



Ciments Français
Italcementi Group

Conference call

First Half 2009 Results



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Preamble

Compared with the financial statements at 31 December 2008, from 1 January 2009 the group has introduced the following variation:

- ❑ **IAS 23 “Borrowing Costs”** (capitalization of borrowing costs for major current investments); this principle, which has been applied to investments launched after 1 January 2006, has resulted in a reduction in borrowing costs of €7.2 million in H1 2009 (€2.5 million in H1 2008)
- ❑ In this presentation, for the purposes of comparison, the accounts for 2008 have been restated according to the revised principle IAS 23 and our Turkish assets, which finally were not sold, consolidated, line by line

Merger abandonment

On June 27, 2009, Italcementi and Ciments Français announced that the proposed merger between the two companies was abandoned following the decision to deem excessive, unacceptable and not consistent with the purpose of the merger the requests presented by the group of US institutional investors who hold notes issued by Ciments Français in 2002 and 2006

Ciments Français Income statement

Decrease in revenues, mainly driven by declining volumes, leads to a deterioration of EBITDA; EBIT also negatively affected by depreciation of assets

EURm

Of which:
Restructuring costs Thailand (4)

	H1 2009	H1 2008 restated	Var.	% Var.
Revenues	2,174	2,390	(216)	-9.0%
EBITDA - recurring	462	525	(64)	-12.1%
% on revenues	21.2%	22.0%	-0.7 p.p.	-
Other non rec.income / (exp.)	(2)	5	(7)	n.s.
EBITDA	460	530	(70)	-13.2%
% on revenues	21.2%	22.2%	-1.0 p.p.	-
Amortisation and depreciation	(175)	(168)	(8)	+4.4%
Depreciation of assets	(20)	(0)	(20)	n.s.
EBIT	265	363	(98)	-27.0%
% on revenues	12.2%	15.2%	-3.0 p.p.	-

Of which:
Thailand (19)

Ciments Français Income statement

Lower financial and income tax expenses mitigate Net Profit decline

EURm		H1 2009	H1 2008 restated	Var.	% Var.
	<i>Of which:</i>				
	Volume	(6)			
	Rate	8			
	IAS 23	5			
EBIT		265	363	(98)	-27.0%
% on revenues		12.2%	15.2%	-3.0 p.p.	-
Financial income and expenses		(42)	(50)	8	-15.8%
Adjustment to financial assets value		0	0	n.s.	n.s.
Result of comp. valued with the equity method		5	13	(7)	-59.8%
Profit before Tax (Pbt)		228	325	(98)	-29.9%
% on revenues		10.5%	13.6%	-3.1 p.p.	-
Income tax expense		(62)	(90)	28	-30.9 %
Net profit		166	236	(70)	-29.6%
% on revenues		7.6%	9.9%	-2.2 p.p.	-
Group net profit		114	179	(65)	-36.5%
Minority interest		52	56	(4)	-7.5%

Ciments Français Cash flow statement

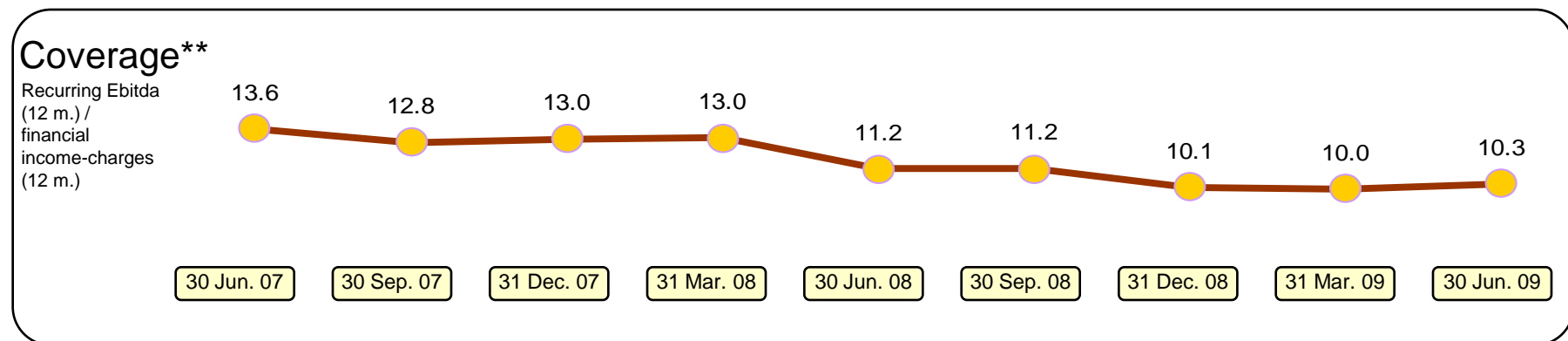
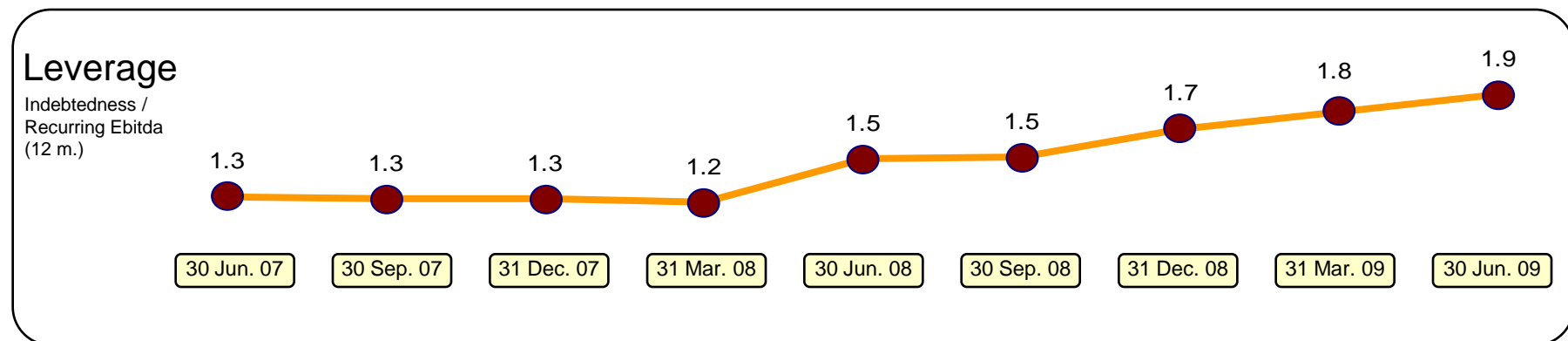
Cash flow from operations fully covers industrial and equity investments; slight worsening in NFP mainly due to dividend payments

EURm		H1 2009	H1 2008 restated
Cash flow	Of which: North America 128 Morocco 84 France 35 India 23 Egypt 17	324	370
Change in working capital		27	(112)
Cash flow from operating activities		352	258
Capital expenditure ^(*)		(314)	(263)
Cash flow after industrial investments		38	(5)
Equity investments		(34)	(56)
Dividends		(151)	(138)
Other		10	21
Change in net financial position (NFP)	Of which: Cash-in on Turkish deal 50	(137)	(178)
Net financial position (NFP) - end of the period		(1,859)	(1,692)

(*) including change in payables for fixed assets purchases (1 EURm in 2009; - 40 EURm in 2008)

Ciments Français financial ratios*: Leverage & Coverage

Confirmed strong financial ratios...

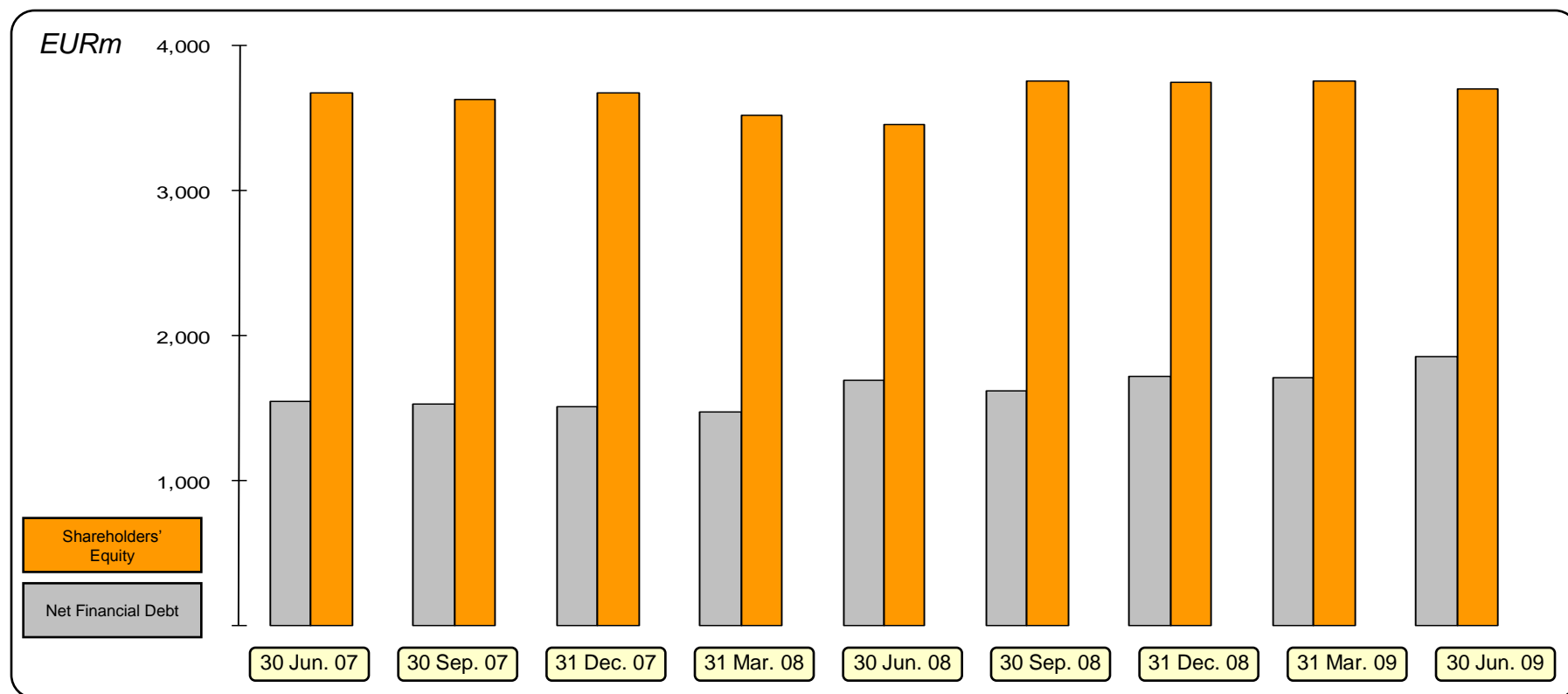
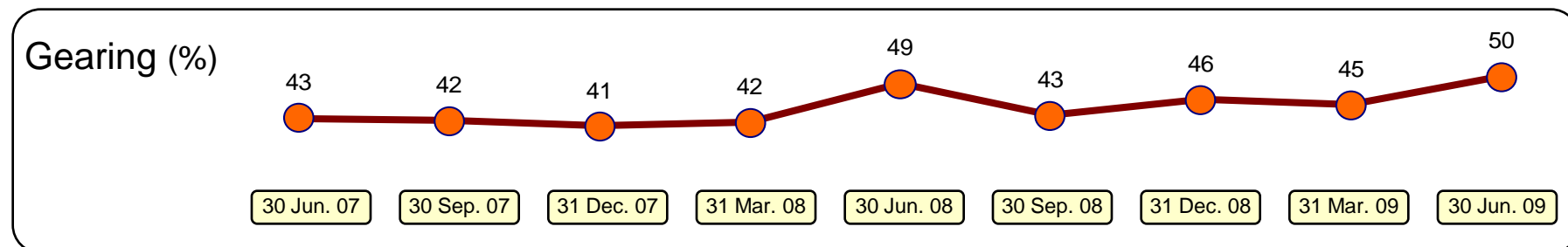


(*) 2009 figures prepared in compliance with IAS 23 and December 2008 figures restated accordingly; March and June 2008 figures restated with Turkey consolidated line by line

(**) Financial income - charges net of Turkey indemnity

Ciments Français financial ratios*: Gearing

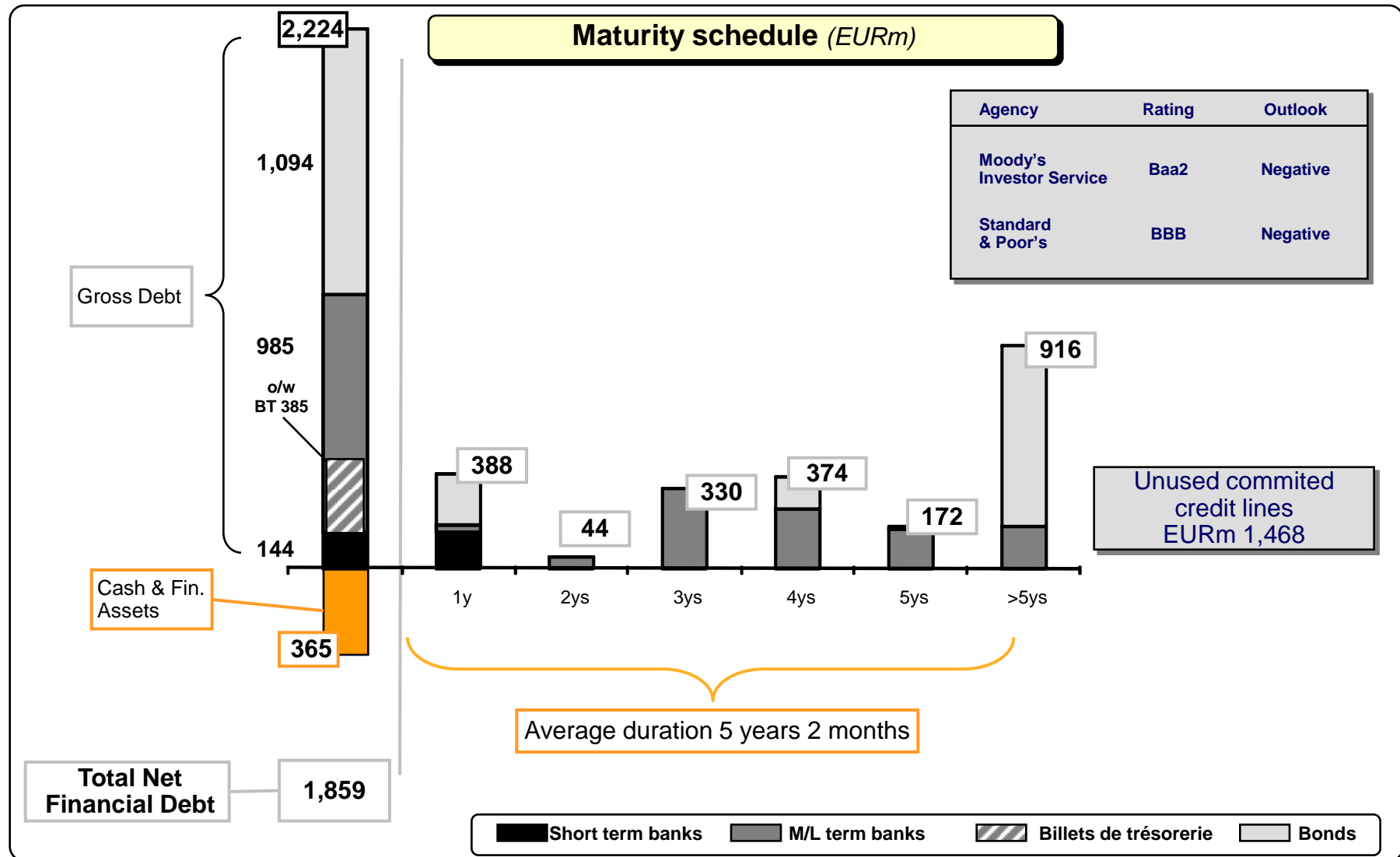
...stemming from our longstanding policy of financial prudence



(*) 2009 figures prepared in compliance with IAS 23 and December 2008 figures restated accordingly; March and June 2008 figures restated with Turkey consolidated line by line

Ciments Français debt maturity at 30 June 2009

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



The background features a series of concentric, overlapping circles. The lower-left portion is filled with blue lines, while the upper-right portion is filled with orange lines. A solid yellow horizontal bar is positioned in the lower-right area, containing the text 'Appendix'.

Appendix

Sales volume by business and by area

AREA	CEMENT & CLINKER (kt)											
	Q1 2009	Q1 2008	Δ	Δ L-f-L	Q2 2009	Q2 2008	Δ	Δ L-f-L	H1 2009	H1 2008	Δ	Δ L-f-L
Central Western Europe	2,453	2,956	- 17.0%	- 17.0%	2,842	3,255	- 12.7%	- 12.7%	5,295	6,211	- 14.8%	- 14.8%
North America	676	955	- 29.2%	- 29.2%	1,133	1,587	- 28.6%	- 28.6%	1,810	2,542	- 28.8%	- 28.8%
MATURE COUNTRIES	3,129	3,911	- 20.0%	- 20.0%	3,976	4,842	- 17.9%	- 17.9%	7,104	8,753	- 18.8%	- 18.8%
Eastern Europe & Southern Med Rim	4,797	4,893	- 1.9%	- 1.9%	5,129	5,603	- 8.5%	- 8.5%	9,926	10,495	- 5.4%	- 5.4%
Asia	2,576	2,711	- 5.0%	- 5.0%	2,608	2,742	- 4.9%	- 4.9%	5,184	5,453	- 4.9%	- 4.9%
EMERGING COUNTRIES	7,373	7,603	- 3.0%	- 3.0%	7,737	8,345	- 7.3%	- 7.3%	15,110	15,949	- 5.3%	- 5.3%
Trading & others	790	1,299	- 39.2%	- 39.2%	1,070	1,507	- 29.0%	- 29.0%	1,860	2,806	- 33.7%	- 33.7%
Eliminations	-462	-877	n.s.	n.s.	-466	-760	n.s.	n.s.	-928	-1,638	n.s.	n.s.
TOTAL	10,830	11,936	- 9.3%	- 9.3%	12,316	13,934	- 11.6%	- 11.6%	23,146	25,870	- 10.5%	- 10.5%

AREA	AGGREGATES (kt)											
	Q1 2009	Q1 2008	Δ	Δ L-f-L	Q2 2009	Q2 2008	Δ	Δ L-f-L	H1 2009	H1 2008	Δ	Δ L-f-L
Central Western Europe	8,313	11,064	- 24.9%	- 24.9%	9,921	11,945	- 16.9%	- 16.9%	18,234	23,008	- 20.7%	- 20.7%
North America	91	71	+ 27.5%	+ 0.0%	140	99	+ 41.6%	+ 10.4%	231	170	+ 35.7%	+ 6.1%
MATURE COUNTRIES	8,404	11,135	- 24.5%	- 24.7%	10,062	12,044	- 16.5%	- 16.7%	18,466	23,179	- 20.3%	- 20.5%
Eastern Europe & Southern Med Rim	554	633	- 12.4%	- 9.5%	721	770	- 6.4%	- 4.3%	1,275	1,403	- 9.1%	- 6.6%
Asia	143	195	- 26.8%	- 26.8%	114	197	- 42.3%	- 42.3%	256	392	- 34.6%	- 34.6%
EMERGING COUNTRIES	697	827	+ 15.8%	- 13.6%	834	967	- 13.8%	- 12.2%	1,531	1,795	- 14.7%	- 12.9%
TOTAL	9,100	11,962	- 23.9%	- 23.9%	10,896	13,012	- 16.3%	- 16.3%	19,997	24,973	- 19.9%	- 20.0%

AREA	READY-MIX CONCRETE (kmc)											
	Q1 2009	Q1 2008	Δ	Δ L-f-L	Q2 2009	Q2 2008	Δ	Δ L-f-L	H1 2009	H1 2008	Δ	Δ L-f-L
Central Western Europe	1,394	1,905	- 26.8%	- 26.8%	1,682	2,045	- 17.8%	- 20.2%	3,075	3,950	- 22.1%	- 23.4%
North America	129	138	- 6.6%	- 17.8%	210	295	- 28.8%	- 30.7%	339	434	- 21.7%	- 26.3%
MATURE COUNTRIES	1,523	2,043	- 25.5%	- 26.2%	1,892	2,340	- 19.2%	- 21.6%	3,415	4,383	- 22.1%	- 23.7%
Eastern Europe & Southern Med Rim	754	1,030	- 26.8%	- 26.8%	938	1,331	- 29.6%	- 29.6%	1,692	2,361	- 28.3%	- 28.3%
Asia	153	210	- 27.1%	- 27.1%	128	223	- 42.8%	- 42.8%	281	433	- 35.2%	- 35.2%
EMERGING COUNTRIES	907	1,240	- 26.8%	- 26.8%	1,065	1,554	- 31.5%	- 31.5%	1,973	2,795	- 29.4%	- 29.4%
Trading & others	85		n.s.	n.s.	117	25	+ 367.8%	+ 51.7%	202	25	+ 706.3%	+ 24.7%
TOTAL	2,515	3,283	- 23.4%	- 25.7%	3,075	3,920	- 21.6%	- 24.0%	5,590	7,203	- 22.4%	- 24.8%

Revenues by country

	Q2 2009	Q2 2008	% Var. 09-08	H1 2009	H1 2008	% Var. 09-08	
			actual			actual	like-for-like
France	397	444	-10.6%	725	844	-14.1%	-14.9%
Belgium	64	70	-8.2%	117	128	-8.5%	-8.5%
Spain	58	80	-27.1%	115	162	-28.9%	-28.9%
Greece	21	24	-10.5%	40	47	-14.8%	-14.8%
<i>Eliminations</i>	(29)	(31)	n.s.	(53)	(59)	n.s.	n.s.
Central Western Europe	512	587	-12.7%	944	1,122	-15.8%	-16.4%
North America	115	141	-18.4%	190	228	-16.8%	-28.3%
Egypt	200	157	26.9%	418	312	34.0%	20.2%
Morocco	86	85	1.5%	167	155	7.6%	5.0%
Bulgaria	33	49	-31.3%	60	82	-26.5%	-26.5%
Turkey	38	67	-43.4%	61	112	-45.7%	-38.1%
<i>Eliminations</i>	(0)	(0)	n.s.	(0)	(0)	n.s.	n.s.
Eastern Europe & Southern Med Rim	357	358	-0.2%	705	660	6.8%	1.0%
Thailand	36	44	-19.7%	79	102	-22.2%	-25.1%
India	46	49	-6.3%	95	95	0.7%	5.9%
Kazakhstan	10	8	n.s.	13	8	58.9%	66.4%
China	12	7	n.s.	24	11	123.1%	88.2%
<i>Eliminations</i>	0	0	n.s.	0	(0)	n.s.	n.s.
Asia	104	109	-4.6%	212	215	-1.7%	-2.3%
Trading Cement & Clinker	67	91	-21.9%	125	165	-24.7%	-43.8%
Others & eliminations	(7)	10	n.s.	(1)	-	n.s.	n.s.
Total	1,147	1,296	-11.5%	2,174	2,390	-9.0%	-13.4%

Recurring EBITDA by country

	Q2 2009		Q2 2008		Variation 09 vs. 08		H1 2009		H1 2008		Variation 09 vs. 08	
		% on sales		% on sales				% on sales		% on sales		
France	104	26.0%	104	23.4%	(1)	-0.6%	152	20.9%	174	20.6%	(22)	-12.7%
Belgium	16	24.9%	16	23.1%	(0)	-0.8%	22	18.5%	20	15.9%	1	6.5%
Spain	16	27.7%	19	23.9%	(3)	-15.6%	23	20.4%	38	23.7%	(15)	-38.8%
Greece	6	28.0%	6	26.5%	(0)	-5.4%	9	22.4%	13	27.3%	(4)	-30.0%
Central Western Europe	141	27.6%	146	24.8%	(4)	-2.8%	206	21.8%	245	21.9%	(39)	-16.1%
North America	-1	-1.0%	22	15.8%	(24)	n.s.	-10	-5.5%	23	10.0%	(33)	n.s.
Egypt	63	31.4%	57	36.2%	6	10.2%	137	32.8%	125	40.2%	12	9.4%
Morocco	36	42.2%	19	22.8%	17	87.9%	67	40.1%	44	28.3%	23	52.4%
Bulgaria	11	31.9%	17	33.9%	(6)	-35.4%	19	31.0%	28	34.0%	(9)	-33.0%
Turkey	-2	-6.0%	6	9.6%	(9)	n.s.	-5	-7.5%	4	3.8%	(9)	n.s.
Eastern Europe & Southern Med Rim	107	30.1%	99	27.7%	8	8.3%	218	30.9%	201	30.5%	17	8.3%
Thailand	2	5.1%	9	20.8%	(7)	-80.5%	9	11.5%	22	22.0%	(13)	-59.5%
India	19	42.4%	18	37.8%	1	5.0%	40	41.7%	34	35.9%	6	17.1%
Kazakhstan	2	17.1%	3	n.s.	(1)	-38.1%	0	0.0%	0	5.2%	(0)	-101.4%
China	3	24.5%	-1	-7.4%	3	n.s.	4	15.8%	0	-3.5%	n.s.	n.s.
Asia	26	24.9%	30	27.6%	(4)	-13.7%	53	24.8%	56	26.2%	(4)	-6.7%
Trading Cement & Clinker	4	6.5%	7	7.5%	(2)	-36.4%	6	5.1%	13	8.1%	(7)	-53.0%
Others	-6	n.s.	-11	n.s.	4	-42.2%	-10	n.s.	-13	n.s.	3	n.s.
Total	272	23.7%	293	22.6%	(21)	-7.3%	462	21.2%	525	22.0%	(64)	-12.1%

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