



CIMENTS FRANÇAIS BECOMES STRATEGIC PARTNER OF WEST CHINA CEMENT

Ciments Français, with the transfer of 100% of the share capital of Fuping Cement, will hold a 6.25% stake in West China Cement becoming one of the main shareholders of the Chinese group

Paris, 4 May 2012 – Ciments Français (Italcementi Group) strengthens its presence in China by becoming a shareholder and strategic partner of the largest player in the Shaanxi Province, with major development initiatives in Western China.

The agreement foresees the sale to West China Cement (WCC) of 100% of the share capital of Shaanxi Fuping Cement Company (Fuping Cement) acquired by the Group in 2007 against the subscription of a reserved capital increase of WCC. Fuping Cement in turn also owns 35% of the share capital of Shifeng Cement acquired in 2010. Under this agreement, Ciments Français will own a 6.25% stake in the Chinese group, becoming the third largest shareholder of WCC. Ciments Français will be represented with one member on the Board of Directors of WCC.

The transaction is based on a valuation of Fuping Cement equal to approximately 87 million euros, gross of the net financial debt of the company, approximately 26 million euros which will be deconsolidated. Ciments Français will underwrite 284,200,000 shares of West China Cement at the price of HK\$ 2.1815 per share.

WCC, a holding company listed in Hong Kong since 2010 with a current market capitalization of approximately 780 million euros, has a total production capacity of approximately 20 million tonnes in Shaanxi and Xinjiang, which will grow before the end of the year to 24 million tonnes produced in 15 cement plants (including Fuping Cement and Shifeng Cement).

In 2011, WCC reported net revenues close to 380 million euros and a net profit of approximately 80 million euros.

“Thanks to the transaction – underlined Giovanni Ferrario, Chief executive officer of Ciments Français – the Group will reinforce its presence in China, the world’s largest market for building materials. Ciments Français is pleased to enter a partnership with one of the principal private sector operators in the country, leader in the Shaanxi Province and with an attractive development strategy targeting other high-growth regions in Western China. This partnership will also offer the opportunity to further develop our offer of innovative building materials solutions and products, and reinforce our local sourcing activities for components and machinery”.

The transaction, which is subject to the approval of the competent Chinese authorities, is expected to close by the end of the second quarter of 2012.

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

Ciments Français
Media Relations
Tel: + 33 (0)1 42 91 76 87

Ciments Français
Investor Relations
Tel: +33 (0)1 42 91 76 76