

Cementir Holding: the Board of Directors approves the 2014 – 2016 Business Plan

- Focus on improving profitability and cash flow generation
- Consolidation of the leadership in white cement and completion of investments in the Turkish and English waste management business
- Operating revenues expected to reach around EUR 1,150 million in 2016 (average annual growth +5%)
- EBITDA expected to be around EUR 240 million in 2016 (average annual growth +16%)
- Net financial debt below EUR 100 million at the end of 2016

Rome, 17 December 2013 – The Board of Directors of Cementir Holding, chaired by Francesco Caltagirone Jr., today examined and approved the Group's Business Plan for the 2014 -2016 three-year period.

The 2014-2016 Business Plan lays the foundations for an additional period of growth for the Group following the positive trend in operations during 2013.

The strategy is focused on four key priorities:

- improving the profitability of current businesses;
- consolidating the Group's leadership in the white cement market;
- completing investments in the Turkish and English waste management businesses;
- improving cash flow generation.

The Plan's targets have been defined on the current perimeter of the Group. Any further strategic developments – consistent with the Group's strategy – will be evaluated from time to time.

Main targets

(Euro)	Forecast 2013	Target 2016	Average annual growth 2014-2016
Revenues	around 1,000 million	around 1,150 million	+5%
EBITDA	higher than 150 million	around 240 million	+16%
Annual Capex	around 75 million	70-75 million	
Net financial debt (end period)	lower than 350 million	lower than 100 million	
Net financial debt / EBITDA (%)	lower than 2.3x	around 0.4x	

The actions to be undertaken during the three-year period will generate operating revenues of around EUR 1,150 million in 2016, with an annual average growth of 5% (compared to EUR 1,000 million forecasted for 2013). The geographical breakdown points to a gradual increase in sales in the emerging countries which will account for 45% of revenue at the end of 2016, up from the current 42%. Italy will maintain its contribution of around 13%, but with a progressive return to operating profitability, today still negative.

EBITDA is planned to increase to around EUR 240 million in 2016, which is equal to average annual growth of +16% over the period covered by the plan.

The increase in EBITDA will mainly be driven by measures to boost internal efficiency, a reduction in operating costs (already achieved in part in 2013), an increase in the use of alternative fuels and renewables as well as the contribution of the waste management business. Another positive factor will be the effects of the Italian reorganization.

Greater integration of the management structure and a leaner, results-driven Group organization will also contribute to achieving the Plan objectives.

Forecast capital expenditures will amount to about EUR 70-75 million per year.

Another of the main targets of the Plan is the reduction of net financial debt, a goal that is expected to be achieved thanks to the improvement in operating profitability, measures to contain net working capital and close control of capital expenditures. This is projected to gradually reduce the net financial debt/EBITDA ratio to about 0.4x at the end of 2016.

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At today's meeting, the Board approved the new procedure (Investor Relations) for internal management and external communication of documents and information concerning the Company, aimed at ensuring the proper management of corporate information.

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On 18 December at 4:00 p.m. (Italian time) a conference call will be held to discuss the 2014-2016 Business Plan. The presentation will be available in audio conference form and via a webcast on the Company's website www.cementirholding.it in the Investor Relations section.

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Massimo Sala, as the manager responsible for preparing the Company's financial reports, certifies, pursuant to Article 154-bis (2) of the Consolidated Law on Financial Intermediation, that the accounting information contained in this press release corresponds with that contained in company documents, books and accounting records.

Disclaimer

This press release contains forward-looking statements. These statements are based on current expectations and projections of the Group regarding future events and, by their very nature, are exposed to inherent risks and uncertainties. These statements relate to events and depend on circumstances that may or may not occur or exist in the future. Accordingly, readers should not place undue reliance on them. Actual results may differ materially from those stated due to multiple factors, including: the volatility and deterioration of capital and financial markets, changes in commodity prices, changes in macroeconomic conditions and economic growth and other changes in business conditions, changes in atmospheric conditions, floods, earthquakes or other natural disasters, changes in the regulatory and institutional framework (both in Italy and abroad), production difficulties, including constraints on the use of plants and supplies and many other risks and uncertainties, most of which are outside the Group's control.

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