



**The Board of Directors examines results for the year 2011\***

- **CONSOLIDATED REVENUES:** 3,886.3 million euros (-3.8%)
- **RECURRING EBITDA:** 702.4 million euros (-20.2%)
- **EBIT:** 309.3 million euros (-37.9%)
- **NET CONSOLIDATED PROFIT:** 274.2 million euros (-13.7%)
- **NET PROFIT ATTRIBUTABLE TO OWNERS OF GROUP PARENT:** 215.3 million euros (+6.4%)
- **NET FINANCIAL DEBT:** 1,021.4 million euros as of 31 December 2011, down 390.1 million euros on year-end 2010
- **CIMENTS FRANÇAIS SA: NET PROFIT** of 296.3 million euros
- **DIVIDEND PROPOSED:** 3 euros per share, of which 1.50 euro paid on 17 August 2011 as interim dividend, balance dividend payable as from 3 May 2012

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**Paris, 2 March 2012** - At a meeting held on 29 February 2012 and chaired by Yves René Nanot, the Board of Directors of Ciments Français (Italcementi Group), examined and approved the audited annual and consolidated accounts as of 31 December 2011.

The year 2011 suffered from a worsening economic crisis, which has been going on since 2007 in most industrialized countries. It strongly impacted demand in construction materials, except in France, where the market proved to be resilient, and North America, which experienced signs of a recovery towards the end of the year. In the emerging countries, economic activities appeared more positive, particularly in Morocco, India and Thailand, with the exception of Egypt hit all through the year by the negative effects of the crisis.

On a historical basis, **sales volumes for the entire year** were down 1.4% in cement at 42.4 million tonnes and down 5.2% in aggregates at 34.8 million tonnes. Ready mix concrete sales volumes were up 1.9% at 9.7 million cubic meters. Cement sales improved in France, North America, Morocco and India but decreased in Egypt due to the crisis.

As of 31 December 2011, Group **consolidated revenues** totaled 3,886.3 million euros, down 3.8% (-1.4% at comparable consolidation scope and exchange rates).

Fall in demand, strong inflation on fuel prices and negative translation effect resulted in deterioration in operating results. These impacts were only mitigated in part by efficiency measures implemented in 2011.

**Recurring EBITDA** amounted to 702.4 million euros as of 31 December 2011, down 20.2%. **EBIT** dropped by 37.9% at 309.3 million euros, after recognition of 358.6 million euros in depreciations and 53.4 million euros in impairment losses, mainly in Spain and Greece.

\* Following the disposal of assets in Turkey (excluding Afyon) in March 2011, all data for 2010 has been restated in conformity with IFRS 5.

After recognition of 50.7 million euros in **net interest expense**, down 23.6% (as against 66.5 million euros at the end of December 2010), 20.1 million euros in profit from associates (+9.6%) and 111.4 million euros in tax expense (-1.5%), **net consolidated profit** amounted to 274.2 million euros, i.e. a decline of 13.7%.

The **share of profit attributable to owners of Group parent** was 215.3 million euros (+6.4%), while the share attributable to non-controlling (minority) interests (mainly in Egypt and Morocco) was pushed down to 59.0 million euros (-49.0%).

Group **investments in industrial and intangible assets** amounted to 300.9 million euros as of 31 December 2011, down 25.6% on 31 December 2010. They mainly related to the strengthening of the production tool in France/Belgium and Egypt and the increase of production capacity in India and Morocco.

A tight management of cash flows, the disposal of assets in Turkey and the sale of Axim contributed to strengthen the net financial position. At the end of December 2011, **net financial debt** was reduced by 390.1 million euros at 1,021.4 million euros as against 1,411.6 million euros as of 31 December 2010. **Total equity** was 4,257.7 million euros (4,268.0 as of 31 December 2010). The **gearing ratio** (net debt/equity) was 24.0% compared to 33.1% at the end of December 2010.

**Ciments Français SA** posted a net profit of 296.3 million euros (147.5 million euros in 2010).

The next General Meeting to be held on 13 April 2012 will be asked to approve a **dividend of 3 euros** per share, for which an interim dividend of 1.50 euro was paid on 17 August 2011. The balance dividend will be payable as from 3 May 2012.

Besides, the Board of Directors has taken note of the resignation of Société Internationale Italcementi (Luxembourg), represented by Mr. Pierfranco Barabani, from its term as director and has co-opted Mrs. Martina Barcaroli, attorney at the Paris and Rome Bars to replace it.

## **OUTLOOK**

The markets on which the Group operates should be more stable in 2012. Sales volumes are expected to stabilize at a level similar to that of 2011, increasing in North America and Morocco while declining in Southern Europe. Egypt remains a source of uncertainty.

Prices are likely to trend more positively and partially offset the rise in energy costs and the impact of inflation on fixed costs. Additionally, the efficiency programs launched in 2011 should contribute to increase operating results in 2012.

The Group will initiate a new cycle of investments in 2012 related to its industrial facilities, mainly in India (Gulbarga) and Bulgaria. In Morocco, the Group expects a new expansion phase after the commissioning of the Ait Baha plant.

Investments should be largely financed with the use of internal resources and net debt position should remain stable all through the year.

## FOURTH QUARTER 2011

During the fourth quarter of 2011, Group cement sales volumes were down 1.7% at 10.2 million tonnes. Aggregates and ready mix concrete volumes increased slightly: +0.3% at 8 million tonnes for aggregates and +0.1% at 2.3 million cubic meters for ready mix concrete.

Q4 **revenues** amounted to 903.2 million euros, down 3.9% on 2010. **Recurring EBITDA** was 139.3 million euros, down 34.4% on 2010.

Quarterly trend	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Total
<b>Revenues</b>	<b>903.2</b>	<b>940.9</b>	<b>1,069.6</b>	<b>972.6</b>	<b>3,886.3</b>
% change vs. 2010	-3.9%	-7.9%	-8.6%	+7.0%	
<b>Recurring EBITDA</b>	<b>139.3</b>	<b>176.8</b>	<b>239.7</b>	<b>146.6</b>	<b>702.4</b>
% change vs. 2010	-34.4%	-21.2%	-19.9%	+1.9%	
% in revenues	15.4%	18.8%	22.4%	15.1%	
<b>EBITDA</b>	<b>159.3</b>	<b>176.6</b>	<b>239.4</b>	<b>146.1</b>	<b>721.3</b>
% change vs. 2010	-21.8%	-21.4%	-19.7%	+1.5%	
% in revenues	17.6%	18.8%	22.4%	15.0%	
<b>EBIT</b>	<b>14.4</b>	<b>89.9</b>	<b>148.2</b>	<b>56.8</b>	<b>309.3</b>
% change vs. 2010	-86.1%	-31.2%	-26.7%	-7.1%	
% in revenues	1.6%	9.6%	13.9%	5.8%	
<b>Net profit (loss) from continuing operations</b>	<b>(7.0)</b>	<b>51.3</b>	<b>90.1</b>	<b>32.9</b>	<b>167.3</b>
% change vs. 2010	ns	42.1%	-37.5%	-5.5%	
% in revenues	-0.8%	5.5%	8.4%	3.4%	-
<b>Net profit from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106.9</b>	<b>106.9</b>
<b>Group consolidated net profit (loss)</b>	<b>(7.5)</b>	<b>49.6</b>	<b>90.1</b>	<b>142.1</b>	<b>274.2</b>
of which attributable to:					
- Owners of parent company	(15.9)	38.1	77.5	115.5	215.3
- Non-controlling interests	8.3	11.4	12.7	26.5	59.0
<b>Net financial debt</b> (end of period)	<b>1,021.4</b>	<b>1,173.0</b>	<b>1,193.4</b>	<b>1,138.4</b>	

ns: not significant

## BUSINESS TREND FOR 2011

### Western Europe

<i>(in millions of euros)</i>	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2011	2010	2011	2010	2011	2010	2011	2010
France/Belgium	1,589.7	1,493.8	302.8	318.2	313.7	316.8	215.6	215.5
Spain	155.4	176.5	18.5	31.6	17.6	31.1	(21.7)	7.7
Other segment*	41.8	70.3	(1.6)	14.5	(1.4)	14.6	(19.0)	10.2
Intra-zone eliminations	(21.5)	(19.2)	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,765.4</b>	<b>1,721.3</b>	<b>319.7</b>	<b>364.4</b>	<b>329.9</b>	<b>362.4</b>	<b>174.9</b>	<b>233.4</b>

\* Greece

## North America

(in millions of euros)	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2011	2010	2011	2010	2011	2010	2011	2010
<b>TOTAL</b>	<b>405.1</b>	<b>415.4</b>	<b>16.3</b>	<b>25.4</b>	<b>23.0</b>	<b>21.7</b>	<b>(45.4)</b>	<b>(48.2)</b>

## Emerging Europe, North Africa & Middle East

(in millions of euros)	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2011	2010	2011	2010	2011	2010	2011	2010
Egypt	551.8	788.7	129.6	270.7	129.6	270.5	63.2	191.1
Morocco	353.2	326.1	152.3	125.7	153.3	122.5	115.8	95.8
Other segments*	122.3	128.9	34.4	24.0	34.6	24.0	14.8	9.4
Intra-zone eliminations	(0.2)	(0.5)	-	-	-	-	-	-
<b>TOTAL</b>	<b>1,027.0</b>	<b>1,243.1</b>	<b>316.3</b>	<b>420.3</b>	<b>317.5</b>	<b>417.0</b>	<b>193.9</b>	<b>296.4</b>

\* Bulgaria, Turkey (Afyon), Kuwait

Data for 2010 has been restated to reflect the sale of the activities in Turkey pursuant to IFRS 5

## Asia

(in millions of euros)	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2011	2010	2011	2010	2011	2010	2011	2010
Thailand	194.1	180.2	23.5	15.0	24.5	14.7	8.0	(7.3)
India	223.5	169.8	57.2	36.0	57.2	35.9	38.7	20.2
Other segments*	81.8	98.9	1.0	17.3	1.1	17.1	(8.6)	7.2
<b>TOTAL</b>	<b>499.4</b>	<b>449.0</b>	<b>81.8</b>	<b>68.2</b>	<b>82.8</b>	<b>67.7</b>	<b>38.1</b>	<b>20.0</b>

\* China, Kazakhstan

## Cement/clinker trading

(in millions of euros)	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2011	2010	2011	2010	2011	2010	2011	2010
<b>TOTAL</b>	<b>183.4</b>	<b>229.3</b>	<b>9.8</b>	<b>14.4</b>	<b>9.8</b>	<b>14.4</b>	<b>6.6</b>	<b>11.2</b>

## Group total

(in millions of euros)	Revenues		Recurring EBITDA		EBITDA		EBIT	
	2011	2010	2011	2010	2011	2010	2011	2010
Others* and eliminations	5.9							
<b>GROUP TOTAL</b>	<b>3,886.3</b>	<b>4,040.3</b>	<b>702.4</b>	<b>880.0</b>	<b>721.3</b>	<b>870.5</b>	<b>309.3</b>	<b>497.8</b>

\* Others: fuel trading, headquarters and holding companies

## Revenues and recurring EBITDA in "Other countries"

<i>(in millions of euros)</i>	Revenues		Recurring EBITDA	
	2011	2010	2011	2010
Greece	41.8	70.3	(1.6)	14.5
<b>Western Europe</b>	<b>41.8</b>	<b>70.3</b>	<b>(1.6)</b>	<b>14.5</b>
Bulgaria	51.4	55.9	30.0	17.1
Turkey *	20.1	23.3	(1.7)	1.7
Kuwait	50.8	49.7	6.2	5.5
Others	-	-	(0.1)	(0.2)
<b>Emerging Europe, North Africa &amp; Middle East</b>	<b>122.3</b>	<b>128.9</b>	<b>34.4</b>	<b>24.0</b>
China	43.1	52.1	(2.1)	8.0
Kazakhstan	38.7	46.9	3.1	9.3
<b>Asia</b>	<b>81.8</b>	<b>98.9</b>	<b>1.0</b>	<b>17.3</b>

\* Data for 2010 has been restated to reflect the sale of the activities in Turkey pursuant to IFRS 5

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The results of Italcementi and Ciments Français for the year 2011 will be illustrated during an **Analysts Meeting** to be held, at "i.lab", the new research and innovation center of Italcementi Group in Bergamo on **Monday 5 March 2011 at 2:30 pm**. The presentation will also be available on webcast and audio conference on the [www.italcementigroup.com](http://www.italcementigroup.com) and [www.cimfra.com](http://www.cimfra.com) websites.

ON THE INTERNET: [www.cimfra.com](http://www.cimfra.com) & [www.italcementigroup.com](http://www.italcementigroup.com)

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## Appendix

### Ciments Français Group Statement of Financial Position

<i>(in millions of euros)</i>	31 December 2011	31 December 2011
Property, plant & equipment	3,616.7	3,867.7
Investment property	10.6	19.4
Goodwill	1,505.6	1,565.6
Intangible assets	47.9	65.8
Investments in associates	211.0	207.9
Other equity investments	71.4	124.4
Deferred tax assets	17.4	19.6
Other non-current assets	72.3	59.3
<b>Total non-current assets</b>	<b>5,552.8</b>	<b>5,929.6</b>
Inventories	600.7	599.5
Trade receivables	441.0	484.7
Other current assets	221.2	212.2
Tax assets	22.5	29.9
Equity investments, bonds and financial assets	12.3	5.1
Cash and cash equivalents	577.5	489.1
<b>Total current assets</b>	<b>1,875.3</b>	<b>1,820.5</b>
<b>Total assets</b>	<b>7,428.0</b>	<b>7,750.2</b>
Share capital	143.1	145.5
Share premium	946.2	946.2
Reserves	125.7	184.3
Treasury shares	(4.0)	(8.4)
Retained earnings	2,210.9	2,152.2
<b>Equity (attributable to owners of parent)</b>	<b>3,422.0</b>	<b>3,419.8</b>
Non-controlling interests	835.7	848.2
<b>Total equity</b>	<b>4,257.7</b>	<b>4,268.0</b>
Financial liabilities	1,327.8	1,582.5
Employee benefits	123.4	129.7
Provisions	165.6	171.8
Deferred tax liabilities	212.3	230.1
Other non-current liabilities	14.1	6.9
<b>Total non-current liabilities</b>	<b>1,843.2</b>	<b>2,121.1</b>
Loans and borrowings	40.1	86.1
Financial liabilities	249.7	241.1
Trade payables	498.2	473.4
Provisions	2.0	3.5
Tax liabilities	41.8	54.6
Other current liabilities	495.4	502.3
<b>Total current liabilities</b>	<b>1,327.1</b>	<b>1,361.1</b>
<b>Total equity and liabilities</b>	<b>7,248.0</b>	<b>7,750.2</b>

## Ciments Français Group

### Income statement

<i>(in millions of euros)</i>	31 December 2011		31 December 2010		2011/2010 % change
	Amounts	%	Amounts	%	
<b>Revenues</b>	<b>3,886.3</b>	100.0	<b>4,040.3</b>	100.0	-3.8%
Other revenues	12.0		13.0		
Change in inventories	(1.4)		33.9		
Internal work capitalized	10.9		24.2		
Raw materials and utilities	(1,581.7)		(1,635.2)		
Service expense	(943.6)		(914.7)		
Personnel expense	(631.9)		(629.9)		
Other operating income (expense)	(48.2)		(51.6)		
<b>Recurring EBITDA</b>	<b>702.4</b>	18.1%	<b>880.0</b>	21.8%	-20.2%
Net capital gains (losses) on sale of fixed assets	23.6		(2.3)		
Other non-recurring income (expense)	(4.6)		(7.2)		
<b>EBITDA</b>	<b>721.3</b>	18.6%	<b>870.5</b>	21.5%	-17.1%
Amortization and depreciation	(358.6)		(364.7)		
Impairment	(53.4)		(8.0)		
<b>EBIT</b>	<b>309.3</b>	8.0%	<b>497.8</b>	12.3%	-37.9%
Finance income	61.5		35.0		
Finance costs	(102.8)		(108.0)		
Fair value gains (losses) on derivatives and exchange rates	(9.3)		7.0		
Impairment on financial assets	(0.1)		(0.4)		
<b>Finance income (costs), net</b>	<b>(50.7)</b>		<b>(66.5)</b>		-23.6%
Share of profit of associates	20.1		18.3		
<b>Profit before tax</b>	<b>278.7</b>	7.2%	<b>449.7</b>	11.1%	-38.0%
Tax expense	(111.4)		(113.0)		
<b>Net profit from continuing operations</b>	<b>167.3</b>	4.3%	<b>336.6</b>	8.3%	-50.3%
Of which share attributable to:					
- Owners of parent company	108.3		221.0		-51.0%
- Non-controlling interests	59.0		115.6		-49.0%
<b>Net profit from discontinued operations</b>	<b>106.9</b>		<b>(18.7)</b>		
Of which share attributable to:					
- Owners of parent company	106.9		(18.7)		
- Non-controlling interests	-		-		
<b>Net profit</b>	<b>274.2</b>	7.1%	<b>317.9</b>	7.9%	-13.7%

## Ciments Français Group

### Consolidated Statement of Comprehensive Income

<i>(in millions of euros)</i>	2011	2010
<b>Net profit for the period</b>	<b>274.2</b>	<b>317.9</b>
Fair value adjustments to:		
- Available-for-sale financial assets	(41.8)	38.2
- Derivative financial instruments	11.7	5.1
Currency translation derivatives	(29.8)	184.2
Share of profit of associates	(2.8)	(1.8)
Income tax relating to other components of comprehensive income	0.9	11.2
Other components of comprehensive income	(61.8)	237.0
<b>Total comprehensive income for the period</b>	<b>212.4</b>	<b>554.9</b>
Attributable to:		
- Equity holders of Group parent	156.4	406.0
- Non-controlling interests	56.0	148.9

### Statement of change in net financial debt

<i>(in millions of euros)</i>	2011	2010
Cash flow from operating activities	495.1	720.9
Change in working capital requirement	28.4	92.8
Change in operating assets and liabilities	25.5	(26.1)
<b>Total cash flow from operating activities</b>	<b>549.0</b>	<b>787.6</b>
Investments in PPE and intangible assets	(300.9)	(404.1)
<b>Cash flow from operating activities net of capital expenditure</b>	<b>248.1</b>	<b>383.5</b>
Equity investments	-	(10.8)
Disinvestments	88.4	13.0
Dividends paid	(242.0)	(185.5)
Net cash flows from discontinued operations	279.2	(6.1)
Change in foreign exchange and others	16.4	(43.3)
<b>Change in net financial debt</b>	<b>390.1</b>	<b>150.7</b>

<b>Financial position</b> <i>(in millions of euros)</i>	31 December 2011	31 December 2010	30 September 2011	30 June 2011
Net financial debt	1,021.4	1,411.6	1,173.0	1,193.4
Total equity	4,257.7	4,268.0	4,262.7	4,129.9