



**London**  
**October 7- 8th, 2009**

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## **GROUP OVERVIEW**

GROUP OVERVIEW: INTERNATIONAL PRESENCE  
SUCCESSFUL EXPANSION OF CEMENTIR HOLDING FROM LOCAL TO GLOBAL PLAYER  
MAIN ACQUISITIONS  
GLOBAL LEADERSHIP IN WHITE CEMENT  
COUNTRIES OF OPERATION

## **H1 2009 FINANCIAL HIGHLIGHTS**

H1 2009 HIGHLIGHTS  
EBITDA VARIATION ANALYSIS  
NET DEBT EVOLUTION  
MAIN OPERATING CHALLENGES  
COMMODITIES PRICES

## **RESTRUCTURING AND INVESTMENTS**

2008-2010 RESTRUCTURING PROGRAM  
ORGANIC GROWTH  
CAPEX EVOLUTION BETWEEN 2007 AND 2010  
INVESTMENTS IN ALTERNATIVE FUELS

## **VALUATION AND SHARE PRICE**

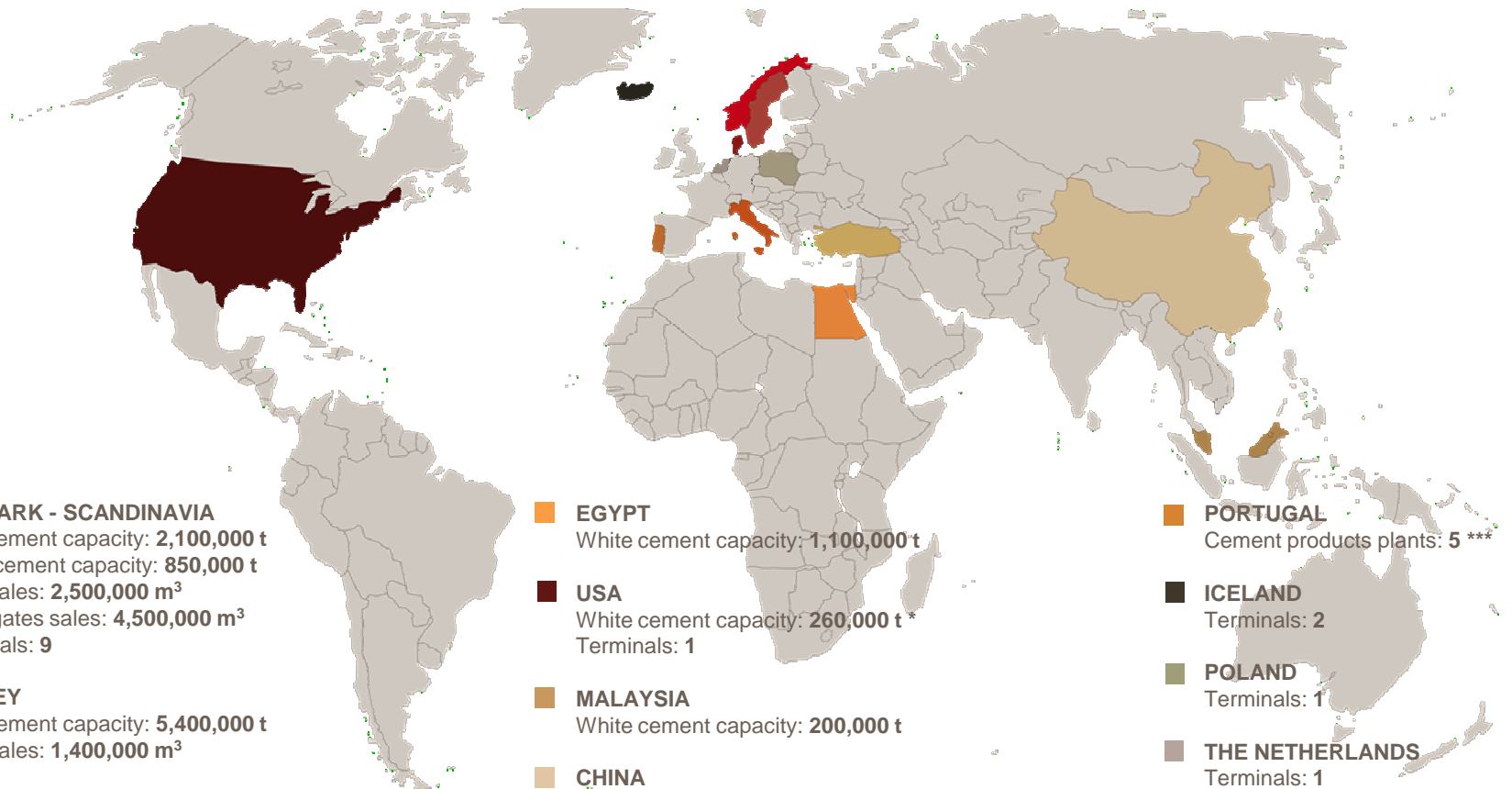
COMPARISON WITH INTERNATIONAL PEERS  
CEMENTIR HOLDING STOCK

## **APPENDIX**

MAIN SHAREHOLDERS  
GROUP STRUCTURE

## GROUP OVERVIEW

**Cementir Holding operates production plants in 13 countries**  
 ~ 15 mt of cement capacity; 4 m of Rmc and 4.5 m of aggregates sold in 2008



**DENMARK - SCANDINAVIA**  
 Grey cement capacity: 2,100,000 t  
 White cement capacity: 850,000 t  
 RMC sales: 2,500,000 m<sup>3</sup>  
 Aggregates sales: 4,500,000 m<sup>3</sup>  
 Terminals: 9

**TURKEY**  
 Grey cement capacity: 5,400,000 t  
 RMC sales: 1,400,000 m<sup>3</sup>

**ITALY**  
 Grey cement capacity: 4,100,000 t  
 RMC sales: 80,000 m<sup>3</sup>  
 Terminals: 3

**EGYPT**  
 White cement capacity: 1,100,000 t

**USA**  
 White cement capacity: 260,000 t \*  
 Terminals: 1

**MALAYSIA**  
 White cement capacity: 200,000 t

**CHINA**  
 White cement capacity: 600,000 t \*\*

**PORTUGAL**  
 Cement products plants: 5 \*\*\*

**ICELAND**  
 Terminals: 2

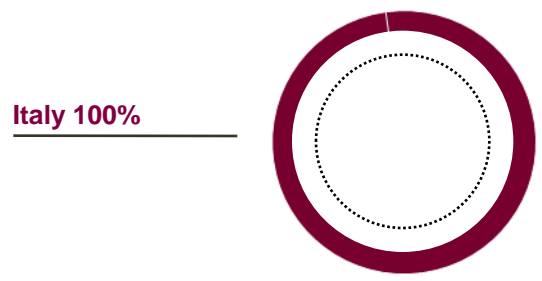
**POLAND**  
 Terminals: 1

**THE NETHERLANDS**  
 Terminals: 1

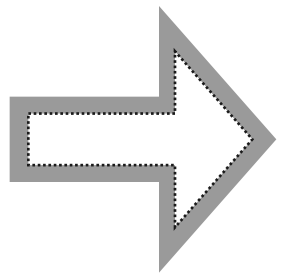
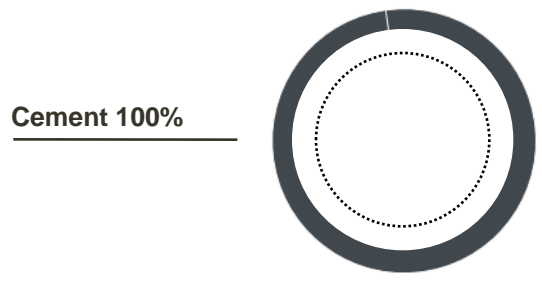
# Successful expansion of Cementir Holding from local to global player...

Since 2001 over Euro 1.1 billion invested to increase diversification: today 79% of sales derive from international operations

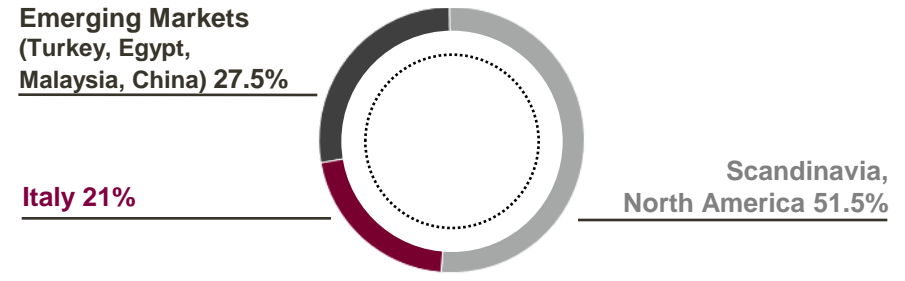
### 2001 Sales by geography



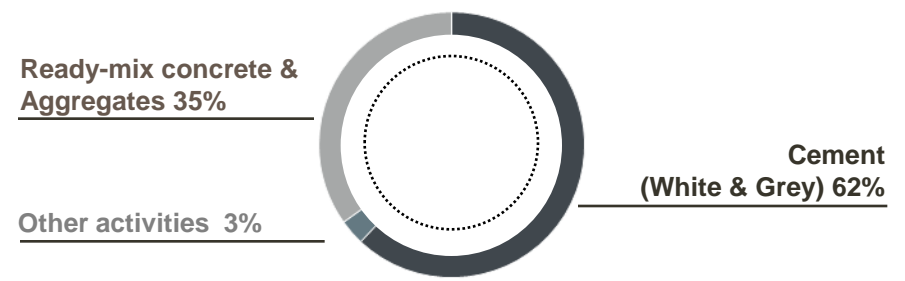
### 2001 Sales by product



### 2008 Sales by geography



### 2008 Sales by product

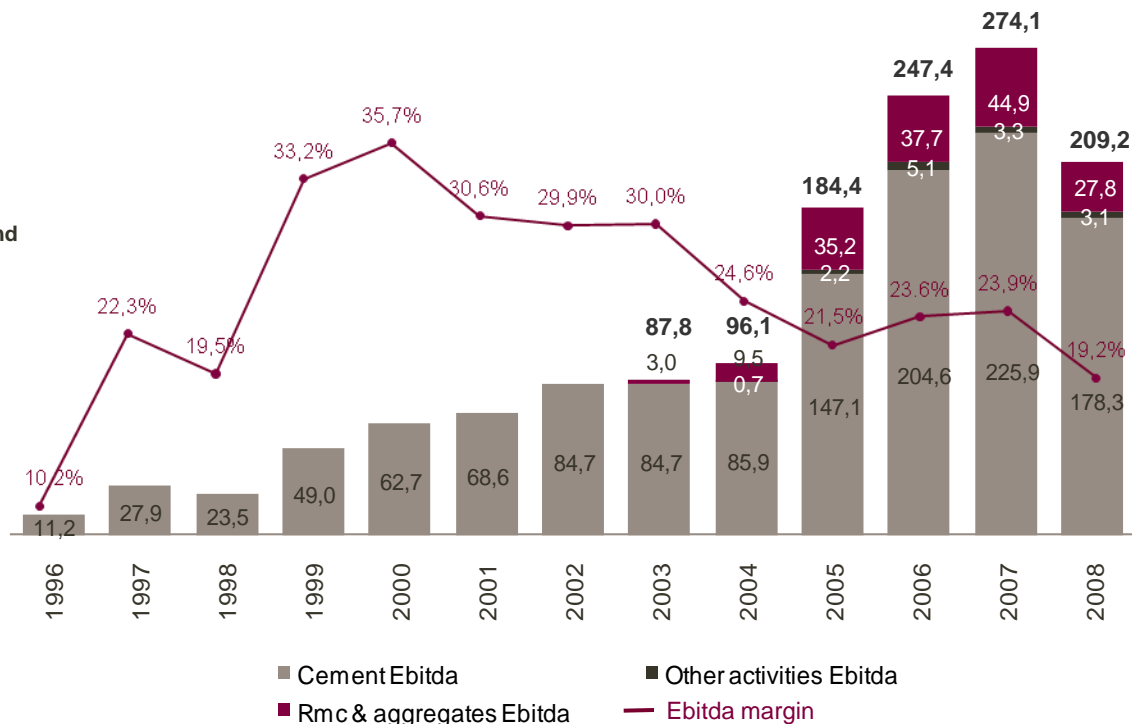


Since '96 the Group has grown strongly (28% Ebitda CAGR) with M&A playing a key role  
 Since '04 no major acquisition has been made

We remain prudent on external growth for the immediate future

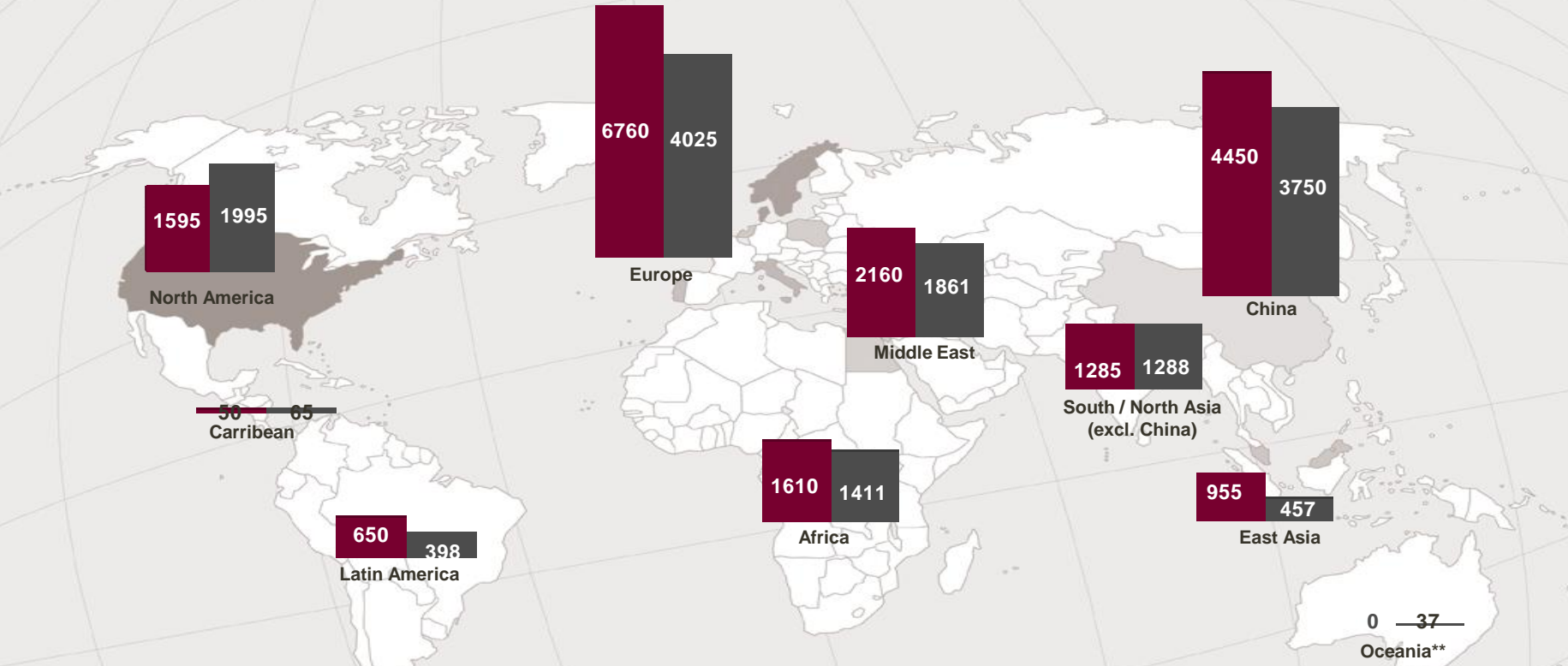
## Historical M&A Activity

- 1992** Caltagirone Group acquired 51% of Cementir SpA from I.R.I. Group  
Price: EUR 250m
- 1996** Francesco Caltagirone jr. appointed Chairman
- Sep 2001** Acquisition of the control of the Turkish companies Cimentas AS and Cimbeton AS, listed on the Istanbul Stock Exchange  
Price: USD 227m
- Oct 2004** Acquisition of the control of the Danish groups Aalborg Portland A/S and Unicon A/S  
Price: EUR 600m
- Jun 2005** Acquisition of the company Vianini Pipe Inc. (USA)  
Price: EUR 12m
- Dec 2005** Acquisition of the Turkish plant in Edirne (Trakya)  
Price: USD 166.5m
- Mar 2006** Acquisition of the Danish company 4K-Beton A/S (Swap)  
Price: EUR 9.5m
- Sep 2006** Acquisition of the Turkish company Elazig Cimento AS  
Price: USD 122m
- Mar 2008** Acquisition of the Danish company Kudsk & Dahl  
Price: EUR 21m



# Global leadership in white cement

Cementir Holding is #1 worldwide with 3 m tons of production capacity



■ Global capacity \* : 19,515,000 t  
 ■ Global consumption \* : 15,287,000 t

- White cement is a niche product sold globally
- Global white demand has grown around 5-6% in the last 10 years
- White cement capacity tends to be inland, less subject to imports and raw materials scarcity limits new capacity additions
- White cement is used mainly for decoration and repairs and maintenance work

\* Source: Cementir Holding estimates

\*\* The white cement produced in Oceania contains so much iron that the whiteness does not exceed 90% (called off-white), so that it is not included

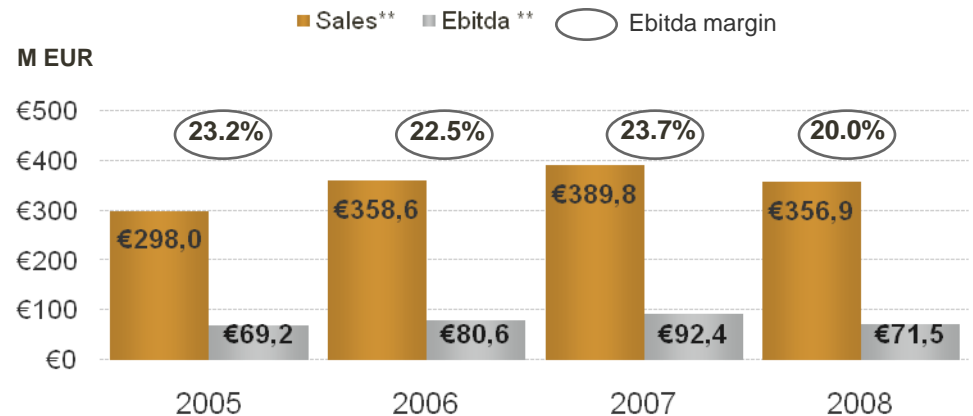
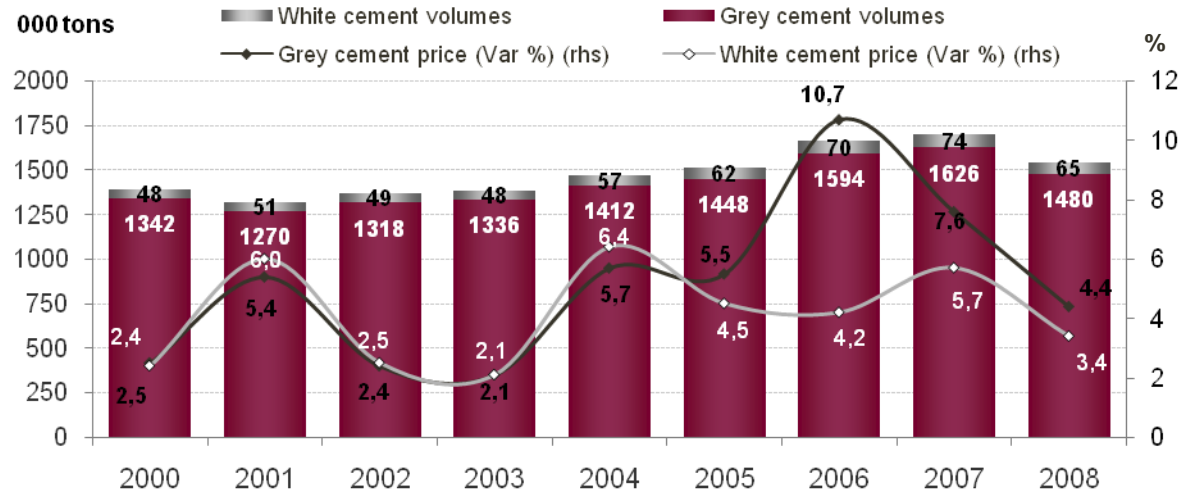


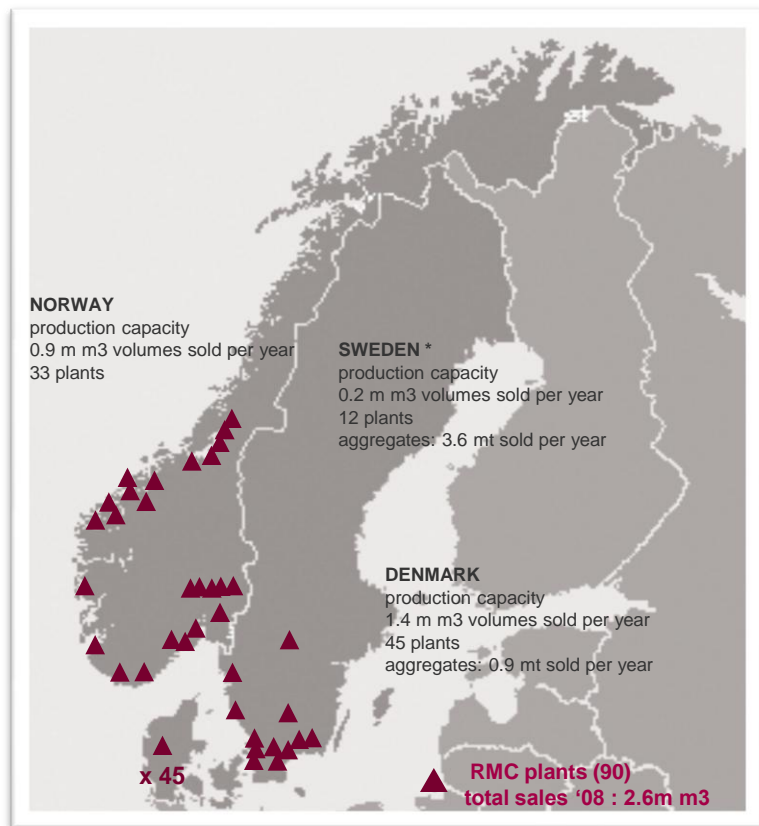
# DENMARK - Cementir Holding is the only cement producer in Denmark and the 2<sup>nd</sup> cement player in Scandinavia



- From H2 2008 the slowdown has been significant, with lower volumes in both cement and ready-mix concrete. Also exports of cement to USA, UK and other European countries were affected by the downturn
- After a declining H1 2009, we remain focused on cost control
- Easier comps and lower avg. input costs should help in H2

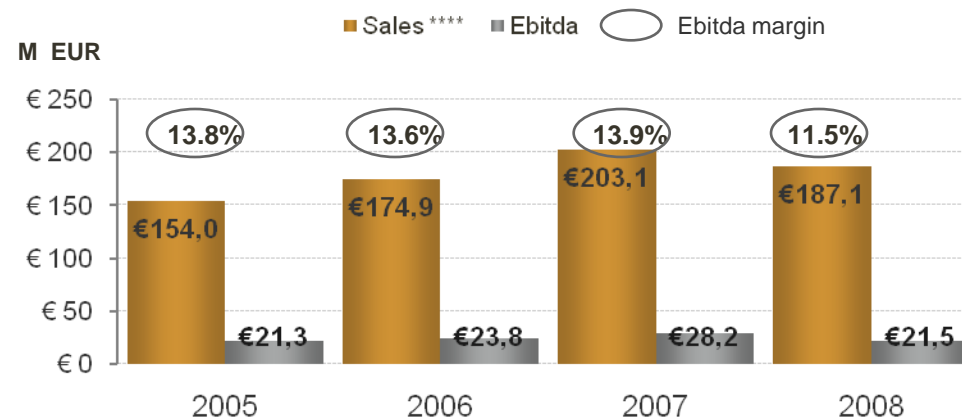
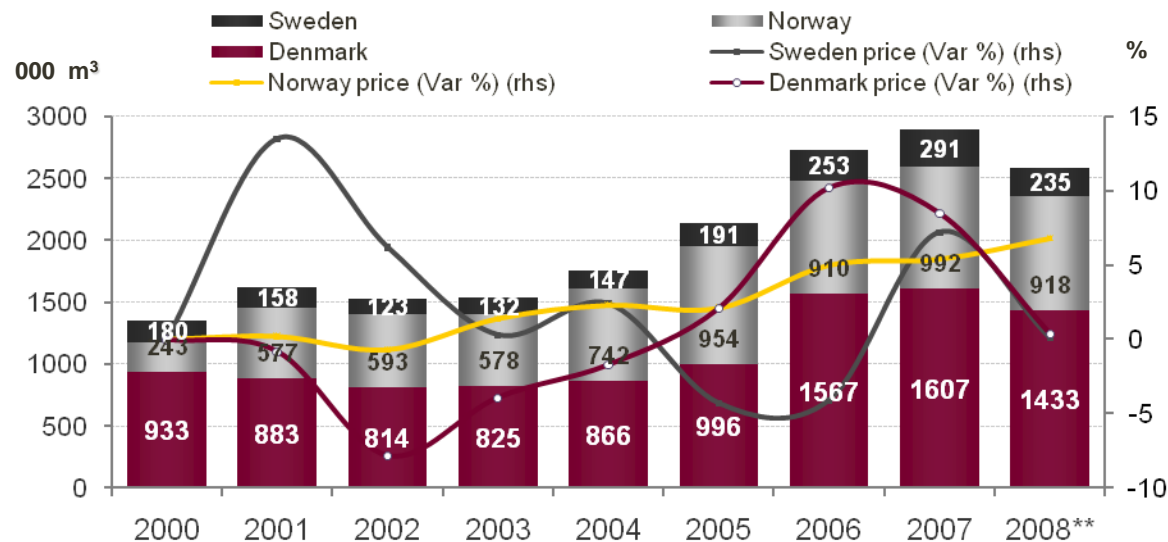
## Domestic cement volumes and prices change\*





- In 2008 ready-mix volumes declined across Scandinavia; prices remained flat in Denmark and Sweden and grew in Norway
- In 2009 end-markets remain difficult, albeit some regional variations persist in Norway / Sweden

### Aalborg volumes and RMC price change \*\*\*

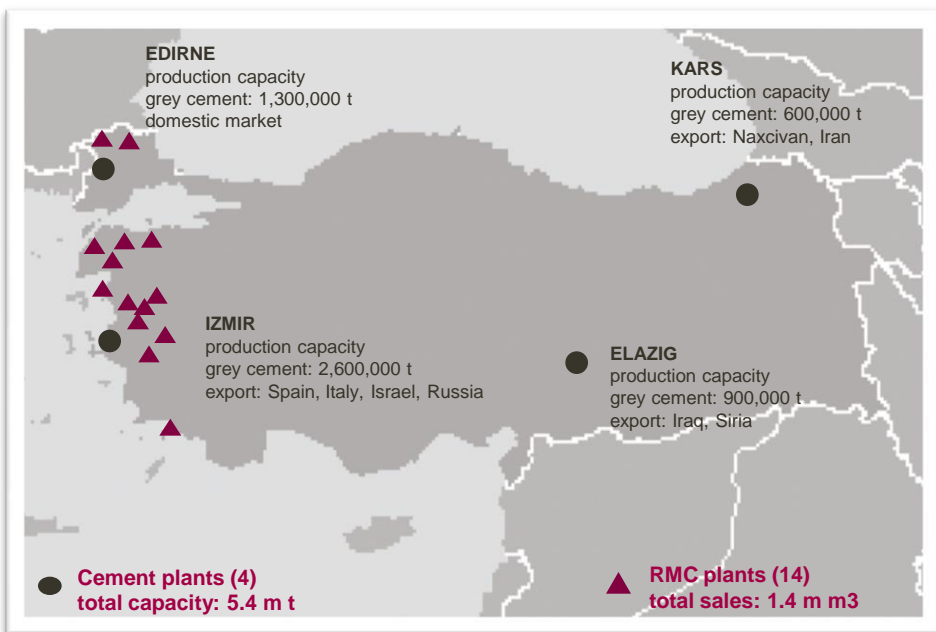


\* 50:50 JV with Skanska

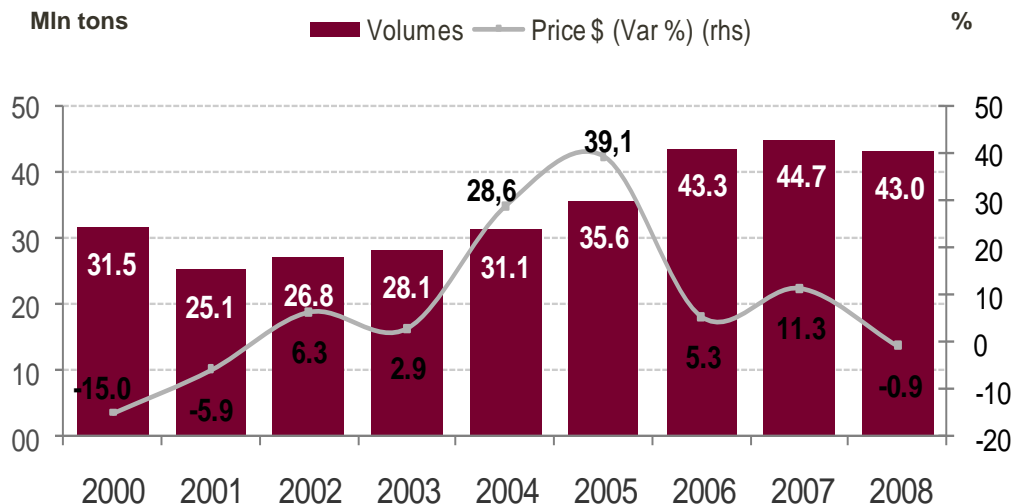
\*\* Kudsk & Dahl, acquired on 03.03.08, last year sold around 1.2 mt of aggregates and 100,000 m<sup>3</sup> of ready-mix concrete in 2008. The company reported revenues of €16m and Ebitda of €3m.

\*\*\* Prices in local currency

\*\*\*\* Figures include Norway and Sweden only (ready-mix concrete)



## Domestic cement volumes and prices change\*

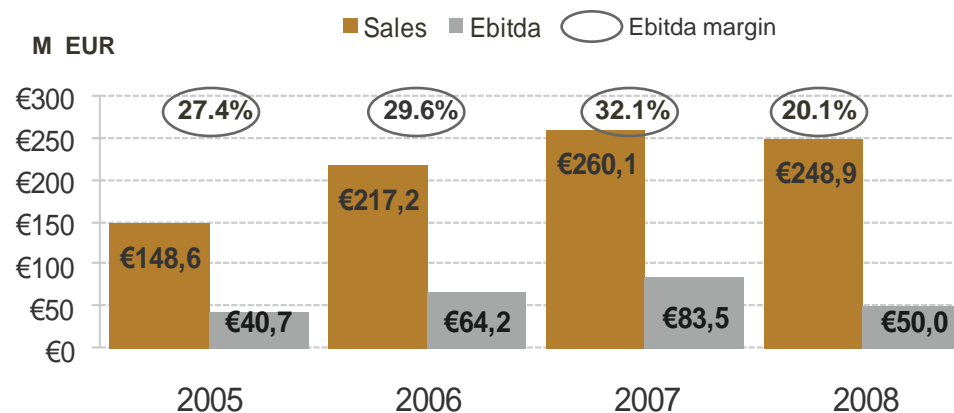


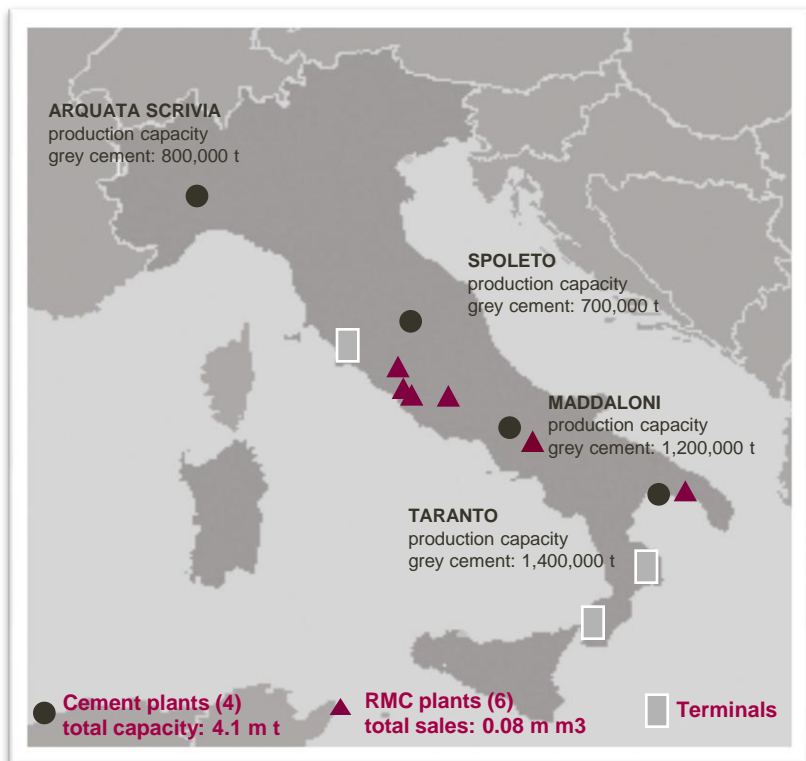
- In Turkey the Group operates through Cimentas (cement) and Cimbeton (ready-mix concrete), both listed on the Turkish Stock Exchange

- With over 5 million tons of cement capacity per annum, Cementir Holding is the first international player in the country

- After a declining H1 2009, we remain focused on cost control

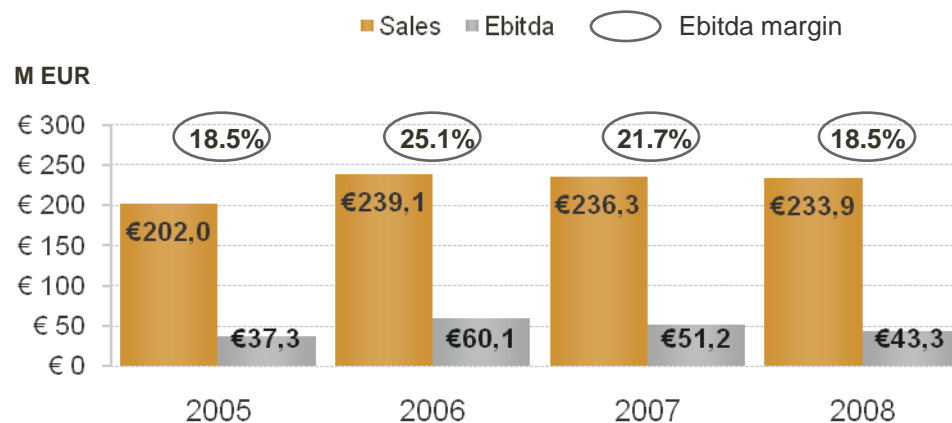
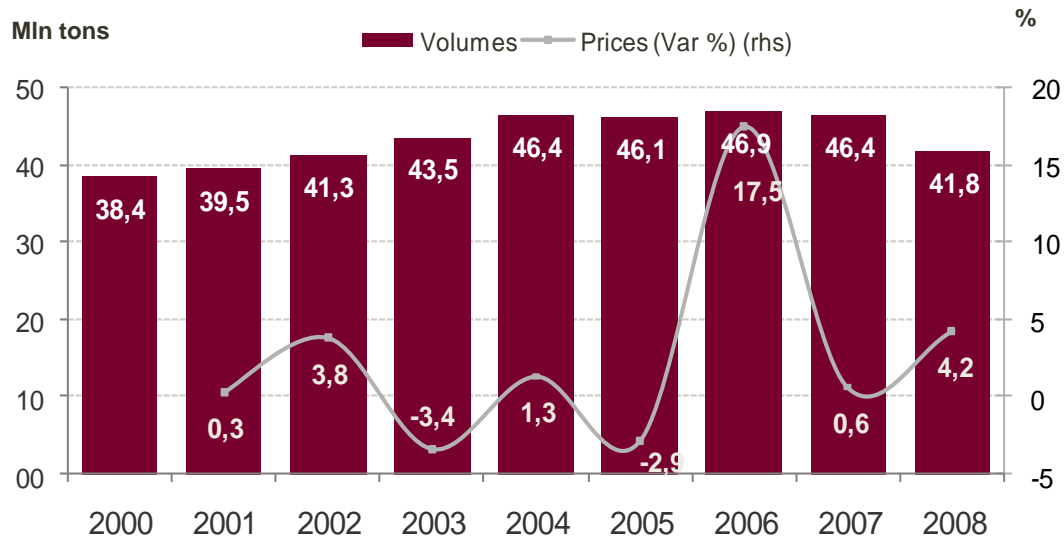
- Easier comps and lower avg. input costs should help in H2





- In 2008 cement volumes declined with a sharp deterioration in the second half, after a good first half
- In 2009 markets remain weak; government stimulus plans and new housing plan may provide a marginal support to cement demand but the effect may be visible only from 2010

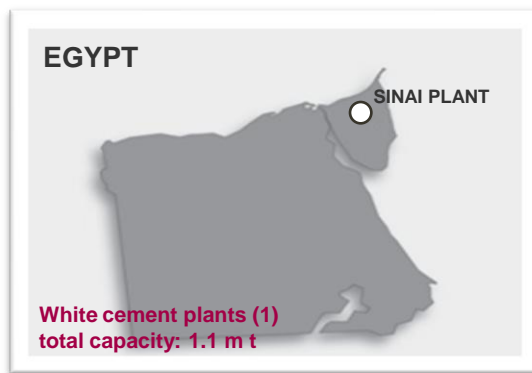
## Domestic cement volumes and prices change\*



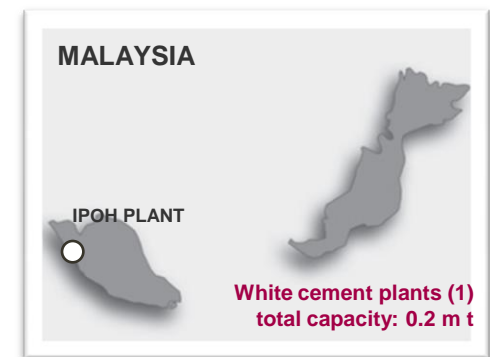
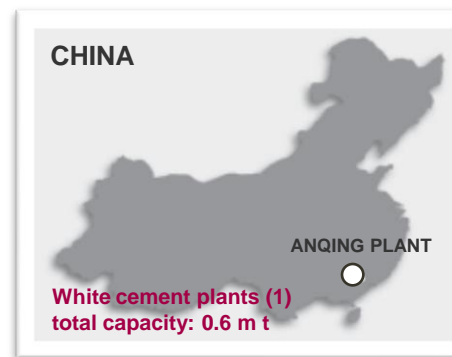
North Africa and the Far East generated around 9% of Group Ebitda in 2008

A combination of organic growth and capacity expansion (1.2m tons) in white cement is expected to drive Ebitda growth in the next 2-3 years

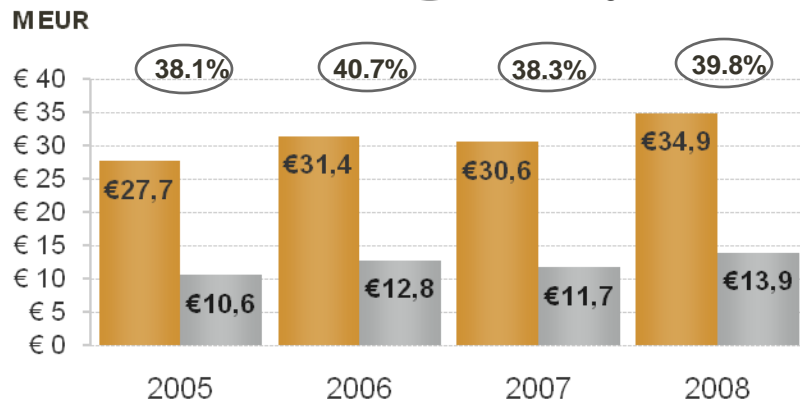
## NORTH AFRICA



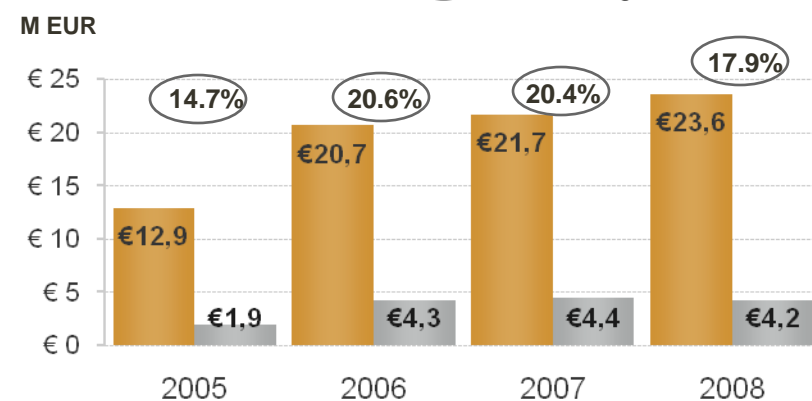
## FAR EAST



■ Sales ■ Ebitda ○ Ebitda margin



■ Sales ■ Ebitda ○ Ebitda margin



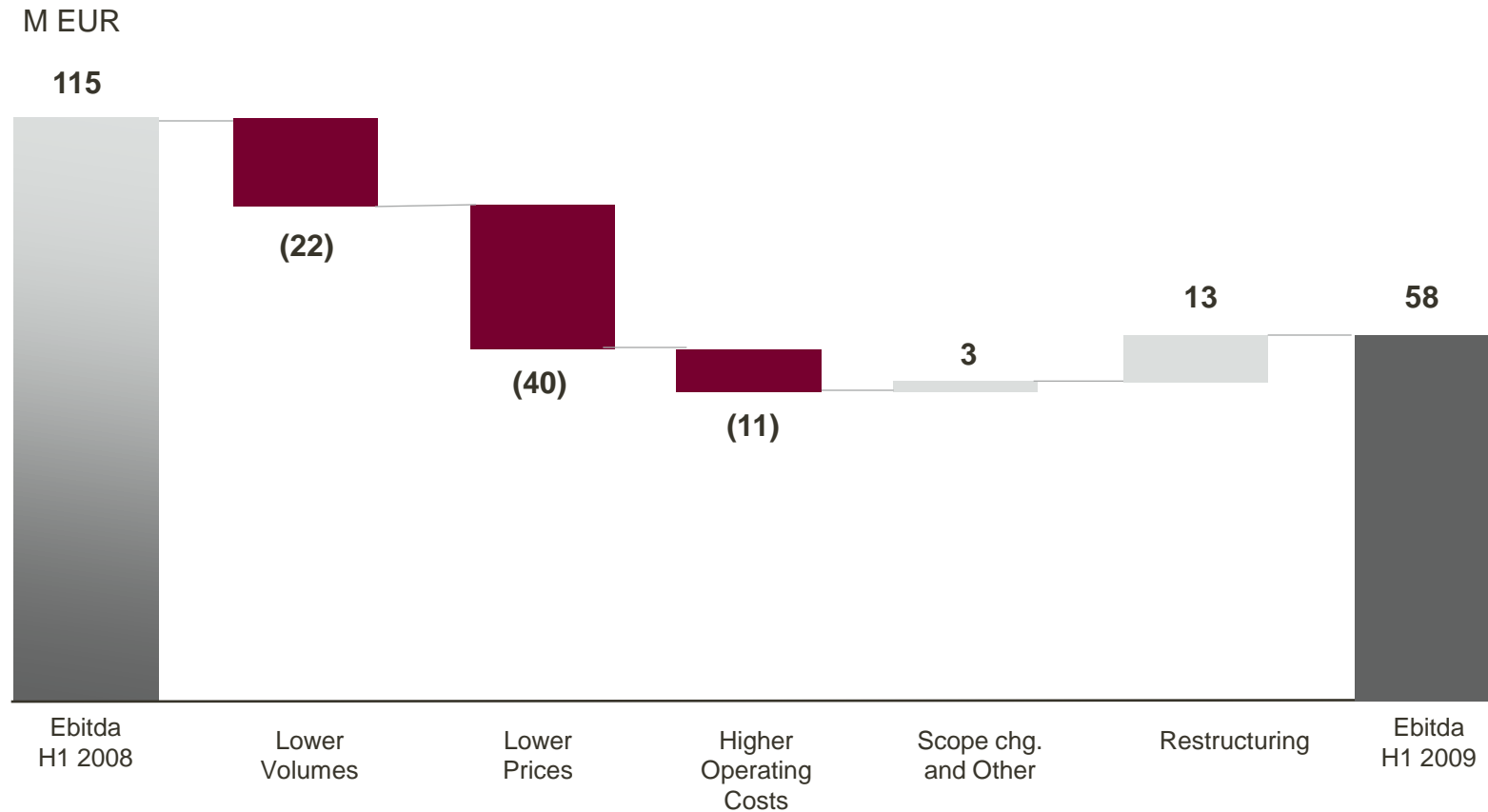
## H1 2009 FINANCIAL HIGHLIGHTS

After a difficult 2008, trading conditions have further deteriorated  
 Some improvement in profitability is expected from H2 09, due to: better comparables, lower avg. commodity prices and the restructuring plan underway

(EUR '000)	H1 2009	H1 2008	Chg %	FY 2008	FY 2007	Chg %
Revenues	419,175	575,468	-27.2%	1,092,186	1,147,085	-4.8%
Raw Materials	(187,485)	(244,184)	-23.2%	(465,497)	(462,116)	0.7%
Personnel costs	(79,893)	(87,169)	-8.4%	(172,019)	(161,961)	6.2%
Other operating costs	(90,586)	(142,740)	-36.5%	(270,244)	(268,825)	0.5%
<b>Ebitda</b>	<b>58,113</b>	<b>115,000</b>	<b>-49.5%</b>	<b>209,227</b>	<b>274,111</b>	<b>-23.7%</b>
<i>Ebitda Margin</i>	<i>13.9%</i>	<i>20.0%</i>		<i>19.2%</i>	<i>23.9%</i>	
D&A	(40,379)	(37,974)	6.3%	(81,085)	(76,797)	5.6%
<b>Ebit</b>	<b>17,734</b>	<b>77,026</b>	<b>-77.0%</b>	<b>128,142</b>	<b>197,314</b>	<b>-35.1%</b>
<i>Ebit Margin</i>	<i>4.2%</i>	<i>13.4%</i>		<i>11.7%</i>	<i>17.2%</i>	
Financial result	(881)	(14,502)		(35,934)	2,113	
Profit before tax	16,853	62,524	-73.1%	92,208	199,427	-53.8%
Group net profit	9,500	42,800	-77.8%	65,273	140,399	-53.5%

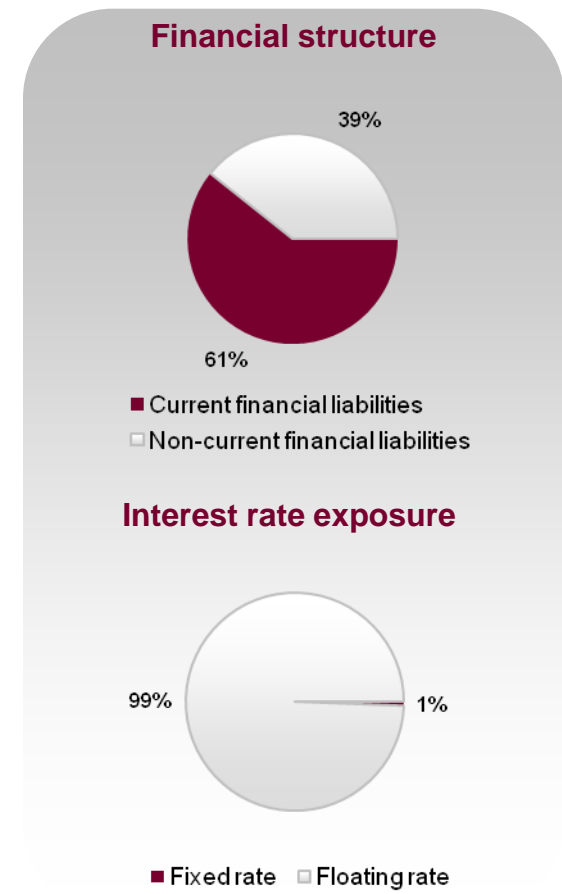
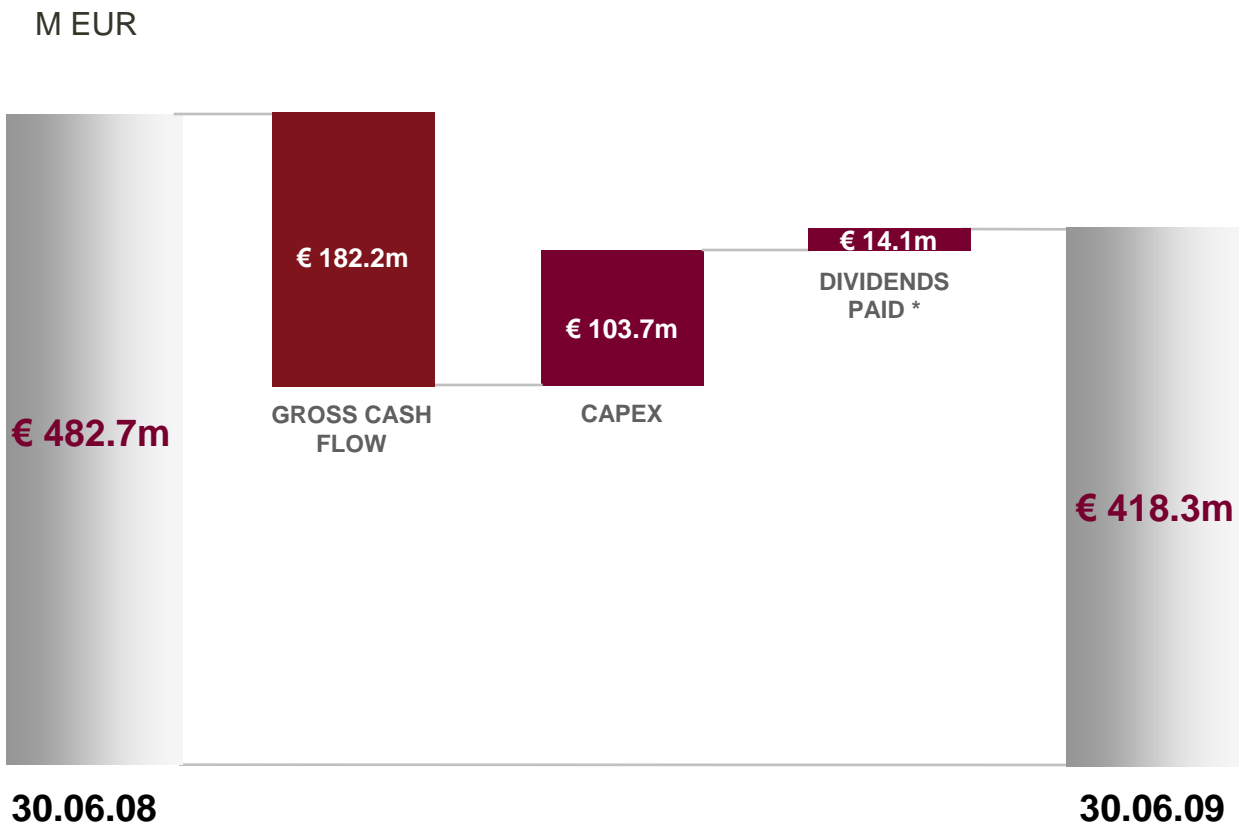
# Ebitda variation analysis

In H1 2009 Ebitda decreased due to negative volume and price effects; it was only partially offset by restructuring benefits





Cementir Holding is one of the least leveraged players in the cement industry  
 Cash generation is key and our objective is to keep de-leveraging

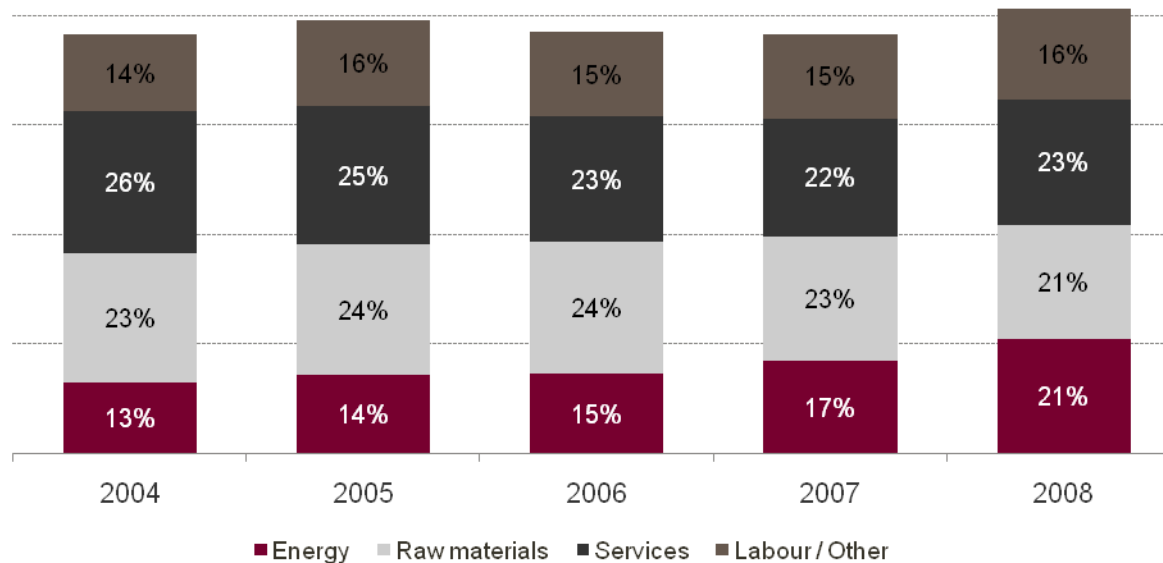


\* Dividends paid by Cementir Holding € 12.7m; dividends paid from subsidiaries to minority shareholders € 1.4m

Energy costs increase as well as reduced revenues impacted negatively on Ebitda margin. Such trend is expected to reverse during H2-09

The cost cutting plan should bring further benefits in H2 09

Cash costs / Total Revenues



- A cost reduction program is being implemented at Aalborg Portland with annual cost savings run-rate equal to € 30m from 2010

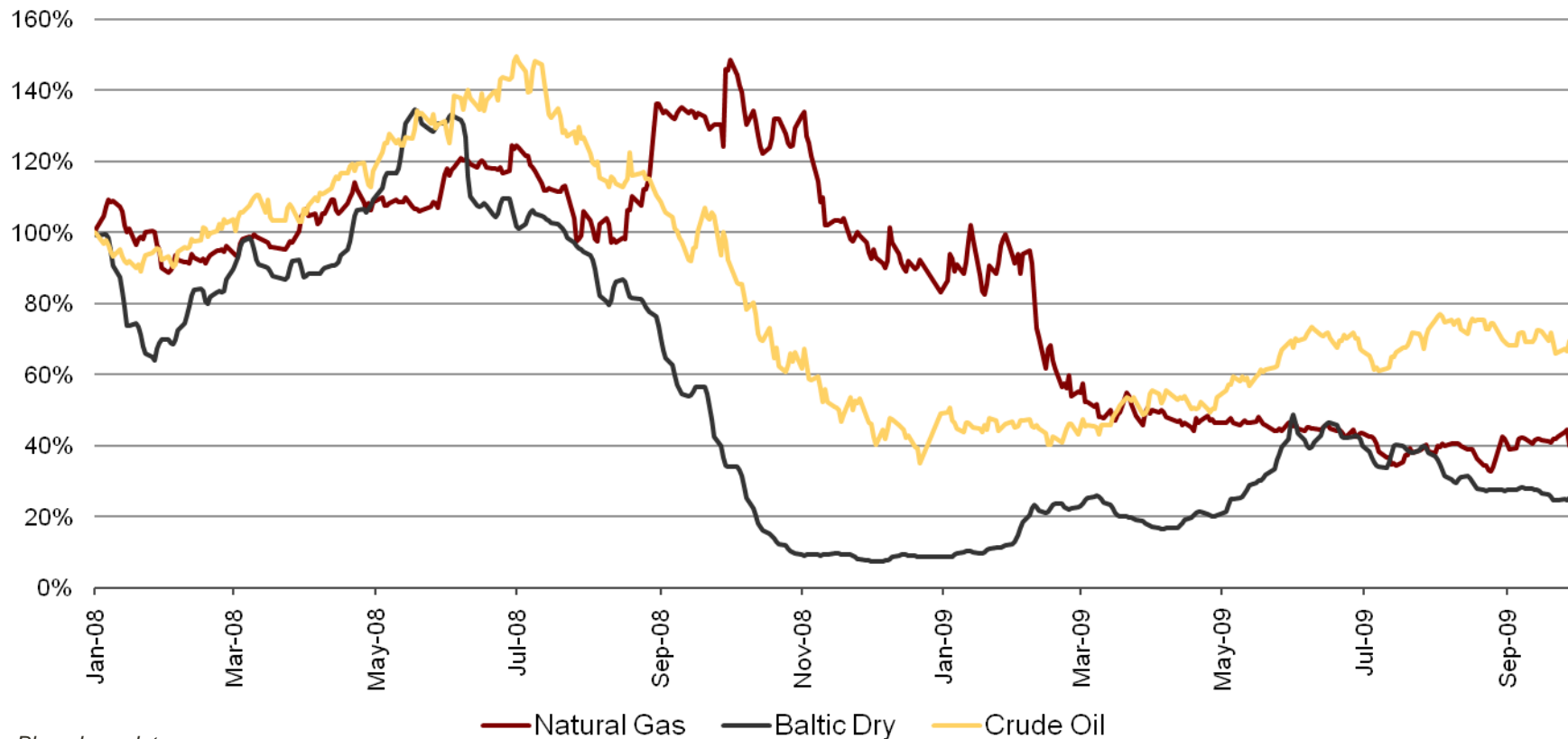
- Fuel costs increased more than 33% during 2008; other inputs (coal, pet coke, gas) and freight rates sharply increased, too

- Tight cost control is key to maintain adequate levels of profitability

- Several projects under way to increase efficiencies along the value chain

# Commodities prices have declined from last year

The impact of lower avg. input costs should start to benefit the P&L from H2-09 onwards  
“Self help” cost-cutting measures are bringing structural improvements to the cost base



Bloomberg data.  
Indices rebased to 100

## RESTRUCTURING AND INVESTMENTS

## Denmark

- Since March '08 a deep restructuring is under way, with the following objectives:
    - Cost cutting (mainly through 400 layoffs)
    - Alternative Materials & Fuel increase from 22% to 50% of energy needs
    - Competitive repositioning in Scandinavian ready-mix
  - The program is expected to yield around € 30m of recurring cost savings from 2010
- 

## Turkey

- The restructuring program has the objective of increasing alternative fuels use (mainly biomass) from nil to 25%
  - All plants have the necessary authorizations to start the program immediately
  - Around 150 redundancies should yield € 2-3 m of cost savings from 2010
- 

## Italy

- In Italy several projects are under way with the objective to increase alternative fuels use up to 20%

- The Group strategy is to combine both organic and external growth, striking the right balance between mature markets and emerging markets presence
- Overall production capacity is being expanded by around 2m tons per annum only in emerging countries (Turkey, Egypt and China) in both white and grey cement

## – Turkey: Edirne plant (grey cement)



- Capacity increase: from 700,000 to 1,300,000 tons
- Completed: April 2008
- Started operations in May '08

## - China: Anqing plant (white cement)



- New plant capacity: 600,000 tons
- Expected commissioning : March 2010

## – Egypt: Sinai plant (white cement)

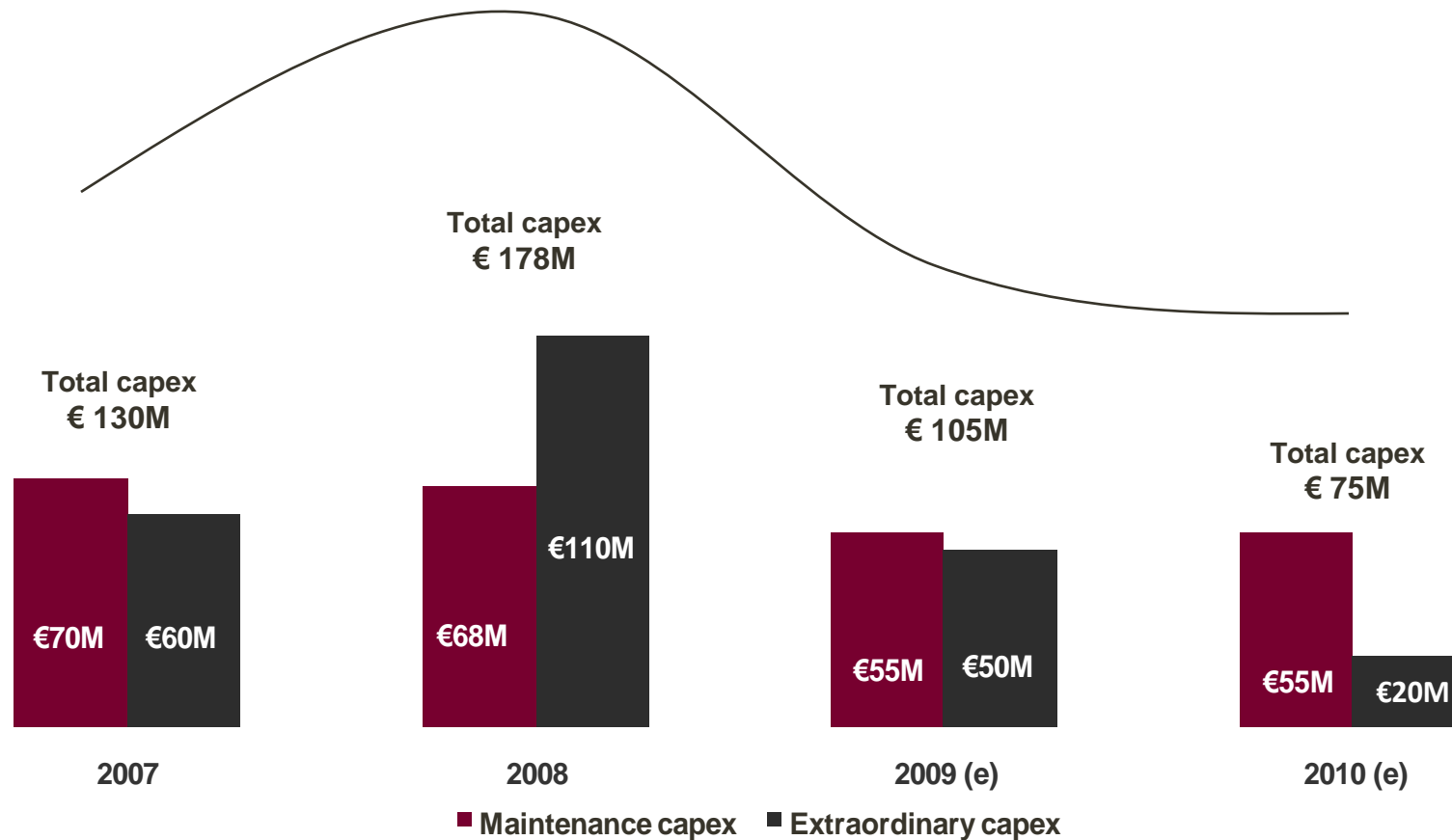


- Capacity increase: from 410,000 to 1,100,000 tons
- Completed: December 2008
- Started operations in February '09

- Investment: € 200m
- Capacity increase: 2 m tons pa
- Cost/ton: € 100
- Program almost completed

# Capex evolution between 2007 and 2010

Cementir Holding has no major capital commitments beyond 2010



**€ 11m acquisition of a licensed facility in the Aegian region and € 26 million three-year investment plan has started in Turkey in the waste management business**

**Objectives: get access to state-of-the-art technology and expertise in waste-derived alternative fuels and coal substitution**

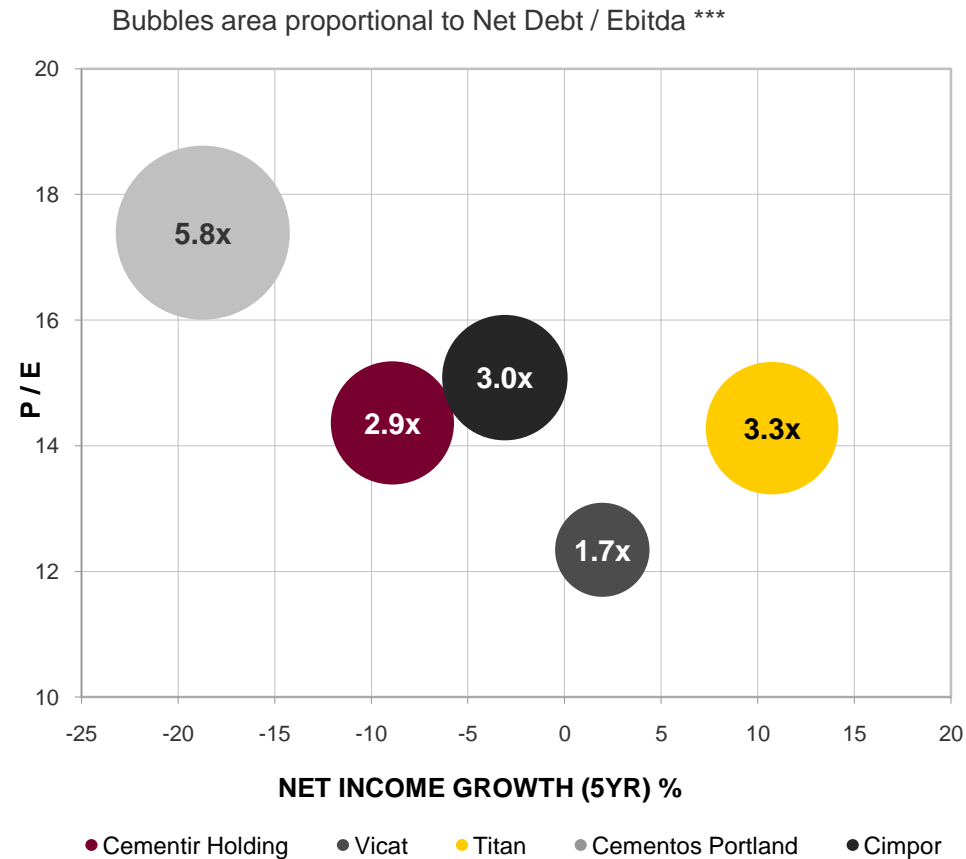
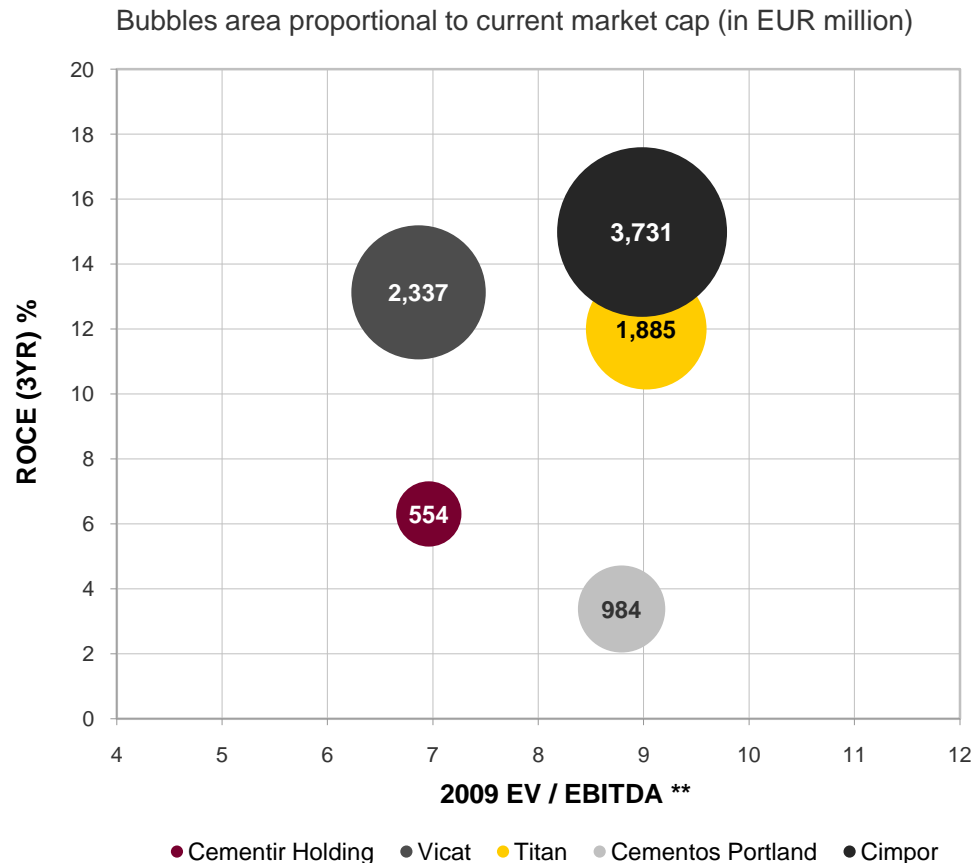
**Expected IRR in double digit and 6-7 years payback**

**Around € 5-6m EBITDA benefit to the cement business on an ongoing basis from 2012 onwards**

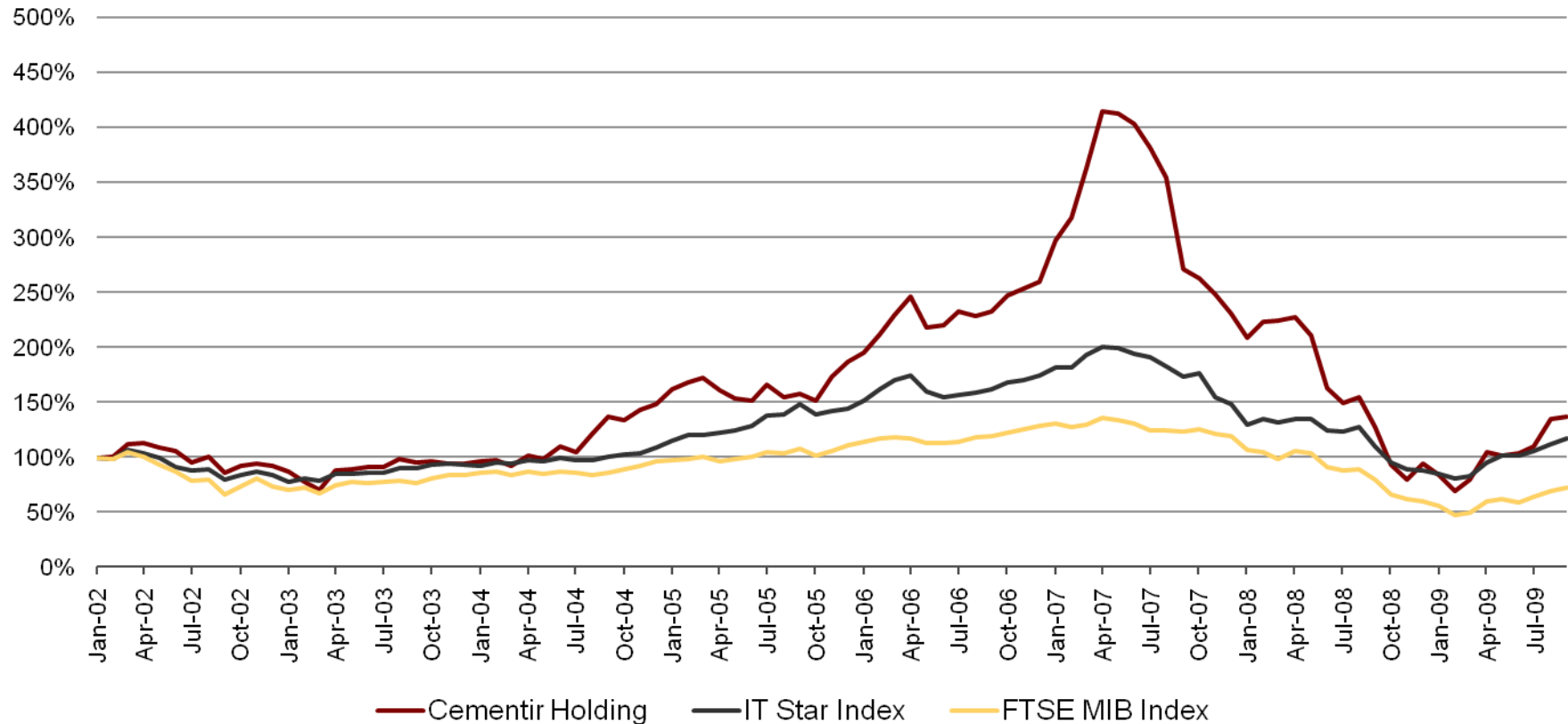


## VALUATION AND SHARE PRICE

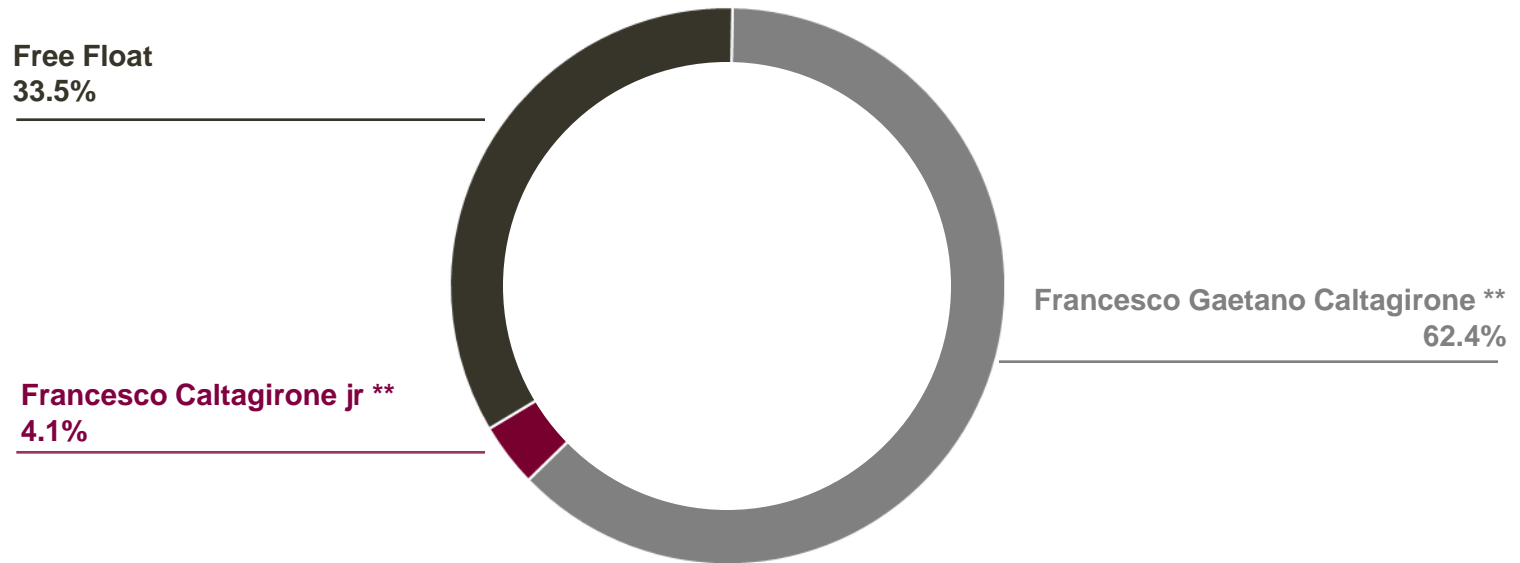
## Cementir Holding trades at a 22% discount to peers on 2009 EV/Ebitda



From 2002 our share price over-performed the relevant benchmark indexes

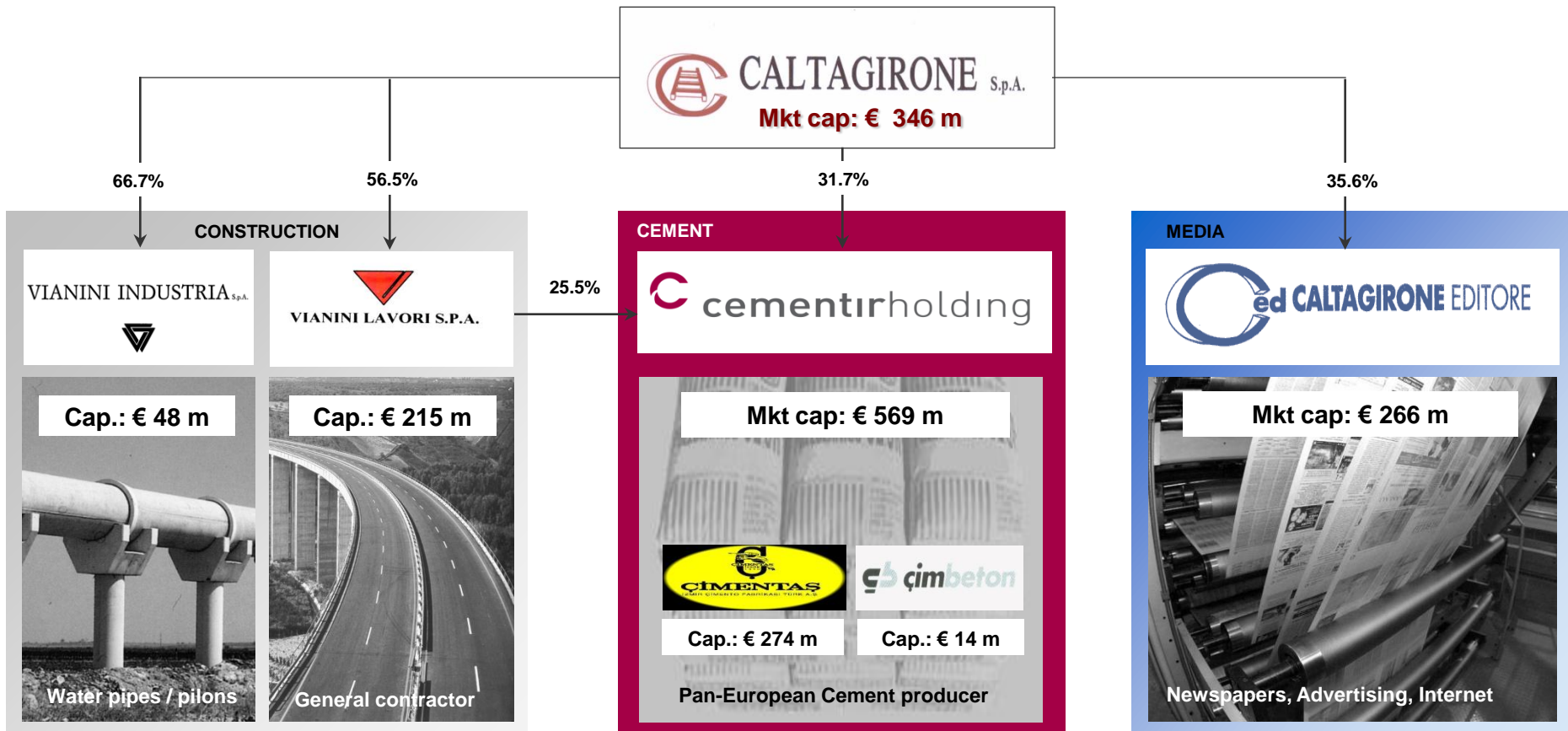


## APPENDIX



# Appendix - Group structure \*

Caltagirone Spa Group is a family-controlled industrial concern with aggregated '08 sales of over € 1.6 bn  
 The Group holds financial investments in several quoted companies



\* Mkt caps are based on closing prices of September 30<sup>th</sup>, 2009

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