



**To the shareholders of
Ciments Français**

Dear shareholders:

The crisis started in 2008, which deeply impacted all the world economic operators in 2009, continued in 2010 not allowing them to benefit from a general rebound.

In North America, the growth expected over 2010 did not materialize. As for European countries, they continued to suffer from a decline in cement demand especially in Greece, Spain and Bulgaria, which were hit by a deep structural crisis. Among emerging countries, Egypt and Morocco still posted satisfactory results despite the pressure on prices and the cost of raw materials, while India suffered from sales prices below the year-earlier level. The other countries, although still on the increase, reported lower growth rates than before.

Against such a backdrop, consolidated revenues nevertheless amounted to 4,171 million euros, down only 1% on 2009.

2010 was also characterized by higher variable costs (mostly energy). However, thanks to actions taken since 2009 to boost industrial efficiency and reduce costs, EBITDA totaled 875 million euros, falling slightly (-3.8%) compared with 2009.

Net consolidated profit at 318 million euros dropped by 5.8% while net profit - Group share was down 14% at 202 million euros. The share attributable to minority interests, mainly in Egypt and Morocco, was up 12.2% at 116 million euros due to the good performance of our subsidiaries in these countries.

Net financial debt decreased by 150.7 million euros at the end of December 2010, because of a tight control of working capital requirement in 2010 as well as in 2009, cash flows from operating activities and the decline in investments following the completion of major projects in the United States, Morocco and India.

The Group's financial position appears therefore very solid; Group net financial debt represents only 33% of its equity and 1.6 time its recurring EBITDA, itself 12.2 times higher than net finance costs.

During the particularly difficult last couple of years, the Group succeeded in strictly managing its resources and costs while carrying out projects to extend its industrial facilities like the commissioning during 2010 of the new plants at Martinsburg (USA), Ait Baha (Morocco) and Yerraguntla (India) in order to be ready for the economic recovery, even though the international environment remains fragile and uncertain to this date.

Lastly, on March 25, 2001 the Group finalized the sale of Set Group Holding, its subsidiary in Turkey, to the Turkish conglomerate Limak Holding; the cash input from this operation designed to rationalize the Group's country portfolio will be accounted for as early as the first quarter of 2011.

The Group's teams, in all our businesses and on every continent, still remain strongly involved in the management and achievement of objectives so that our company can continue to play a major international role.

Thank you for your trust.



Giovanni Ferrario
Chief Operating Officer

Paris, 13 April 2011