



## **CONTEMPLATED SIMPLIFIED TENDER OFFER ANNOUNCED BY ITALCEMENTI**

**Paris, 6 March 2014** – Ciments Français has been informed of the proposed simplified tender offer on its shares that was announced today by its controlling shareholder Italcementi.

The board of directors of Ciments Français will meet on Monday (10 March) in order to proceed with a preliminary review of the main terms of this proposed offer.

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

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**ITALMOBILIARE**  
SOCIETA' PER AZIONI

**PRESS RELEASE**

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## **ITALCEMENTI APPROVES PLAN TO STRENGTHEN AND STREAMLINE ITS CAPITAL AND GROUP STRUCTURE**

### **ITALMOBILIARE SUPPORTS THE TRANSACTION**

- **Voluntary public tender offer on Ciments Français minorities at a price of 78 euro (*cum dividend*) per share**
- **Mandatory conversion of Italcementi savings shares into ordinary shares**
- **Italcementi share capital increase for a maximum amount of 450 million euro**
- **Italmobiliare to exercise its subscription rights to Italcementi's capital increase and to tender its Ciments Français shares under the public tender offer**

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**Bergamo, March 6<sup>th</sup> 2014** – *The Board of Directors of Italcementi approved today a plan aimed at strengthening and streamlining the group capital structure and organization, which envisages: a share capital increase of Italcementi for a maximum amount of euro 450 million (including the share premium); the launch of a voluntary public tender offer on all the minority shares not already owned in Ciments Français; and the conversion of Italcementi savings shares into ordinary shares.*

**"The plan we have identified - said Carlo Pesenti, Italcementi CEO – represents an answer to the market's longstanding focus on a more streamlined governance of the Group, in order to highlight more effectively the value of our activities. The plan also represents the necessary final step in the restructuring and efficiency actions**

*that the Group has implemented over the last years, with a particular focus on the Italian market, with results that already visible in our 2013 accounts.*

*The transaction, approved by the Boards of Italcementi and Italmobiliare, will increase operating and financial efficiency, as well as promoting a unified management to support the development of future industrial plans of Italcementi Group, while preserving the Group's financial flexibility and capital strength.*

*Furthermore, a streamlined governance and control chain, coupled with the conversion into ordinary shares reserved to the savings shareholders at a clear premium on the implied market conversion ratios, is expected to have positive effects on Italcementi's market capitalization and free float, hence improving the Company's visibility and recognition by the stock markets".*

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The Board of Directors of Italcementi S.p.A., meeting on March 6<sup>th</sup>, has reviewed and approved the following terms of a plan aimed at streamlining the corporate structure and strengthening the Group:

- mandatory conversion of Italcementi savings shares into ordinary shares based on a conversion ratio of 0.65 ordinary shares for each savings share (the **"Mandatory Conversion"**)
- capital increase through a rights issue to be offered in option to all Italcementi shareholders for a maximum amount of 450 million euro (the **"Capital Increase"**)
- voluntary public tender offer launched by Italcementi on Ciments Français minorities, at a price of 78 euro per share (cum dividend), aimed at delisting Ciments Français shares from the Paris Stock Exchange (the **"PTO"**)

The project aims at streamlining the current capital structure, governance and control chain of Italcementi Group, strengthening the balance sheet and preserving financial flexibility. Moreover, the proposed transaction aims at increasing Italcementi's capitalization and free float, resulting in higher liquidity of the shares for the benefit of shareholders and potential investors.

During a meeting also held today, the Board of Directors of Italmobiliare, the company controlling and exercising direction and coordination activity over Italcementi, has positively evaluated the project, considering that it could generate positive effects for Italmobiliare itself. The Board of Directors of Italmobiliare has granted its support to the transaction providing its availability to subscribe its rights under Italcementi's capital increase, tender its Ciments Français shares (equal to 2.73% of the share capital) in the context of the public tender offer, and tender its Italcementi savings shares in the context of their conversion into ordinary shares (2.856% of savings share capital).

At completion of all the announced transactions, Epifarind BV will maintain the control over Italcementi (pursuant to art. 93 TUF) through Italmobiliare, which will hold a stake higher than 45% of Italcementi voting rights.

### **Mandatory Conversion of Italcementi savings shares**

The Italcementi Board of Directors, relying also on the independent opinion provided by Prof. Angelo Provasoli, proposes a conversion ratio equal to 0.65 Italcementi ordinary share for each savings share, which includes a premium of 19% on the implied conversion

ratio based on March 5<sup>th</sup> 2014 prices (source: *Borsa Italiana S.p.A.*), and a premium of 21% based on the average prices of the last 3 months.

The proposed Mandatory Conversion will be submitted for approval to the extraordinary general meeting of shareholders which will be convened for April 8, 2014 in a single call, provided that, prior to such approval: (i) the proposed Mandatory Conversion has been approved by the special meeting of savings shareholders which will be convened for April 7, 2014 in a single call; (ii) the extraordinary shareholders' meeting has also approved the proposed elimination of the nominal value for both the outstanding ordinary and savings shares.

If the Mandatory Conversion obtains the approvals by Italcementi's special savings shareholders meeting and extraordinary shareholders meeting, holders of savings shares who did not take part in the approval of the proposed conversion will be entitled to withdrawal right for a fifteen-day period following the registration of the approved resolutions with the Commercial Register of Bergamo pursuant to Article 2437-bis of the Italian Civil Code. This date will be announced by notice published in national newspapers and on the website of the Company at [www.italcementigroup.it](http://www.italcementigroup.it), in the Investor Relations section. The value of the savings shares for the purpose of withdrawal right will be determined in accordance with art. 2437-ter, comma 3 of the Italian Civil Code, corresponding to the arithmetic average of the closing prices of Italcementi savings shares during the six months period prior to the publication of the notice of the special savings shareholders meeting whose resolutions trigger the withdrawal right.

The Company will communicate the exact value of the savings shares for the purpose of withdrawal right under the terms provided by law.

The Mandatory Conversion will be conditional upon aggregate disbursement to be paid by the company in relation to the possible exercise of the withdrawal rights pursuant to Article 2437-quater of the Italian Civil Code not exceeding in aggregate euro 30 million (the "**Maximum Amount Condition**"). The Maximum Amount Condition has been established in the exclusive interest of the Company, which shall have the right to waive it.

The savings shareholders will be entitled to receive the dividend resulting from the distribution of reserves (if approved by shareholders), amounting to EUR 0,06 per share proposed by the Board of Directors on March 6, 2014 (as better described in the press release issued by the company today). Since such dividend will be distributed at the conclusion of withdrawal procedure, withdrawing shareholders will not benefit from such distribution. Ordinary shares issued following the conversion will be effective as of January 1<sup>st</sup> 2014.

The Board of Directors has also resolved that, should the meeting of savings shareholders not approve the Mandatory Conversion (as indicated above), or should the Mandatory Conversion not become effective for any other reason, an extraordinary general meeting will be convened in order to approve a voluntary conversion of the savings share, according to the conversion ratio proposed in the context of the Mandatory Conversion.

Upon the Mandatory Conversion effectiveness, savings shares will be delisted from the MTA, managed by Borsa Italiana S.p.A. and the entire share capital of Italcementi will be only represented by ordinary shares without par value.

The Capital Increase rights issue will be activated after the completion of the liquidation procedure for the withdrawing savings shares.

The conversion is aimed at streamlining the current Italcementi capital and shareholding structure as well as, considering the industrial nature of the company, promoting homogeneous rights for all shareholders, better seizing the opportunities offered by capital markets in the context of the implementation of Italcementi's future development plans. The conversion will generate benefits to all shareholders by increasing the shares liquidity and free float. Furthermore, the proposed conversion ratio implies a significant premium compared to the average share prices both on long-term and short-term historical periods, providing savings shareholders with further value creation.

### **Italcementi S.p.A. share Capital Increase**

Pursuant to art. 2443 of the Italian Civil Code and to the power granted by Italcementi extraordinary general meeting on April 17, 2013, the Board of Directors has resolved to proceed with a capital increase through a rights issue to be offered to all Italcementi shareholders for a maximum amount of euro 450 million.

Further terms and conditions of the capital increase will be determined by a subsequent Board of Directors, to be held close to the rights issue date, and will take into account both the outcome of the savings shares conversion and the market conditions.

Proceeds from the capital Increase will be primarily used for the acquisition of Ciments Français minorities.

The rights issue is expected to be launched in June 2014, in parallel with Ciments Français tender offer, after having obtained all the necessary authorizations from the competent Italian Supervisory Authorities, and subsequently to the effectiveness of the savings shares conversion.

Italmobiliare S.p.A., controlling shareholder of Italcementi, has provided its availability to subscribe its rights in the context of the Capital Increase; the remaining part will be guaranteed by Mediobanca S.p.A. and UniCredit Bank AG, which have been mandated to promote, coordinate and direct a consortium of banks in the context of the capital increase.

The Capital Increase will allow Italcementi Group to strengthen its share capital structure maintaining its financial flexibility and preserving resources for the development of the Group industrial plans.

### **Voluntary PTO on Ciments Français minorities**

Italcementi will promote a voluntary PTO on the Ciments Français shares it does not already own, in the form of a «simplified public tender offer» (*offre publique d'achat simplifiée*) regulated by French law.

Italcementi controls Ciments Français since 1992 and currently holds a stake of 83.16% of the company share capital and the 91.12% of the company voting rights. Ciments Français, main subsidiary and sub-holding of Italcementi Group, holds the Group subsidiaries in Europe (ex-Italy), North America, Asia and the Mediterranean basin. Ciments Français shares are listed on NYSE - Euronext Paris.



The public tender offer price amounts to euro 78 per share (*cum dividend*) and implies a premium of 19% on Ciments Français closing price as of March 5<sup>th</sup>, 2014 and a premium of 31% compared to Ciments Français weighted volume average price over the last three months. Any amount of dividend or dividend down payment that will be paid by Ciments Français prior to the Offer settlement will be deducted from the PTO consideration.

Pursuant to the French law, Ciments Français, in its status of subsidiary of the tendering Company, will appoint an independent expert, who will release a fairness opinion on the PTO price proposed by Italcementi.

The public tender offer aims at delisting Ciments Français shares from the Paris Stock Exchange; if Italcementi achieves a 95% stake in Ciments Français share capital, a squeeze-out procedure (*retrait obligatoire*) will be initiated on the remaining shares of Ciments Français. It is expected that the PTO will be launched by the end of May 2014 and will take place in June 2014, after having obtained all the necessary authorizations from the *Autorité des marchés financiers* (AMF).

The PTO consideration will be primarily financed with the proceeds of the capital increase.

The PTO will complete the integration process of Italcementi Group, resulting in enhanced operational efficiency and financial flexibility, streamlining the existing control chain and governance and improving Italcementi Group cash flow management.

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In this transaction Mediobanca, UniCredit S.p.A. and BNP Paribas acted as financial advisors to Italcementi, Italmobiliare has been assisted by Banca Leonardo.

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***The details of the plan will be presented during the Analyst Meeting to be held on Friday March 7<sup>th</sup> at 9:30 CET am in Borsa Italiana - Piazza Affari 6, Milano.***

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