementi Group

## **Combined General Meeting**

**April 15, 2009 at 11 a.m.**

**NOTICE OF COMBINED GENERAL MEETING  
Ordinary and Extraordinary**

**April 15, 2009 at 11 a.m.**

at

**Centre de Conférences – Cœur Défense –  
110 Esplanade du Général de Gaulle  
La Défense 4  
92050 PARIS LA DEFENSE**

Entitlement to participate in the General Meeting .....	3
Agenda.....	4
Presentation of the resolutions .....	5
Draft resolutions.....	7
Account activity .....	11
Financial results for the last five financial years.....	13
Application for documents.....	14

Société anonyme au capital de 145.318.708 €  
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Tél. 01.42.91.75.00  
599.800.885 RCS Nanterre – N° Siret 599800885 00478  
Site Internet : [www.cimfra.com](http://www.cimfra.com)

## **ENTITLEMENT TO PARTICIPATE IN THE GENERAL MEETING OF SHAREHOLDERS**

Any shareholder, irrespective of the number of shares owned, is entitled to participate in the general meeting in person, or to be represented by a spouse or another shareholder or by postal vote.

Pursuant to the provisions of article R.225-85 of French Commercial Code, shareholders entitled to participate in the general meeting shall be those shareholders able to provide evidence of shares registered to their name or to the name of the financial intermediary holding such shares on their account, no later than three working days prior to the meeting, i.e. by midnight on April 8, 2009, Paris time ("D-3"), either in named share registers or in the bearer share accounts held on their behalf by their approved financial intermediaries.

For holders of registered shares, registration of such shares in the share register at D-3 is sufficient entitlement to attend the general meeting.

In the case of shareholders owning bearer shares, the approved financial intermediaries holding such shares on account shall justify their clients' status as shareholders directly to the meeting's centralizing office by producing a certificate of entitlement to be attached to the single postal vote/proxy vote/admission card application form made out in the name of the shareholder or on behalf of the shareholder represented by the registered intermediary. Any holders of bearer shares wishing to attend the meeting in person and who have not received an admission card by April 9, 2009 should apply to their financial intermediary for the issue of a certificate of entitlement evidencing their status as shareholders at D-3, in order to gain admission to the meeting.

Shareholders are informed that, in accordance with the law:

- shareholders may obtain the single postal vote/proxy vote/admission card application form by writing to Société Générale, Service des Assemblées, BP 81236, 32 rue du Champ de Tir, 44312 Nantes cedex 03. This request will only be met if the letter is received at this address no later than six days prior to the date of the meeting, i.e. April 9, 2009.
- postal or proxy votes will only be taken into account if the requisite forms, duly completed and signed, are received by the above department of Société Générale (or at the headquarters of the company) no later than three days prior to the date of the meeting, i.e. April 12, 2009.

# AGENDA

## **Ordinary business:**

- Report of the Board of Directors, report of the President on the functioning of the Board and on internal control procedures, and report of the auditors on the year to December 31, 2008 and on regulated agreements;
- Approval of the individual company financial statements for the year to December 31, 2008;
- Appropriation of profits and declaration of dividend;
- Approval of the consolidated financial statement for the year to December 31, 2008;
- Approval of the special report of the auditors on regulated agreements;
- Reappointment of two directors;
- Authorization of a share buyback program;

## **Extraordinary business:**

- Report of the Board of Directors and auditors' reports;
- Authorization to the Board of Directors to reduce the share capital by cancellation of shares;
- Capital increase in cash of 100 million euros with preferential subscription rights;
- Authorization to increase the amount of the share issue under the legal conditions prevailing;
- Delegation of powers to the Board of Directors to proceed with a capital increase reserved for employees;

## **PRESENTATION OF THE RESOLUTIONS**

### **Annual accounts and related-party transactions (first, third and fourth resolutions)**

The General Shareholders Meeting is asked to approve the statutory accounts and the consolidated financial statements for the year 2008.

The General Meeting is also asked to rule on the statutory auditors' special report on related-party transactions.

### **Earnings appropriation (second resolution)**

Net profit amounts to 171.3 million euros and distributable profits total 1,218 million euros.

It is proposed to the Meeting the payment of a net dividend of 3.00 euros per share.

Dividends will be payable in cash as of May 5, 2009 to each of the shares existing at the day of the General Meeting and entitled to dividend payment (treasury shares are not entitled to dividend payment).

The amounts corresponding to dividends not paid to treasury shares held by the company on the day of dividend payment will be allocated to the "Retained earnings" caption.

Dividends paid in 2009 are eligible for the tax deduction or levy at source as provided for in the French tax code (Code Général des Impôts) for natural persons with a French tax residence.

### **Renewal of the term of office of two directors (fifth and sixth resolutions)**

- Italcementi Spa / Mr. Giampiero PESENTI Permanent representative  
Born 5 May 1931  
Degree in mechanical engineering – Milan Polytechnic (Italy)  
Joins the Technical Division of Italcementi Spa (Italy) (1958), the family firm established in 1864 (Italy)  
Appointed Chief Operating Officer (1983); Chief Executive Officer (1984);  
Chairman of the Board of Italcementi Spa since 2004;  
Appointed Chairman and Chief Executive Officer of Italmobiliare Spa (1984), the holding company controlling Italcementi Spa and the Sirap Gema Group.
  
- Comte de RIBES  
Born 27 January 1923  
Graduate in law, post-graduate in economics, free school of political sciences.  
Managing partner of the Rivaud et Cie Bank (1949) then chairman & CEO (1975).  
Chairman (1957) then President of the supervisory board of Compagnie des Caoutchoucs de Padang.  
Chairman (1969) then President of the supervisory board of Compagnie du Cambodge.  
Deputy chairman of Bolloré.  
Chairman & CEO of Société Bordelaise Africaine.

Further to the review of his personal situation, and pursuant to the principles elected by the company, the Board of Directors has recognized the quality of independence of Mr. le Comte de RIBES. On the contrary, this quality has been denied to Mr. Giampiero PESENTI who belongs to the family exercising control on the company.

**Share buyback program and potential cancellation of bought shares (seventh resolution presented to the Ordinary Shareholders' Meeting and eighth resolution presented to the Extraordinary Shareholders' Meeting)**

A new share buyback program is proposed for up to 10% of the share capital as of February 4, 2009, i.e. 3,632,967 shares of 4 euros each.

The objectives of this buyback program are as follows, by order of importance:

- ⊙ cancel company shares;
- ⊙ monitor the share price through a liquidity contract in compliance with the AMAFI ethics charter;
- ⊙ buy shares, with a view to holding them and using them in exchange or as payment for acquisitions.

This program goes with the authorization given to the Board to cancel all or part of the shares thus acquired, within the limit of 10% of the share capital by 24-month period.

**Share capital increase either by the issue of shares or other types of securities with shareholders' pre-emptive right to subscribe, or by the capitalization of reserves, premiums, earnings (ninth resolution) with the ability to increase the amount of the emission (tenth resolution)**

The authorizations granted for 26 months on April 16, 2007 are expiring shortly. These authorizations have not been used.

It is proposed to terminate them and to grant new powers to the Board of Directors for a 26-month time period, these new powers being strictly identical to the previous ones, i.e. one or several share capital increases up to a nominal amount of 100 million euros.

In case of excess demand, it is proposed grant the Board of Directors the power to increase the number of shares to be issued up to 15% of the initial issuance.

**Capital increase reserved for employees (eleventh resolution)**

Pursuant to legal provisions, the Meeting will also have to rule on a capital increase reserved for employees for an amount not exceeding 4,000,000 euros.

The Board of Directors recommends not to vote for this resolution.

# DRAFT RESOLUTIONS

## ORDINARY MEETING

### First resolution (Approval of the annual accounts)

The Annual General Meeting after hearing the reports of the Board of Directors and the Chairman on the operations of the Board and the internal control procedures, and the report of the statutory auditors on the accounts for the year ended December 31, 2008, approves the annual financial statements of the company for the 2008 fiscal year as presented. The General Meeting gives the Board full and complete discharge for its management throughout the aforementioned fiscal year.

### Second resolution (Earnings appropriation and dividend policy)

The General Meeting notes the retained earnings after payment of the dividend for fiscal 2007 on existing shares on the day of the General Meeting, April 14, 2008, entitled to a dividend on the day of payment, and further notes that available income is as follows:

*(in euros)*

Prior years retained earnings	1,153,150,714.71
Net income as of December 31, 2007	138,458,579.74
Dividends paid in 2008 (36,967,289 shares entitled to dividends)	- 92,418,222.50
Cancellation of 964,522 treasury shares in 2008	- 120,082,746.31
<b>Retained earnings as of December 31, 2008</b>	<b>1,079,108,325.64</b>
<hr/>	
<b>Net income as of December 31, 2008</b>	<b>171,381,967.45</b>
<b>Cancellation of 430,505 shares on February 4, 2009</b>	<b>- 32,454,337.56</b>
<b>Distributable profits</b>	<b>1,218,035,955.53</b>

The General Meeting approves the payment of a net dividend of 3 euros per share.

Dividends for fiscal year 2008 will be payable in cash as of May 5, 2009.

It will be paid to all shares existing on the day of the General Meeting entitled to dividend payment (treasury shares are not entitled to dividend payment).

Unpaid dividends corresponding to treasury shares held by the company on the dividend payment date shall be allocated to "Retained earnings".

For natural persons domiciled in France for tax purposes, dividends paid in 2009 are eligible for the 40% tax deduction (Article 158 of the Code Général des Impôts) or a tax levied at the source, depending on the option chosen.

Dividends paid during the last three fiscal years were as follows:

Fiscal year	Number of entitled shares	Net dividend
2005	38,163,506	€1.90
2006	37,937,522	€2.28
2007	36,967,289	€2.50

### **Third resolution (Approval of the consolidated financial statements)**

The General Meeting after hearing the reports of the Board of Directors and of the statutory auditors on consolidated financial statements as of 31 December, 2008, approves the consolidated financial statements for the fiscal year as presented.

### **Fourth resolution (Related-party transactions)**

The General Meeting after hearing the special report of the statutory auditors on the transactions covered by the provisions of Article L.225-38 of the French Code of commercial law takes note of the report and approves the transaction described therein.

### **Fifth resolution (Renewal of a director's term of office)**

The General Meeting renews the director's term of the company Italcementi S.p.A. for a four-year period, i.e. until the General Meeting called to approve the financial statements for the year 2012.

### **Sixth resolution (Renewal of a director's term of office)**

The General Meeting renews the director's term of the Comte de Ribes for a four-year period, i.e. until the General Meeting called to approve the financial statements for the year 2012.

### **Seventh resolution (Share buyback program)**

Pursuant to the provisions of Article L.225-209 of the French Code of commercial law, the General Meeting authorizes the Board of Directors to buy, in one or several transactions, by whatever means, company shares representing up to 10% of the share capital at February 4, 2009, i.e. 3,632,967 shares of 4 euros face value each, with the condition that the company may not own more than 10% of its own capital at any given time.

The objectives of this buyback program are as follows, in order of importance:

- Cancel company shares,
- Monitor the share price through a liquidity contract in compliance with the AMAFI code of ethics,
- Buy shares, with a view to holding them and using them in exchange or as payment for acquisitions.

The purchase price per share shall not be above 100 euros. The price shall be adjusted in the event of transactions on the capital, such as, notably, a capital increase by capitalization of income and allocation of bonus shares, a share consolidation or a share split.

The maximum funds required for this program shall be 363,296,700 euros.

The acquisition, sale or transfer of these shares can be made by whatever means (including the use of derivative financial instruments), on or outside the market (including by blocks of shares), negotiated on a regulated or over-the-counter market and particularly by any purchase options.

The Board of Directors is expressly authorized to delegate to the Chief Executive Officer, with the authority to subdelegate, the execution of all decisions taken under this authorization.

This authorization is granted for an 18-month period or until the date of its renewal by the General Ordinary Meeting.

## **EXTRAORDINARY MEETING**

### **Eighth resolution (Share capital reduction under the share buyback program)**

The General Meeting having examined the Board of Directors report and the statutory auditors special report authorizes the Board of Directors, pursuant to the provisions of Article L.225-209 of the French code of commercial law, to cancel, in one or several transactions, up to a limit of 10% of the share capital and in 24-month periods, all or part of the shares acquired under the authorization granted by the General Meeting in the seventh resolution.

The present authorization is valid for a period of 24 months.

The General Meeting grants the Board of Directors all power to acknowledge the share capital reductions resulting from the cancellation operations authorized by this resolution and to proceed with any necessary ensuing amendments to the By-laws.

### **Ninth resolution (Share capital increase either by issuing shares or other types of securities with shareholders' pre-emptive right to subscribe, or by capitalizing reserves, premiums, earnings)**

The General Meeting, having reviewed the report of the Board of Directors and the statutory auditors' special report and in accordance with the provisions of Articles L.225-129-2 and L.228-92 of the code of commercial law:

1. Grants powers to the Board of Directors to increase the share capital on one or more occasions in France or abroad by the issuance, in euros, of ordinary shares of the company or any other type of securities giving entitlement immediately or at a future date to ordinary shares of the company, being clarified that securities other than shares may be also denominated in foreign currencies or any monetary unit based on several currencies.  
The powers thus granted to the Board of Directors will be valid for a period of twenty-six months from the date of this Meeting.
2. Resolves that the total par value of the share capital increases to be carried out immediately or at a future date, may not exceed 100 million euros, to which shall be added, as the case may be, the par-value amount of additional ordinary shares to be issued, in order to preserve the interests of the holders of securities giving rights to company's shares, in accordance with applicable laws and regulations;
3. Resolves that:
  - a) Shareholders shall have a pre-emptive right to subscribe, in proportion to their interest, to securities issued by virtue of the present resolution;
  - b) If the offering of shares or securities as defined above is undersubscribed, on an irreducible and, as the case may be, reducible basis, the Board may offer to the public all or part of the unsubscribed shares or securities.
4. Grants the Board of Directors, for the same 26-month period, full authority to increase the share capital on one or more occasions by capitalizing reserves, premiums, earnings and/or other means the capitalization of which is allowed by law and the articles of association and in the form of an allocation of free shares or an increase in the face value of existing shares.

Resolves that the total par value of the share capital increases to be carried out, to which shall be added the amounts needed to safeguard the rights of holders of securities in accordance with the law and independently of the limit defined in 2., shall not be greater than the amount of the reserve accounts, premiums or earnings described above as they exist at the time of the capital increase;

Resolves that, in accordance with Article L.225-130 of the code of commercial law, should the Board of Directors make use of the power hereby granted, any rights to fractions of shares shall not be negotiable and the corresponding securities shall be sold; proceeds from any such sale will be allocated to the holders of rights within the applicable statutory period.

5. Notes that the power granted herein supersedes any prior power granted for the same purpose.

#### **Tenth resolution (Ability to increase the issue amount)**

The General Meeting, having reviewed the report of the Board of Directors and the statutory auditors' special report, grants the Board of Directors, in the event of a capital increase such as that described in the ninth resolution, the power to increase the number of securities to be issued in accordance with the provisions of Articles L.225-135-1 of the code of commercial law, provided however that the overall limit stipulated in the previous resolution is not exceeded.

The power hereby granted shall stand for twenty-six months.

#### **Eleventh resolution (Capital increase reserved for employees)**

The General Meeting, upon due consideration of the Board of Directors' report and the statutory auditors' special report, and pursuant to Article L.225-129-6 of the code of commercial law, grants the Board of Directors the necessary powers to proceed with the increase in cash of the share capital of the company, for a global maximum amount not exceeding 4,000,000 euros, in one or several transactions, by issuance of new shares reserved to employees of the company and of the subsidiaries legally related to it, participating in a company or Group's savings plan.

Beneficiaries will be able to subscribe, either directly, or through one or several mutual funds.

The General Meeting decides to cancel the shareholders' pre-emptive subscription rights for the considered new shares to the benefit of the above-mentioned employees.

The power hereby granted shall stand for twenty-six months from the General Meeting date.

Subscription price for shares issued pursuant to this power will be determined by the Board in accordance with the Labor Code.

The General Meeting grants the Board of Directors all power to implement this delegation and proceed to capital increases and to that effect to:

- Determine the conditions, particularly of seniority, required from the beneficiaries to subscribe for capital increase(s), within the limits defined by law, and if need be, determine the maximal number of shares available for subscription by any beneficiary;
- Determine the number of new shares to be issued and the date from which new shares will be entitled to dividends;
- Determine, within the limits defined by law, the conditions of issuance of new shares as well as deadlines granted to employees to exercise their rights;
- Determine the time schedule and modalities for paying up the new shares knowing that the deadline could not exceed 26 months;
- Charge the fees relating to the capital increase(s) to the amount of paid-in capital thereof;
- Acknowledge the capital increase(s) up to the amount of subscribed shares and proceed with any necessary ensuing amendments to the By-laws;
- Proceed with all the operations and formalities made necessary by the realization of capital increase(s).

## ACCOUNT ACTIVITY

### Consolidated figures

M€	2008	2007	%
Revenues	4,774.8	4,685.0	1.9
Recurring Gross Operating profit	1,021.0	1,209.1	-15.6
Gross Operating profit	996.4	1,195.4	-16.6
Operating profit	606.9	853.4	-28.9
Total net profit	348.2	563.6	-38.2
<i>With net profit (group share)</i>	262.2	465.,9	-43.7

### Activity

In 2008, despite the economic crisis which struck many countries in the second half of the year and resulted in lower sales volumes, revenues increased slightly thanks to the steadiness of prices. EBITDA dropped, penalized by the increase in energy prices. On a historical basis, sales volumes were down in all three business lines (-1.6% for cement & clinker, -6.2% for aggregates and -1.4% in ready mix concrete).

Ciments Français consolidated revenues amounted to 4,775 million euros, up 1.9% on 2007.

### Results

Recurring EBITDA at 1,021 million euros was down 15.6% compared with that of 2007.

EBIT, after recognition of amortization and depreciation, and of impairment of some assets following impairment tests, amounted to 607 million euros (-28.9%).

Finance costs, net, added up to -130 million euros against -93 million euros in 2007, after recognition of non-recurring items (impairment on equity investments -79 million euros and compensation related to the withdrawal from the negotiations on Turkey +50 million euros).

<i>(in millions of euros)</i>	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2008	% change vs. 2007	2008	% change vs. 2007	2008	% change vs. 2007	2008	% change vs. 2007
Western Europe	2,129.4	-1.9	475.0	-8.1	477.4	-8.0	345.8	-12.4
North America	500.7	-17.3	55.4	-56.6	53.1	-58.3	8.2	-89.8
Eastern Europe & Southern Med Rim	1,358.9	11.6	395.2	-9.2	371.8	-11.6	231.5	-21.8
Asia	449.6	1.2	105.1	-15.5	103.8	-15.8	38.0	-53.5
Cement/clinker trading	323.6	-4.0	15.4	-14.9	15.4	-14.8	11.0	-32.1
Eliminations & others*	12.6		(25.1)		(25.1)		(27.6)	
<b>Total</b>	<b>4,774.8</b>	<b>1.9</b>	<b>1,021.0</b>	<b>-15.6</b>	<b>996.4</b>	<b>-16.6</b>	<b>606.9</b>	<b>-28.9</b>

**Western Europe:** France, Belgium, Spain, Greece

**Eastern Europe & Southern Med Rim:** Egypt, Morocco, Bulgaria, Turkey

**North America:** United States, Canada, Puerto Rico

**Asia:** Thailand, India, China, Kazakhstan

\* Including headquarter, holding companies and fuels trading.

Net profit, after finance costs and income tax, totaled 348 million euros down 38.2%, the impact, after tax, of non-recurring items (impairment tests, impairment losses on equity investments and Turkey's compensation) being close to 70 million euros.

Net profit attributable to equity holders of the parent added up to 262 million euros, i.e. a 43.7% decrease against 2007, while minority interest was down 12.0% at 86 million euros.

2008 was also marked by strong capital expenditure (614 million euros against 418 million euros in 2007) mainly devoted to the maintenance and improvement of production facilities in emerging countries.

Net financial debt grew by 209 million euros from 1,513 million euros up to 1,722 million euros, due to the decrease in cash flows from operating activities, the significant investments previously mentioned and the payment of dividends. Total equity was up 77 million euros at 3,751 million euros and the debt to equity ratio (net financial debt/total equity) stood at 45.9% against 41.2% at the end of 2007.

### **Outlook**

2009 should be another difficult year for the construction and materials sector. Although several economic stimulus plans were announced in Europe and the United States, the Group is expecting a shrinking of demand in developed countries and a mixed but still slightly positive demand from one country to another in all the emerging countries.

## FINANCIAL RESULTS FOR THE LAST FIVE FINANCIAL YEARS

<i>(in thousands of euros)</i>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
<b>I - CLOSING FINANCIAL POSITION</b>					
a) Share capital	<b>147,040.7</b>	150,738.5	153,421.2	153,837.9	153,140.5
b) Number of shares issued	<b>36,760,182</b>	37,684,634	38,355,306	38,459,469	38,285,124
<b>II - RESULTS</b>					
a) Revenues	<b>12,191.8</b>	12,333.8	12,147.1	11,152.6	11,423.6
b) Profit before income tax, depreciation and provisions	<b>177,182.1</b>	104,502.2	255,838.8	46,146.6	42,499.1
c) Income tax <sup>(1)</sup>	<b>47,021.6</b>	33,074.3	16,538.8	6,323.2	33,160.9
d) Profit (loss) after income tax, depreciation and provisions	<b>171,382.0</b>	138,458.6	337,196.8	227,925.9	166,847.3
e) Dividend distribution <sup>(2)</sup>	<b>108,851.9</b>	92,272.2	86,598.1	72,294.7	60,920.8
<b>III - EARNINGS PER SHARE <i>(in euros)</i></b>					
a) Net profit after income tax, but before depreciation and provisions	<b>6.10</b>	3.65	7.08	1.33	1.97
b) Profit (loss) after income tax, depreciation and provisions	<b>4.66</b>	3.67	8.79	5.92	4.36
c) Dividend distribution	<b>3.00</b>	2.50	2.28	1.90	1.60
<b>IV - PERSONNEL</b>					
a) Number of employees	<b>142</b>	139	131	127	134
b) Total annual payroll	<b>23,179.0</b>	17,889.6	12,369.0	14,125.4	13,202.8
c) Employee benefits	<b>8,667.9</b>	7,094.4	6,325.4	6,123.1	6,218.8

*(1) Tax savings.*

*(2) Provisional for shares issued as of February 28, 2009 after deduction of treasury shares; will be adjusted according to shares existing on April 15, 2009, date of the General Meeting, after deduction of treasury shares and subject to the approval by the Meeting.*

### APPLICATION FOR DOCUMENTS

Pursuant to article R.225-88 of French Commercial Code, with effect from the issue of the notice of meeting and up to the fifth day prior to the meeting, any shareholder owning registered shares or able to provide evidence of ownership of bearer shares may submit this application form to obtain the documents and information referred to in articles R.225-81 et R.225-83 of French Commercial Code.

**Applications should be submitted to Société Générale,  
Service des Assemblées - 32 rue du Champ de Tir - BP 81.236 - 44312 NANTES CEDEX 3.**

Mr/Mrs/Ms .....

Full address .....

.....

Holder of:

..... shares in the form of

- Registered shares, registered to account no. ....

- Bearer shares held on account at ..... (\*)

(\* authorized financial intermediary managing your share account)

hereby requests that the documents or information referred to in articles R.225-81 et R.225-83 of French Commercial Code, be sent to the above address.

Signed in ..... date .....

NOTE – By virtue of paragraph 3 of article R.225-88 of French Commercial Code, holders of registered shares may make a single application to obtain the aforesaid documents from the company on the occasion of each subsequent General Meeting of Shareholders.