



The Board of Directors examines results as of December 31, 2010

- **CONSOLIDATED REVENUES:** 4,171.3 million euros (-1.0%)
- **RECURRING EBITDA:** 874.5 million euros (-3.8%)
- **EBIT:** 481.3 million euros (-5.0%)
- **NET CONSOLIDATED GROUP PROFIT:** 317.9 million euros (-5.8%)
- **NET FINANCIAL DEBT:** 1,411.6 million euros as of December 31, 2010
- **CIMENTS FRANÇAIS SA NET PROFIT:** 147.5 million euros
- **PROPOSED DIVIDEND:** 3 euros per share, payable as from May 3, 2011 (identical to the dividend paid for 2009)

Paris, March 4, 2011 - At a meeting chaired by Yves René Nanot on March 2, 2011, the Board of Directors of Ciments Français (Italcementi Group), examined and approved the audited annual accounts and consolidated financial statements as of December 31, 2010.

In 2010 the economic crisis continued to weigh on business activity in most of the industrialized countries where the Group operates, although the trend eased compared with 2009. Business activity in emerging markets remained dynamic, particularly in Asia where improvement was significant.

On a historical basis, **full-year sales volumes** were down 2.5% in cement (at 45.3 million tonnes) and down 6.0% in aggregates (at 36.7 million tonnes). Ready mix concrete sales volumes increased by 1.4% (at 11.4 million cubic meters). In cement, the sharpest drops took place on European markets. In North America, sales picked up after a period of decline. As for emerging markets, sales improved significantly in Asia.

As of December 31, 2010 the Group posted **consolidated revenues** of 4,171.3 million euros, i.e. a slight decrease of 1.0% (-3.9% at comparable consolidation scope and exchange rates).

Operating results, affected by the price and volume effects, were also penalized by an important raise in variable costs (in particular energy costs). Those impacts were only mitigated in part by operating cost management programs (savings of 76.6 million euros). **Recurring EBITDA** as of December 31, 2010 amounted to 874.5 million euros (-3.8%). **EBIT** was down 5.0% at 481.3 million euros, after recognition of amortization and depreciation for 376.1 million euros and impairment of assets for 8.0 million euros.

After **net finance costs** of 67.3 million euros, down 8.7%, share of results of associates amounting to 18.3 million euros and income tax of 114.5 million euros (+2.4%), **net consolidated Group profit** totaled 317.9 million euros, down 5.8%.

Net profit attributable to equity holders of the parent amounted to 202.3 million euros (-13.7%), while the share attributable to minority interests (essentially in Egypt and Morocco) increased to 115.6 million euros (+12%).

As of December 31, 2010 **investments in industrial and intangible assets** made by the Group amounted to 419.3 million euros, down 30.4% compared with the end of 2009, due to the completion of major strategic projects.

Thanks to careful management of cash flows, and, in particular, of the working capital, **net financial debt** as of December 31, 2010 dropped by 150.7 million euros at 1,411.6 million euros as against 1,562.3 million euros as of December 31, 2009.

Total equity amounted to 4,268.0 million euros as against 3,896.5 as of December 31, 2009. The **gearing ratio** (net debt/shareholders' equity) was 33.1% (40.1% at the end of 2009).

Net profit of Ciments Français SA for 2010 amounted to 147.5 million euros (128.4 million euros in 2009).

It will be proposed to the General Meeting convened on April 13, 2011 the payment of a net **dividend** of 3 euros per share as from May 3, 2011.

FOURTH QUARTER OF 2010

During the fourth quarter, Group sales volumes decreased compared with 2009 in all three business segments. However, at the same time, cement sales made a good progression in North America. In aggregates, the decline was significant in Western Europe (particularly Spain and Greece) and in Morocco. Ready mix concrete sales volumes were slightly down on Q4 2009.

Q4 **revenues** amounted to 976.4 million euros, down 0.3% down on Q4 2009. Revenues improved in all Asian countries, Turkey and North America. **Recurring EBITDA** was up 12.7% at 211.8 million euros compared with 2009, due to good cost containment and a release of provisions in Egypt.

Quarterly trend	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Revenues	976.4	1,062.2	1,202.6	930.2
% change vs. 2009	-0.3	0.0	4.8	-9.4
Recurring EBITDA	211.8	225.2	297.4	140.1
% change vs. 2009	12.7	-13.0	9.4	-26.3
% revenues	21.7	21.2	24.7	15.1
EBITDA *	202.8	225.6	296.4	140.6
% change vs. 2009	11.8	-11.8	7.9	-24.2
% revenues	20.8	21.2	24.6	15.1
EBIT	99.8	128.6	198.1	54.8
% change vs. 2009	41.3	-24.7	18.8	-44.1
% revenues	10.2	12.1	16.5	5.9
Net profit attributable to equity holders of Group parent	35.0	64.2	104.2	(1.1)
Net financial debt (end of period)	1,411.6	1,461.6	1,589.4	1,503.0

* Vs. recurring EBITDA, including other non-recurring operating income (expense).

BUSINESS TREND FOR 2010

Western Europe

<i>(millions of euros)</i>	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2010	2009	2010	2009	2010	2009	2010	2009
France/Belgium	1,493.8	1,529.7	318.2	334.1	316.8	338.2	215.5	232.5
Spain	176.5	226.8	31.6	41.7	31.1	42.6	7.7	16.5
Other country*	70.3	83.3	14.5	21.1	14.6	21.1	10.2	16.7
Intra-zone eliminations	(19.2)	(14.0)	-	-	-	-	-	-
TOTAL	1,721.3	1,825.8	364.4	396.9	362.4	401.8	233.4	265.7

* Greece

North America

<i>(millions of euros)</i>	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2010	2009	2010	2009	2010	2009	2010	2009
TOTAL	415.4	401.6	25.4	12.4	21.7	2.2	(48.2)	(55.7)

Emerging Europe, North Africa & Middle East

<i>(millions of euros)</i>	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2010	2009	2010	2009	2010	2009	2010	2009
Egypt	788.7	793.0	270.7	262.2	270.5	261.5	191.1	183.2
Morocco	326.1	320.3	125.7	132.2	122.5	132.2	95.8	109.2
Other countries*	263.0	280.9	18.5	24.1	18.9	24.1	(7.0)	(3.8)
Intra-zone eliminations	(0.5)	(0.5)	-	-	-	-	-	-
TOTAL	1,377.2	1,393.6	414.9	418.6	411.9	417.8	280.0	288.6

* Bulgaria, Turkey, Kuwait

Asia

<i>(millions of euros)</i>	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2010	2009	2010	2009	2010	2009	2010	2009
Thailand	180.2	160.8	15.0	22.2	14.7	15.9	(7.3)	(25.6)
India	169.8	171.8	36.0	60.6	35.9	60.5	20.2	47.0
Other countries*	98.9	79.1	17.3	12.6	17.1	12.5	7.1	4.8
TOTAL	449.0	411.7	68.2	95.4	67.7	88.8	20.0	26.2

* China & Kazakhstan

Cement/clinker trading

<i>(millions of euros)</i>	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2010	2009	2010	2009	2010	2009	2010	2009
TOTAL	229.3	221.1	14.4	11.1	14.4	11.1	11.2	8.3

Group Total

<i>(millions of euros)</i>	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2010	2009	2010	2009	2010	2009	2010	2009
Others* & eliminations	(20.9)	(38.3)	(12.8)	(25.5)	(12.8)	(24.5)	(15.1)	(26.8)
GROUP TOTAL	4,171.3	4,215.4	874.5	908.8	865.4	897.2	481.3	506.4

* Others: fuel trading, headquarters and holding companies

OUTLOOK

In 2010, the Group successfully withstood the effects of a lasting crisis in industrialized countries and of some volatility in the fast-growing markets, thanks firstly to actions to reduce operating costs and secondly to cash flow management.

Overall, 2011 offers more favorable conditions; the major western markets of the Group are stabilizing while Asian markets remain dynamic. The Group continues to improve the efficiency of its industrial setup, particularly with the contribution of new lines of production. It also optimizes its management processes and keeps paying careful attention to margin levels.

The rest of the year however still depends on two uncertain issues: the trend in cost inflation and the prospects of the Egyptian market.

The recently announced disposal of assets in Turkey and the other sales that might take place during 2011 will contribute, together with the monitoring of non-strategic industrial investments, to strengthen the already very strong financial position. Those disposals will enable the Group to pursue its actions towards debt reduction and to ensure its medium-term growth.

Audit procedures on consolidated financial statements and annual accounts have been completed. Certification reports are currently being prepared.

The results of Italcementi and Ciments Français for the year 2010 will be illustrated during an **Analysts Meeting** to be held in Milan on **Monday 7 March 2011 at 3:30 pm**. The presentation will also be available on an audio conference and on a webstreaming link on the www.italcementigroup.com and www.cimfra.com websites.

ON THE INTERNET: www.cimfra.com & www.italcementigroup.com

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DISCLAIMER

This release may contain forward-looking statements. Such forward-looking statements do not constitute forecasts regarding the Company's results or any other performance indicator, but rather trends or targets, as the case may be. These statements are by their nature subject to risks and uncertainties as described in the Company's annual report available on its Internet website (www.cimfra.com). These statements do not reflect future performance of the Company, which may materially differ. The Company does not undertake to provide updates of these statements.

APPENDICES

Ciments Français Group Statement of Financial Position

<i>(millions of euros)</i>	31 December 2010	31 December 2009	% change
Property, plant & equipment	3,867.7	3,666.5	
Investment property	19.4	17.0	
Goodwill	1,565.6	1,514.8	
Intangible assets	65.8	67.8	
Investments in associates	207.9	199.2	
Other investments	124.4	78.4	
Deferred tax assets	19.6	17.6	
Other non-current assets	59.3	67.2	
Total non-current assets	5,929.6	5,628.5	+5.3%
Inventories	599.5	547.8	
Trade receivables	484.7	572.0	
Other current assets	212.2	192.9	
Income tax assets	29.9	68.6	
Investments and financial receivables	5.1	0.8	
Cash and cash equivalents	489.1	497.2	
Total current assets	1,820.5	1,879.2	-3.1%
Total assets	7,750.2	7,507.7	
Share capital	145.5	145.4	
Reserves	1,130.7	922.9	
Treasury shares	(8.4)	(8.5)	
Retained earnings	2,152.2	2,056.1	
Shareholders' equity attributable to owners of parent company	3,419.8	3,115.9	+9.8%
Non controlling interests (minority interest)	848.2	780.6	
Total equity	4,268.0	3,896.5	+9.5%
Bank overdrafts and short-term borrowings	1,582.5	1,726.5	
Employee benefit liabilities	129.7	121.7	
Provisions	171.8	164.6	
Deferred tax liabilities	230.1	251.8	
Payables and other non-current liabilities	6.9	45.2	
Total non-current liabilities	2,121.1	2,309.8	-8.2%
Bank overdrafts and short-term borrowings	86.1	173.5	
Interest-bearing loans and borrowings (current portion)	241.1	128.3	
Trade payables	473.4	438.0	
Provisions	3.5	3.4	
Income tax liabilities	54.6	62.9	
Other current liabilities	502.3	495.3	
Current liabilities	1,361.1	1,301.4	+4.6%
Total equity and liabilities	7,750.2	7,507.7	

**Ciments Français Group
Income Statement**

<i>(millions of euros)</i>	2010	%	2009	%	% change
Revenues	4,171.3	100.0	4,215.4	100.0	-1.0%
Other revenues	13.6		16.4		
Change in inventories	32.6		(44.4)		
Internal work capitalized	24.2		18.7		
Goods and utilities expense	(1,720.0)		(1,566.4)		
Service expense	(943.9)		(951.1)		
Employee expense	(649.9)		(634.6)		
Other operating income (expense)	(53.3)		(145.2)		
Recurring EBITDA	874.5	21.0	908.8	21.6	-3.8%
Gains (losses) on disposals	(1.8)		4.5		
Other income (expense)	(7.3)		(16.0)		
EBITDA	865.4	20.7	897.2	21.3	-3.5%
Amortization and depreciation	(376.1)		(357.5)		
Impairment	(8.0)		(33.3)		
EBIT	481.3	11.5	506.4	12.0	-5.0%
Finance income	35.9		24.7		
Finance costs	(109.7)		(90.8)		
Impairment on financial assets	(0.4)		0.0		
Gains (losses) on exchange rates and	7.0		(7.6)		
Finance income (costs)	(67.3)		(73.7)		-8.7%
Share of results of associates	18.3		16.5		
Profit before tax	432.4	10.4	449.2	10.7	-3.7%
Tax	(114.5)		(111.8)		
Net consolidated Group profit	317.9	7.6	337.3	8.0	-5.8%
Of which share attributable to:					
- equity holders of Group parent	202.3		234.3		
- non-controlling interests (minority interests)	115.6		103.0		
Basic earnings per share	5.58		6.39		
Diluted earnings per share	5.58		6.39		

Ciments Français Group
Consolidated Statement of Comprehensive Income

<i>(millions of euros)</i>	2010	2009	2010/2009 change in %
Net profit for the period	317.9	337.3	-5.8%
Fair value adjustments to:			
- Available-for-sale financial assets	38.4	14.8	
- Derivative financial instruments	5.1	(32.8)	
Currency translation derivatives	195.3	(38.5)	
Income tax relating to other components of comprehensive income	(1.8)	11.3	
Other components of comprehensive income	237.0	(45.2)	
Total comprehensive income for the period	554.9	292.1	
Attributable to:			
- Equity holders of Group parent	406.0	208.3	
- Non-controlling interests (minority interests)	148.9	83.9	

Cash Flow Statements

<i>(in millions of euros)</i>	2010	2009
Cash flow from operating activities	714.1	712.9
Change in working capital requirement	93.1	198.3
Change in other operating assets and liabilities	(26.6)	40.5
Total cash flow from operating activities	780.6	951.7
Investments in PPE and intangible assets	(419.3)	(602.7)
Change in PPE and intangible assets payables	9.7	16.8
Cash flow from operating activities net of capital expenditure	371.0	365.7
Equity investments	(10.8)	(40.8)
Disinvestments	13.7	24.6
Dividends paid	(185.5)	(160.0)
Change in treasury shares	0.1	(6.4)
Change in foreign exchange on NFP	(32.5)	15.7
Other	(5.3)	(39.3)
Change in net financial debt	150.7	159.5

Financial Position

<i>(millions of euros)</i>	31 December 2010	31 December 2009	30 September 2010	30 June 2010
Net financial debt	1,411.6	1,562.3	1,461.6	1,589.4
Total equity	4,268.0	3,896.5	4,168.4	4,327.6