



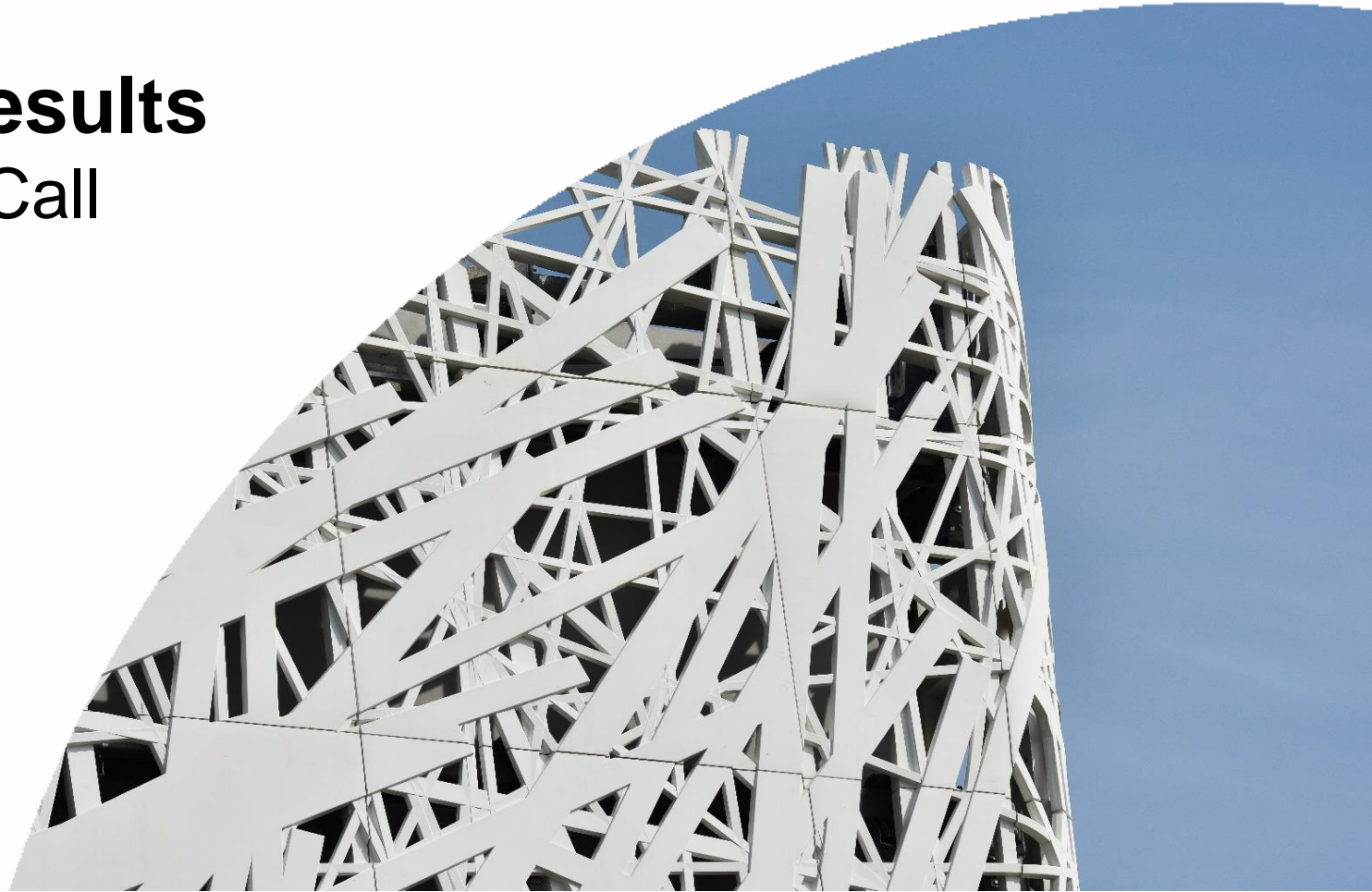
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**Italcementi Group**

**A world class local business**

# **FY 2015 Results**

## **Conference Call**



**Bergamo, 19 February 2016**

# Accounting policies

Consolidated Financial Statements have been drawn up in compliance with IFRS as applicable at December 31, 2015 and endorsed by the E.U. Commission. There are no significant changes in the consolidation perimeter in FY 2015 vs. 2014.

## **Assets held for sale (IFRS 5)**

Assets and liabilities related to the activities that will be sold by Italcementi S.p.A to Italmobiliare S.p.A in connection with the agreement between Italmobiliare and HeidelbergCement AG (Italgen, BravoSolution and a property located in Rome, valued in aggregate at 241M€) and related to Italterminali S.r.l., sold to third party on 29<sup>th</sup> January 2016, have been considered as held for sale, according to IFRS 5

## **Changes in IFRS**

- ❑ With regard to application of IAS 16 “Property, plant and equipment”, the Group has reviewed its industrial assets and revised their useful lives. The revision has determined lower Depreciation for 13.6M€ in the FY
- ❑ Accounting for CVAE (Cotisation sur la Valeur Ajoutée des Entreprises) in France has been reviewed. CVAE is now reported consistently with similar tax items in other jurisdictions, as “Income Tax Expense” instead of “Other taxes”. The impact on Rec. EBITDA is +7.2M€ in the FY 2014, offset by higher “Income Tax Expense”

## **Changes in Operating segments**

- ❑ With full effect since January 1, 2015, operations in Bulgaria have been reclassified to CWE from EENAME in the operating segment disclosure. After this change, the new definitions of the areas are Europe and North Africa and Middle East. 2014 data are restated accordingly

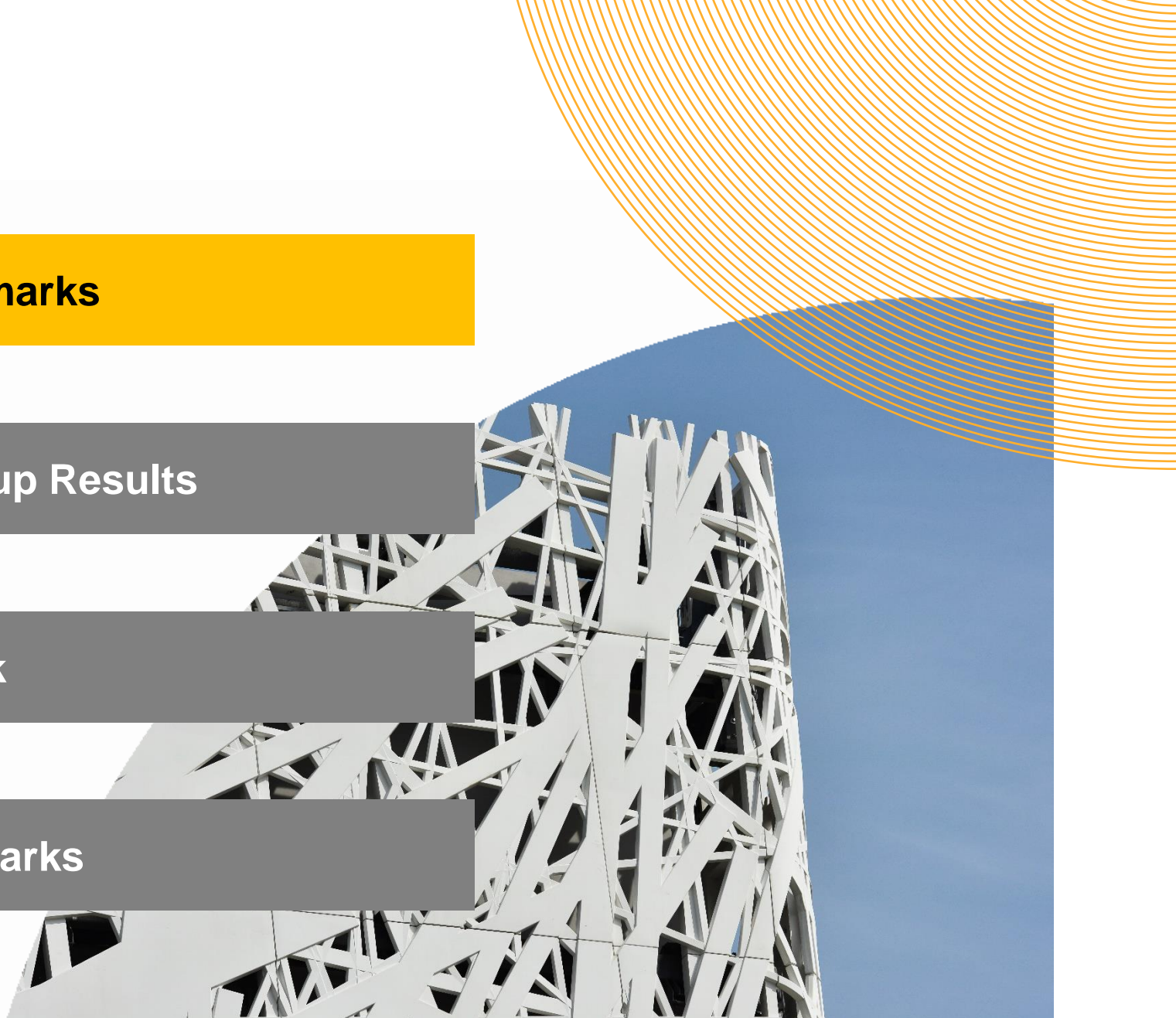
# Agenda

**Opening Remarks**

**FY 2015 Group Results**

**2016 Outlook**

**Closing Remarks**



## Q4/FY 2015 in summary

Original EBITDA recovery expectations impacted by weakness of key markets on volume and pricing front. Offsetting actions to mitigate adverse changes

	Q4	FY
<p><b>Stable year ends with favorable Q4 volumes</b> Mild Nov/Dec in Europe and strong Q4 growth in North Africa</p>	<p><b>+4.0%</b> Δ cement &amp; clinker volumes</p>	<p><b>-0.1%</b> Δ cement &amp; clinker volumes</p>
<p><b>FY revenues up 3.5% driven by FX, accelerating in Q4.</b> Pricing strength in India, North America and Morocco and modest price recovery in Italy in H2. Pressure in Egypt and weakness in France</p>	<p><b>+4.3%</b> Δ revenues -0.4% l-f-l</p>	<p><b>+3.5%</b> Δ revenues -3.0% l-f-l</p>
<p><b>Slight decrease in Rec. EBITDA</b> Weak top line drivers in Europe and Egypt offset other countries and further 94M€ efficiency actions. Support from CO<sub>2</sub> sales in H1 and positive FX effect</p>	<p><b>153M€ (-15.6%)</b> Rec. EBITDA -15.6% ex CO<sub>2</sub></p>	<p><b>636M€ (-3.1%)</b> Δ Rec. EBITDA -9.1% ex CO<sub>2</sub></p>
<p><b>Net Income includes extraordinary charges on further restructuring actions</b></p>	<p><b>-65M€</b> Net Income (Owners of Parent)</p>	<p><b>-120M€</b> Net Income (Owners of Parent)</p>

## FY 2015 in summary

Strong focus on key cash flows drivers brings net debt position below original targets, mitigating EBITDA effects on leverage

	FY
Improved cash flow generation thanks to proactive management of Working Capital components and strong compression on CapEx spending after 2014 strategic projects	<b>+218 M€</b> Chg in Industrial FCF vs PY
Net Financial Debt stabilized vs. PY	<b>-13 M€ (*)</b> Chg in NFP since 12/31/2014
Leverage contained with close monitoring	<b>3.4x</b> Net Debt /Rec.EBITDA

(\*) to 2,170M€ as of Dec. 2015 (-21M€ chg. to 2,178M€ NFP of continuing operations under IFRS 5)

# Agenda

Opening Remarks

**FY 2015 Group Results**

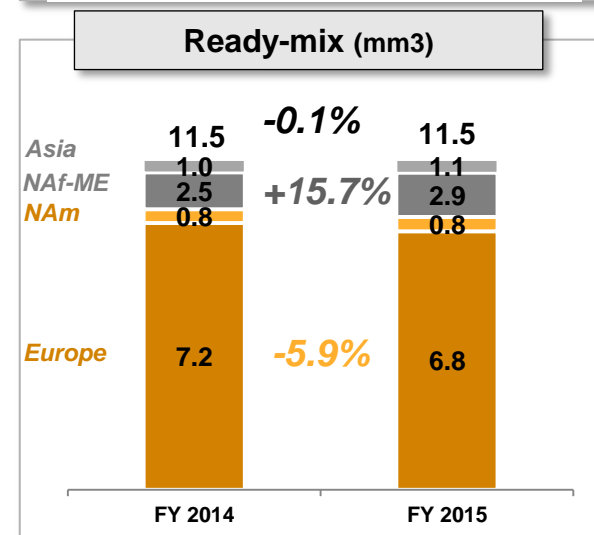
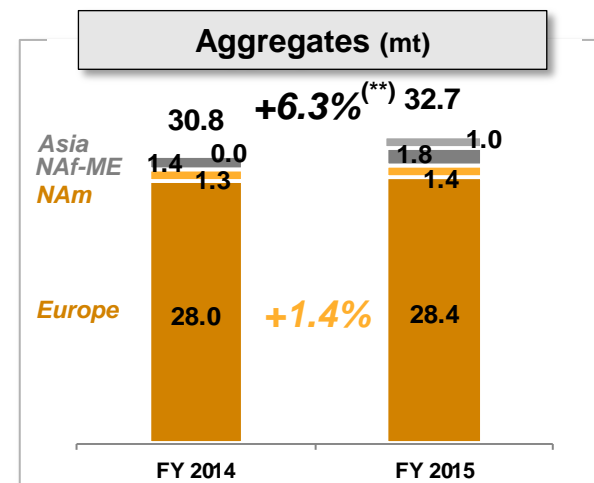
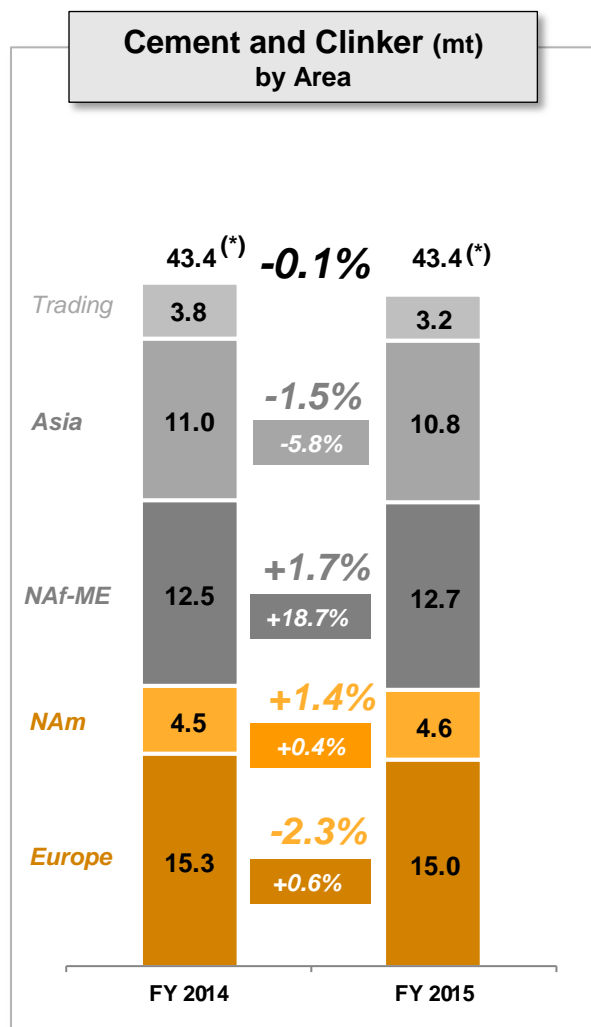
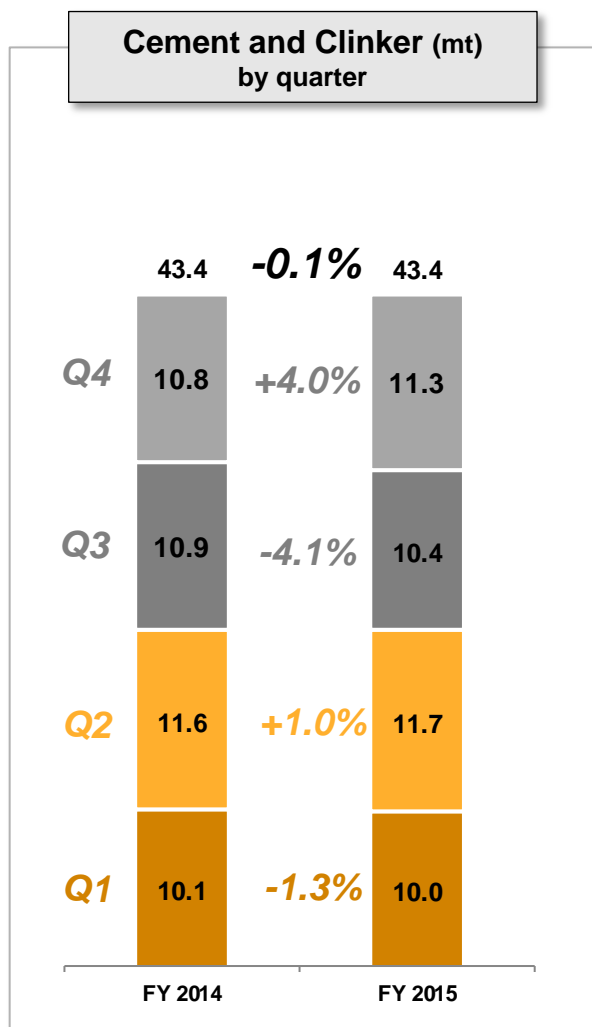
2016 Outlook

Closing Remarks



# Sales volumes by business

Strong Q4 on mild weather in Europe and positive North Africa ensures flat FY cement volumes after weaker 9M. Aggregates continue to perform positively and ready-mix closes at last year level



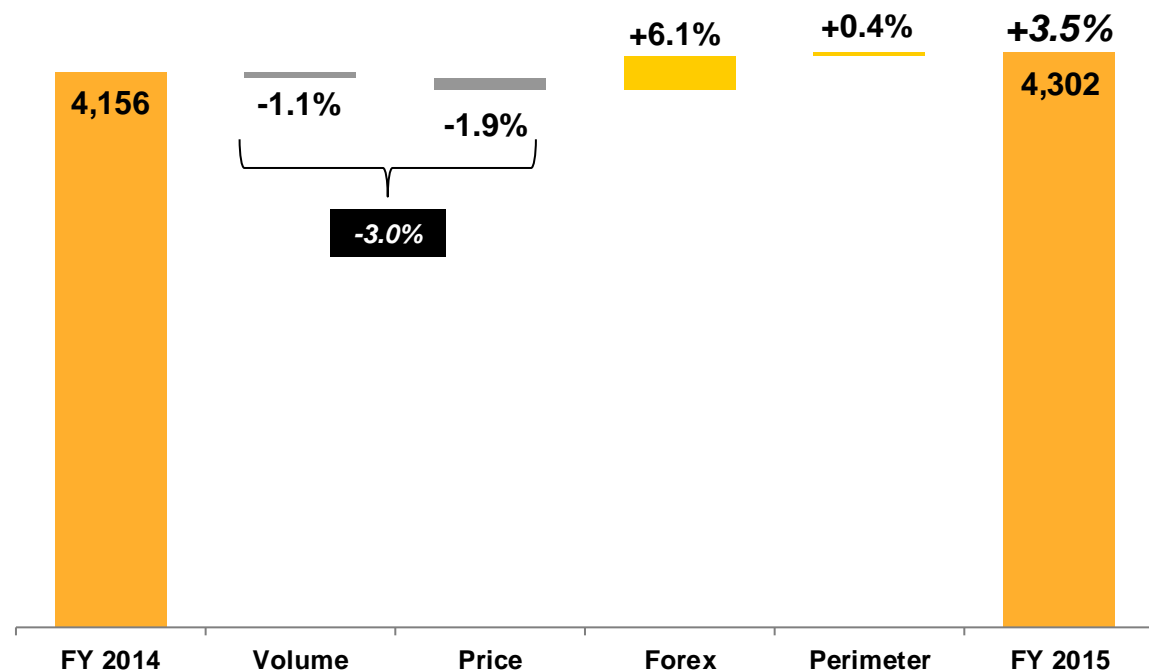
(\*) Including eliminations for 2.9mt in 2015 and 3.7mt in 2014 (\*\*) +4.3% on a like-for-like basis – 2015 perimeter

Q4 chg.

# Revenues

FY revenues up 3.5% thanks to 6.1% positive FX effects. Q4 lfl performance supported by improving volume trends. Pricing strength in India, North America and Morocco offset by continuing pressure in Egypt and weakness in France. Modest price recovery in Italy in second half.

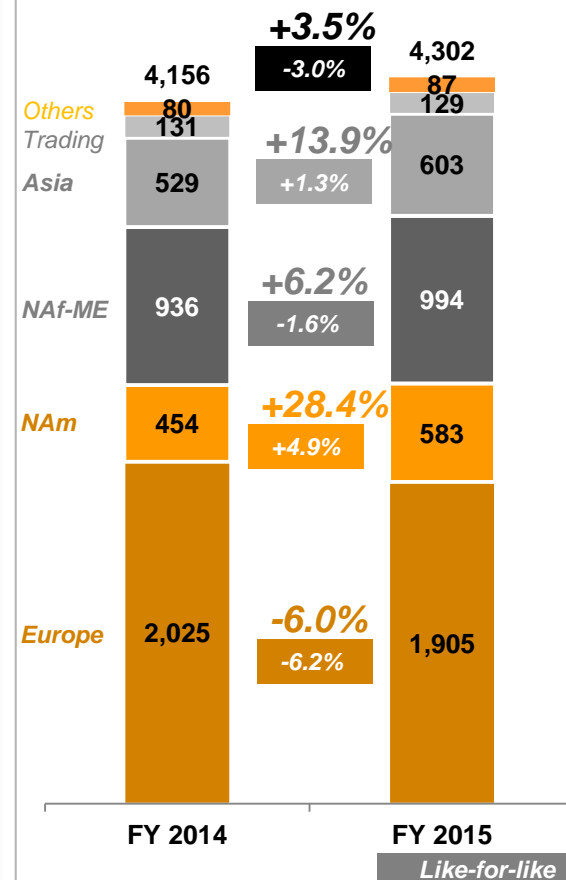
**FY 2015 vs. FY 2014 – M€**



**Q4 2015 vs. Q4 2014 – M€**



**Breakdown by Area – M€ (after eliminations)**

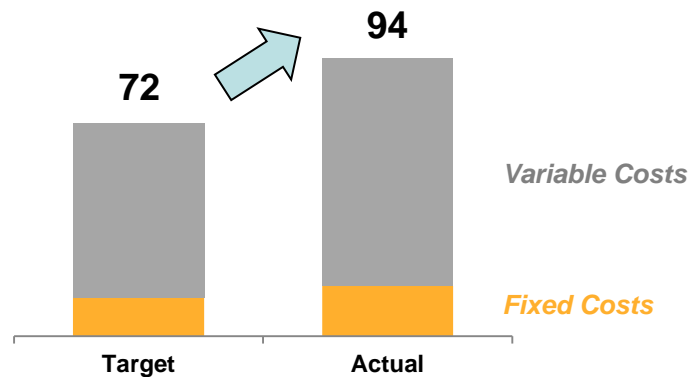




# FY 2015 Cost Reduction results

YTD results above 72M€ FY 2015 target thanks to actions in Europe and North Africa

## FY 2015 Cost Reduction results

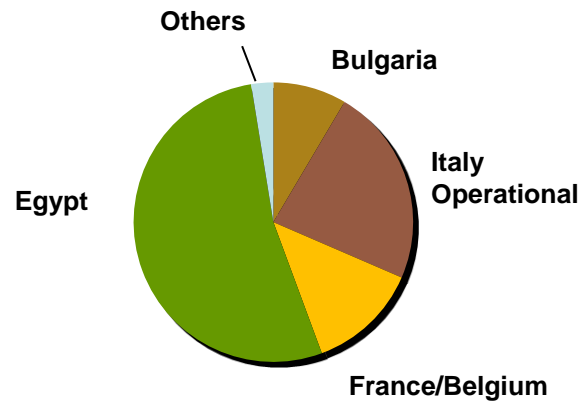


## Variable Costs

### Returns on 2013-14 efficiency investments:

- Fuel and power savings in **Italy and Bulgaria** from clinker lines revampings
- Fuel, clinker and logistic savings in **Egypt** thanks to coal grinding capacity in Kattameya and Suez

## FY 2015 Savings: Breakdown by country



## Fixed Costs

### Group-wide Labor costs:

- 2.2% positive impact from -386 FTE variation vs. FY 2014

### Italy, France/Belgium

- Reduction on labor costs and other fixed costs

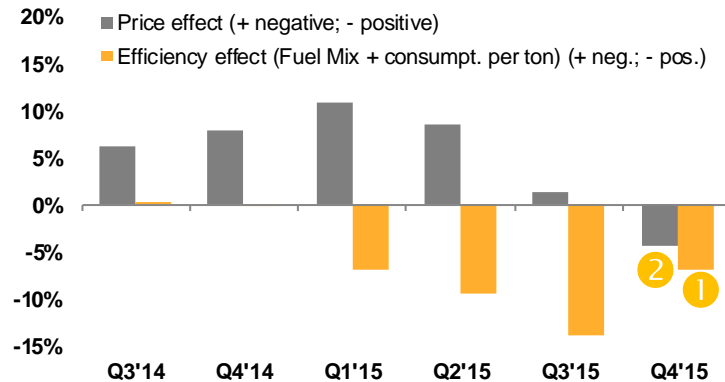
### North America

- Higher maintenance and staff costs

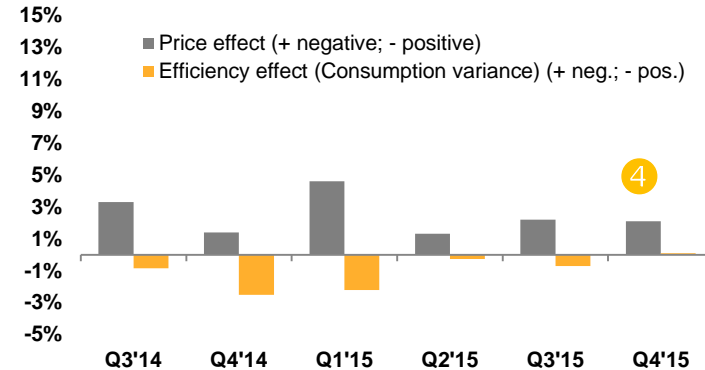
# Fuel and power costs cycle (y/y %)

Efficiencies compounded by supportive input factor price trends as inventory cycle flows through P&L in H2. Additional support below EBITDA from fuel purchases FX hedging.

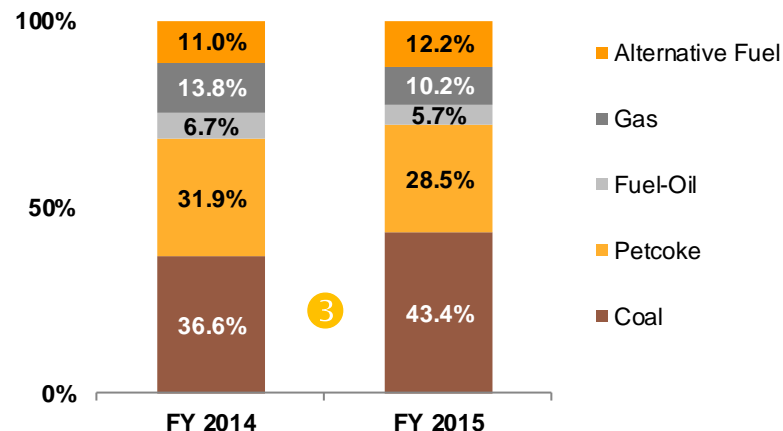
## Fuel costs y/y trend



## Power costs y/y trend



## Fuel Mix

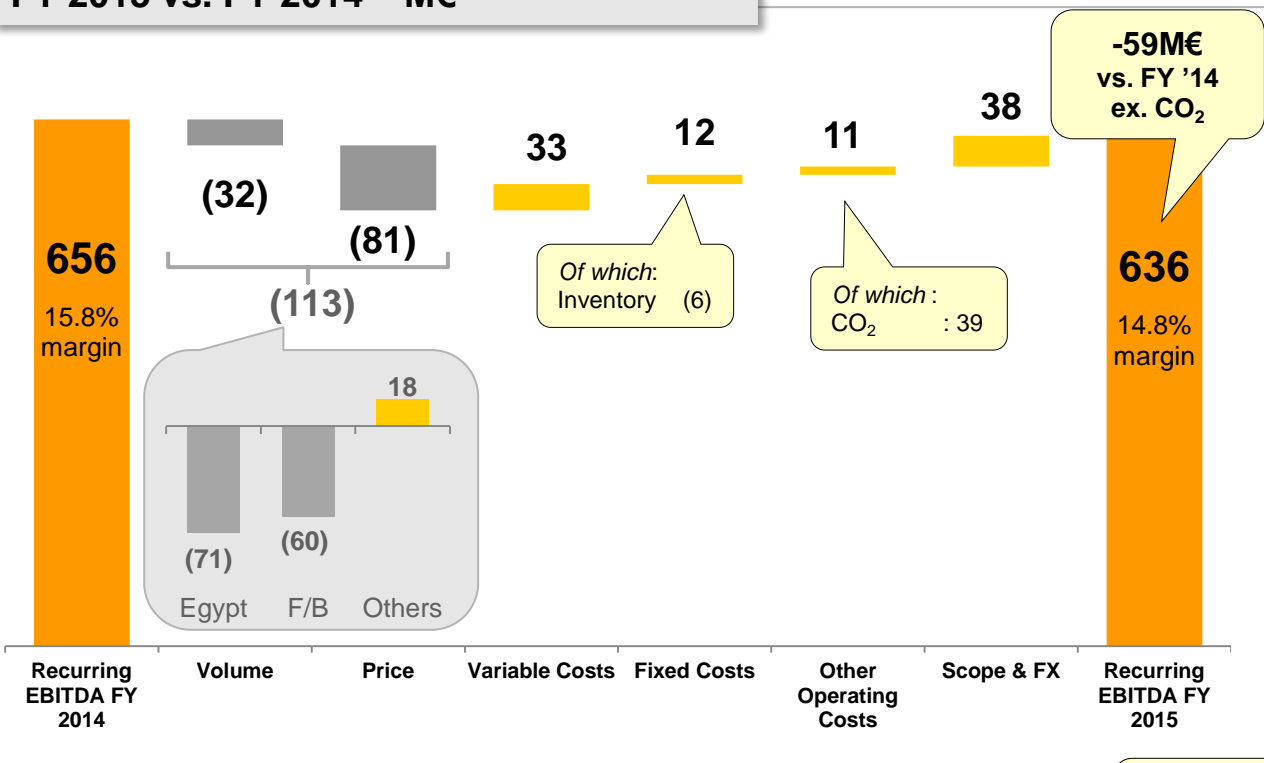


- ① Solid return on **efficiency investments** in Egypt, Bulgaria and Italy (37M€ in FY'15)
- ② Fuel: excluding Egypt, **positive price effect** (17M€ in FY15) thanks to deflationary environment
- ③ Group **fuel mix** reflects coal/gas substitution in Egypt
- ④ Power: excluding Egypt, **flat price effect** in FY15: price increases in Spain, India and Morocco balanced by decreases in North America and Thailand

# Rec. EBITDA variance analysis by driver

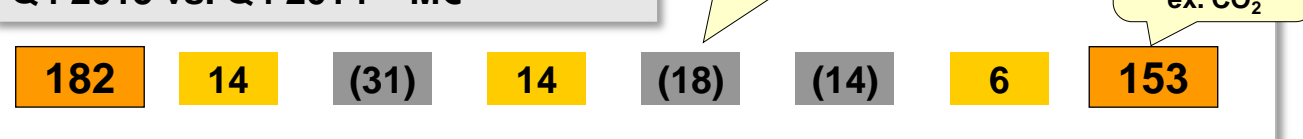
Slight decrease in Rec. EBITDA as market weakness in France and Egypt offsets actions on variable and fixed costs, CO<sub>2</sub> sales in H1 and positive FX effect

## FY 2015 vs. FY 2014 – M€



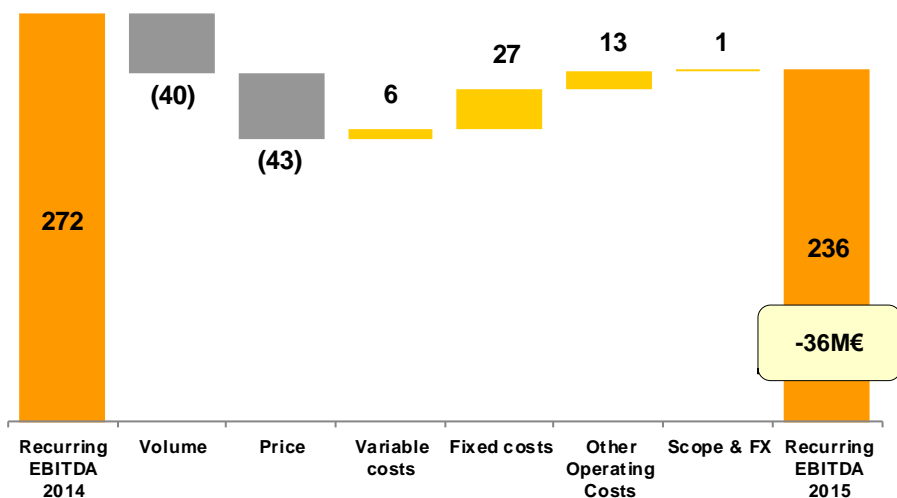
- Volume effect dragged down by Europe, positive in North Africa and North America
- Price effects largely driven by Egypt, France and Thailand. Strength in India and North America
- Variable costs continue to benefit from efficiency investments in Egypt and Europe
- Positive FX translation on non-European portfolio

## Q4 2015 vs. Q4 2014 – M€



# Europe

## FY – Rec. EBITDA variance analysis | M€



	% Chg	M€ Chg	
Italy	74%	14	34
France/Belgium	-24%	-55	176
Others			26
<b>Total</b>			<b>236</b>

## Q4 – Rec. EBITDA variance analysis | M€

	Q4	Volume	Price	Variable costs	Fixed costs	Other Operating Costs	Scope & FX	Q4
	66	-1	-6	2	2	-15	0	49
Italy	3					n.s.	-4	-1
France/Belgium	61					-20%	-12	49
Others	3							1

### Italy

- FY Rec. EBITDA supported by higher CO<sub>2</sub> rights monetization than 2014 (40M€ vs 6M€)
- June price action mitigates FY negative effect
- Ongoing focus on fixed costs reduction. 3 non-core full cycle plants now operate solely as grinding centers

### France / Belgium

- Volume and price weakness less pronounced in Q4 than earlier in the year. Weather factors help
- Positive results from actions on fixed and variable costs

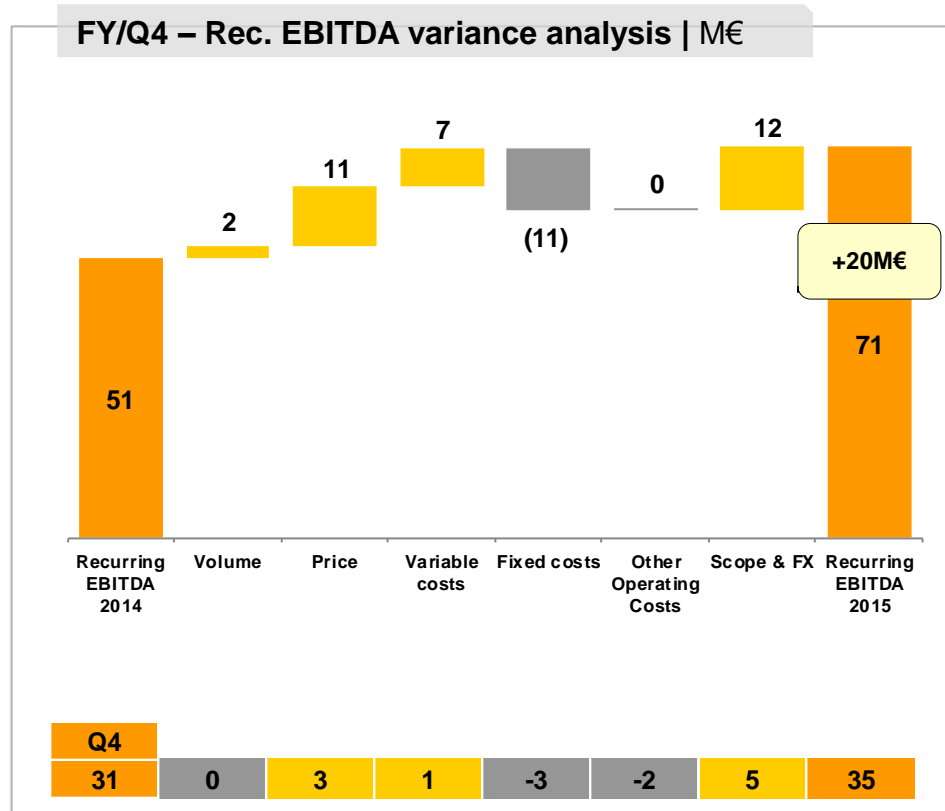
### Spain

- Difficult trading conditions in Med Rim put pressure on export volumes and prices

### Bulgaria

- Strong improvement in Rec. EBITDA, leveraging state-of-the-art Devnya plant
- Ongoing volume recovery on the domestic market plus sales to strategic export destinations (US)
- 10M€ of CO<sub>2</sub> rights monetization (1M€ in 2014)

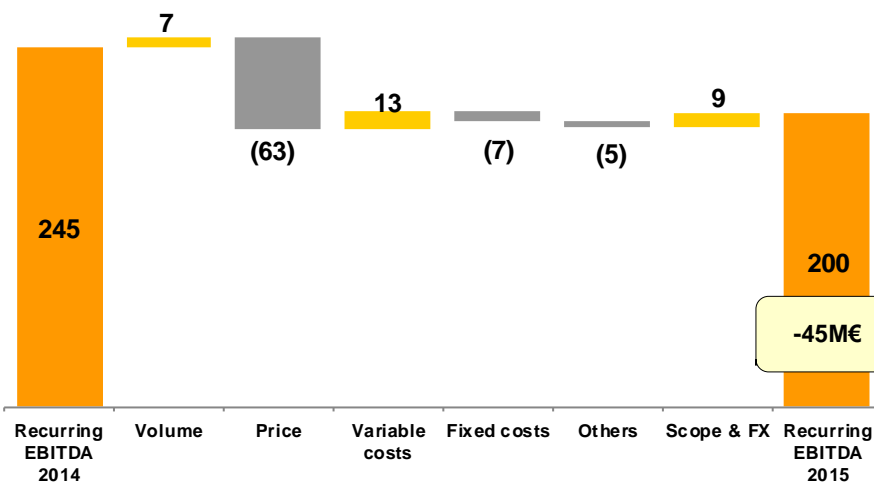
# North America



- Positive volume effect in FY; flat Q4
- Solid price progression (+4% FY and Q4), coupled with variable cost reduction from fuel and power price effects
- Ongoing maintenance spending while manufacturing excellence program is implemented
- FX translation boosts region's contribution to consolidated results

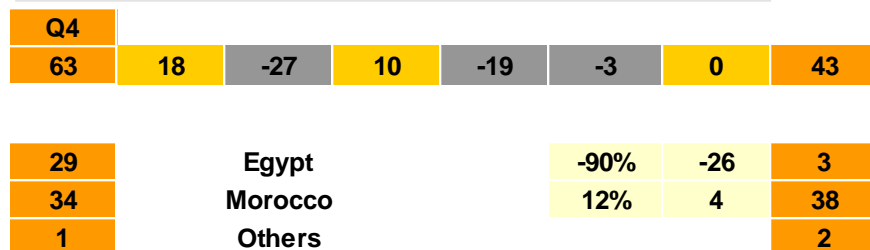
# North Africa and Middle East

FY – Rec. EBITDA variance analysis | M€



		% Chg	M€ Chg	
106	Egypt	-59%	-62	44
137	Morocco	10%	14	151
3	Others			5

Q4 – Rec. EBITDA variance analysis | M€



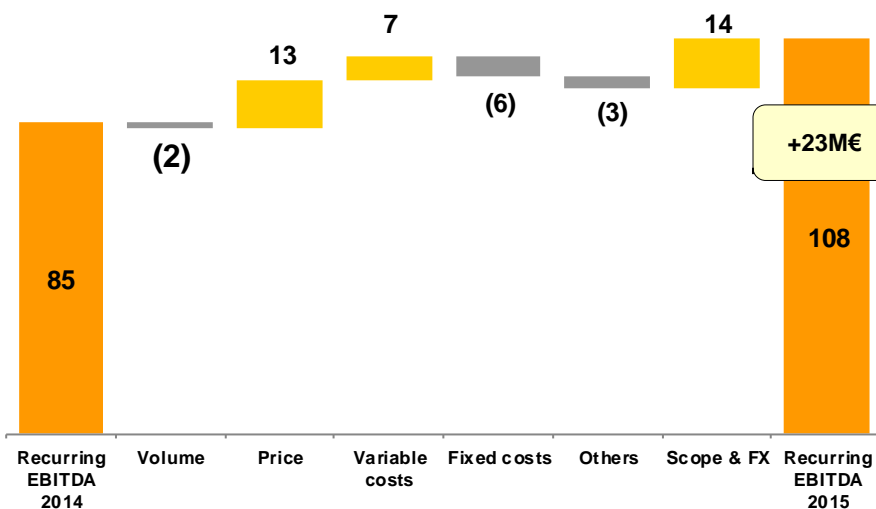
## Egypt

- Positive volume effect in FY thanks to 27% rebound in cement sales in Q4, more than offsetting prior quarters weakness
- Higher industry capacity (coal transformation, higher energy availability) and steep reduction in exports lead to ongoing strong pressure on prices (-15% Y/Y)
- Visible benefits on variable costs from investments on coal grinders, partially offset by sharp increase of energy prices (subsidy lifting program)

## Morocco

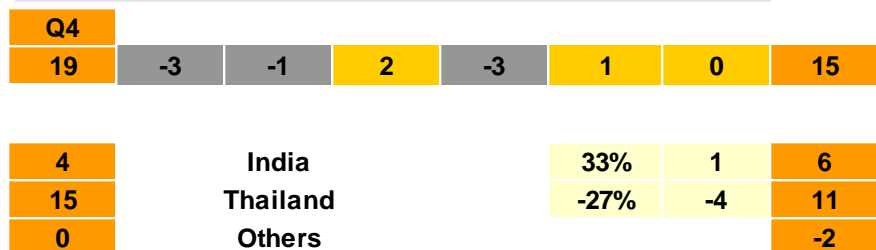
- Ongoing, tangible improvement in Rec. EBITDA
- Strong volume trend in Q4 (mainly due to festivities calendar and prior year weather effects) drive positive FY performance
- Pricing environment remains solid
- Positive variable cost effects on fuel costs

## FY – Rec. EBITDA variance analysis | M€



		% Chg	M€ Chg	
18	India	146%	27	45
64	Thailand	6%	4	68
3	Others			-5

## Q4 – Rec. EBITDA variance analysis | M€



		% Chg	M€ Chg	
4	India	33%	1	6
15	Thailand	-27%	-4	11
0	Others			-2

## Thailand

- Price pressure increase in Q4 as a consequence of the start up of a competitor's additional capacity in September
- Industrial efficiency actions coupled with lower cost of coal clearly visible on variable costs effect
- Positive FX translation effect

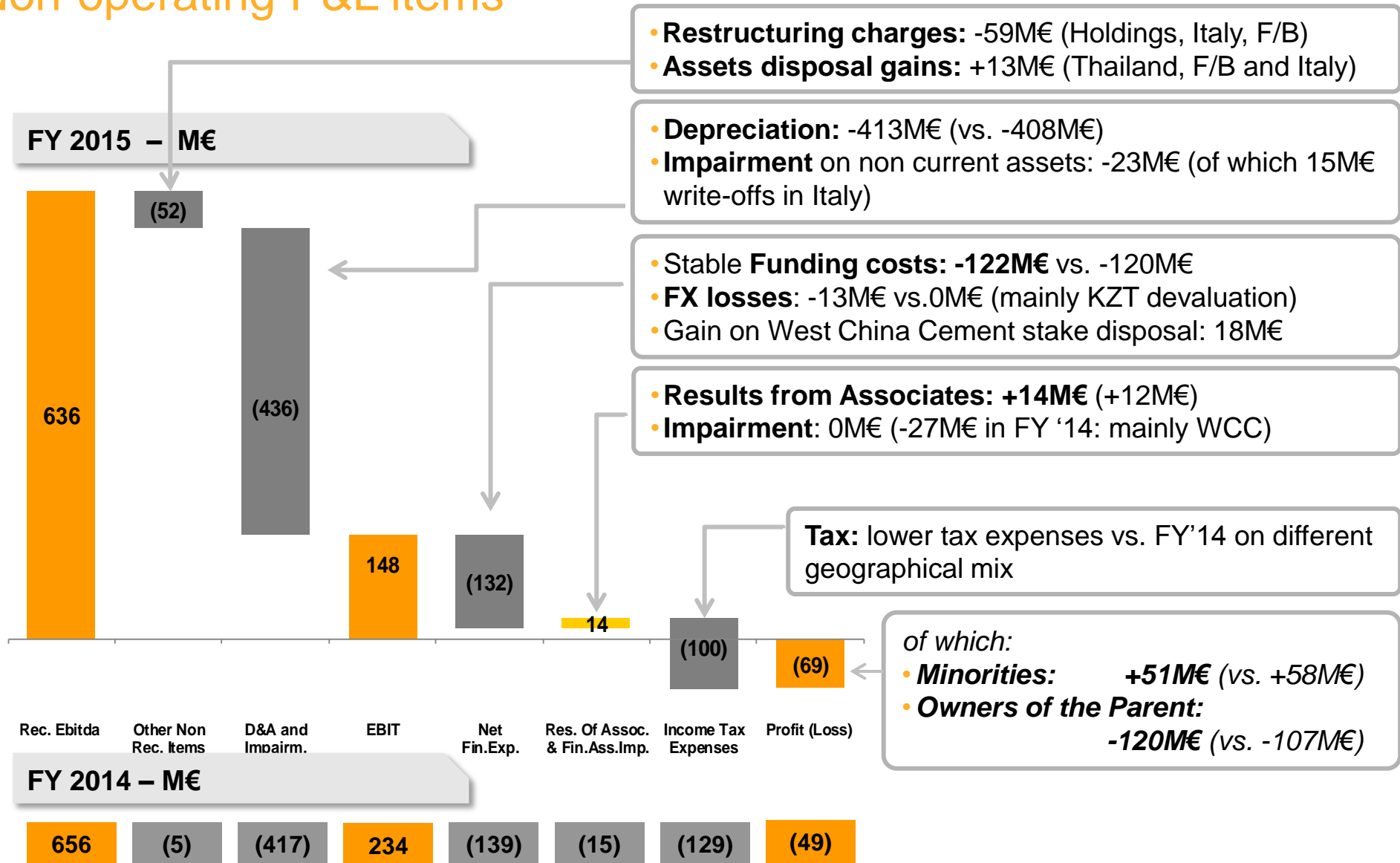
## India

- Weak volumes in Southern India, impact of major floods in Q4
- Pricing remains positive vs. PY albeit sequentially softer than H1 peak
- Solapur 1.2mt/y grinding unit started commercial activities in September
- Positive FX translation effect

## Kazakhstan

- Lower Y/Y Rec. EBITDA on negative price effect, higher input costs (KZT devaluation) and challenging base (one-off other income in Q3 2014)
- Revamping project in progress, start-up in Q1 2016

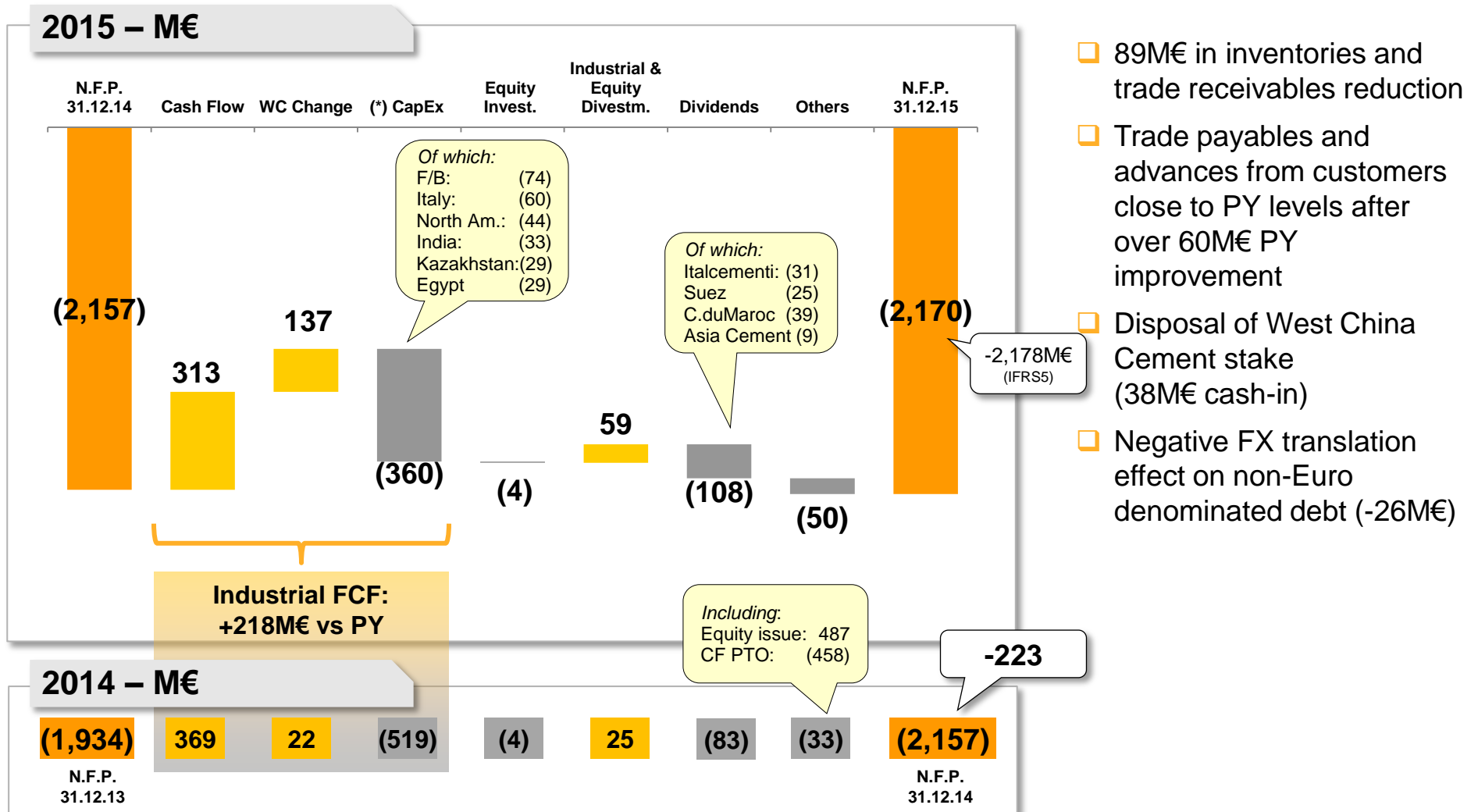
# Non-operating P&L items





# Cash Flow

Strong improvement of Industrial Free Cash Flow vs. PY on Working Capital efficiencies and sharp contraction of CapEx

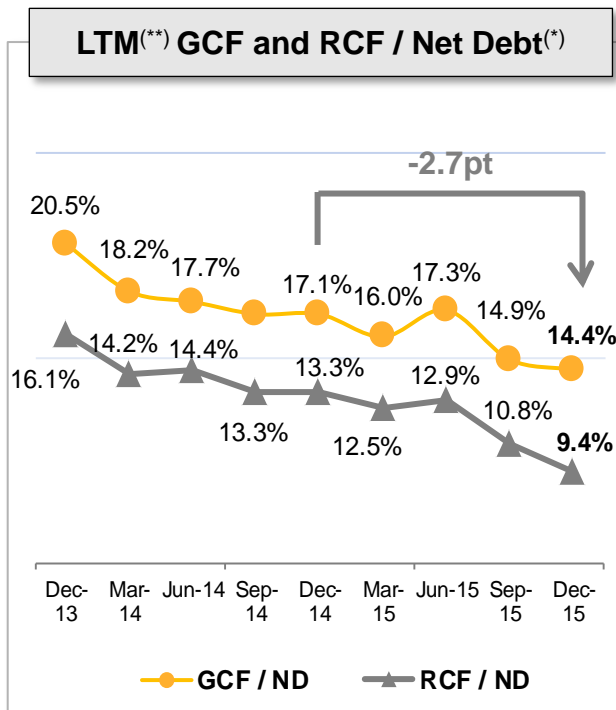
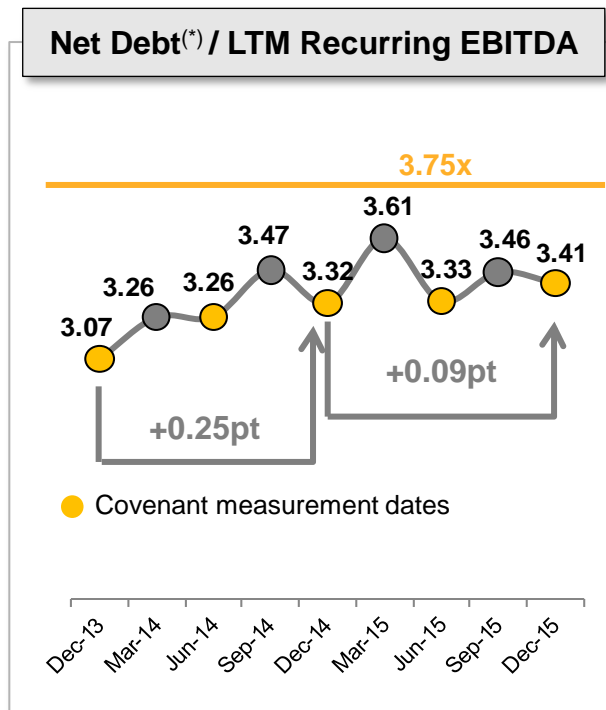


- 89M€ in inventories and trade receivables reduction
- Trade payables and advances from customers close to PY levels after over 60M€ PY improvement
- Disposal of West China Cement stake (38M€ cash-in)
- Negative FX translation effect on non-Euro denominated debt (-26M€)

(\*) Including change in payables of -41M€ as of December 2015 and -21M€ as of December 2014

# Financial Ratios

Leverage remains under close monitoring



- Moderate deterioration of ND/Rec. EBITDA vs. PY
- GCF/ND and RCF/ND penalized by lower GCF and higher dividends to minorities
- Further Working Capital reduction actions foreseen prior to next covenant measurement date (June, 30)

(\*) June '14 ratios calculated on 2,076M€ Pro-forma NFD after completion of equity transactions

Dec. 15 ratios calculated on 2,170M€ NFP

(\*\*) GCF and RCF based on reported figures

## Ratings

	LT Rating	Outlook	Last Action
<b>Moody's</b>	(Ba3)	(Positive)	29/07/2015 (Review for upgrade)
<b>S&amp;P's</b>	BB	Positive	8/10/15 (Revised Outlook)

# Net Financial Position

No M/T refinancing activity in 2015 shift LT vs. ST liabilities mix

## Net Financial Position – M€

	31 December '15	31 December '14	(Source) / Use
Current Financial Liabilities	(700)	(529)	(170)
Non-Current Financial Liabilities	(2,138)	(2,337)	199
<b>Gross Financial Debt</b>	<b>(2,838)</b>	<b>(2,867)</b>	<b>29</b>
<i>Gross Debt (Total Financial Liabilities net of accruals, FV adjustments &amp; derivatives MTM)</i>	<i>(2,696)</i>	<i>(2,659)</i>	<i>(37)</i>
Current Financial Assets	628	611	18
<i>of which cash &amp; equiv. available at holdings</i>	<i>74</i>	<i>73</i>	<i>1</i>
Non-Current Financial Assets	32	99	(68)
<b>Total Financial Assets</b>	<b>660</b>	<b>710</b>	<b>(50)</b>
<i>Total Financial Assets net of accruals &amp; derivatives MTM</i>	<i>610</i>	<i>605</i>	<i>5</i>
<b>Net Financial Position (IFRS 5)</b>	<b>(2,178)</b>	<b>(2,157)</b>	<b>(21)</b>
<i>Net Financial Assets held for sale (*)</i>	<i>8</i>	<i>0</i>	<i>8</i>
<b>Net Financial Position</b>	<b>(2,170)</b>	<b>(2,157)</b>	<b>(13)</b>

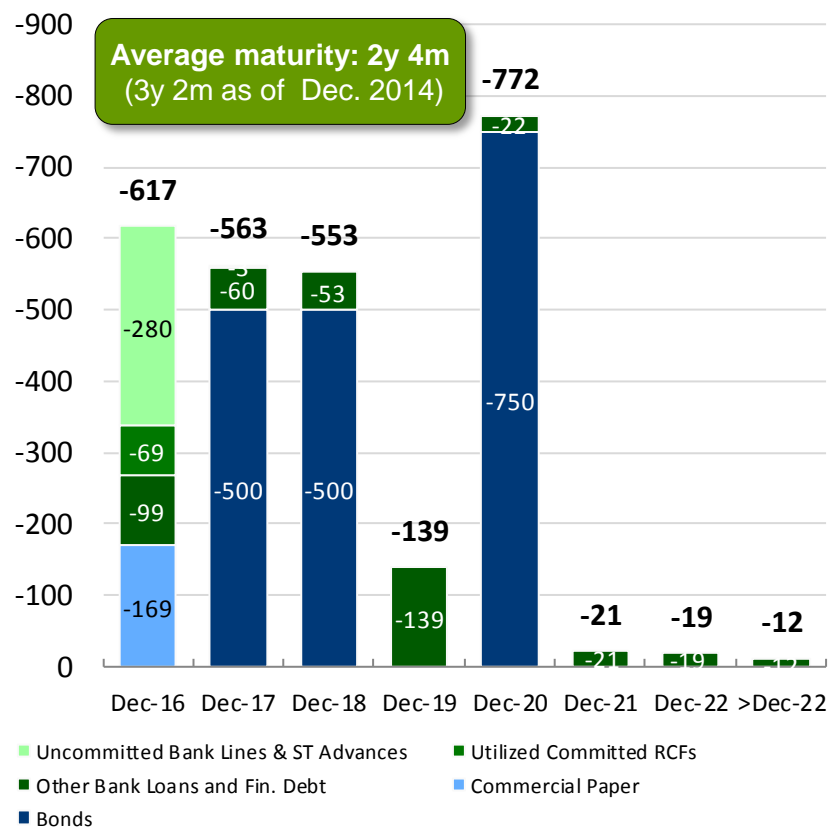
(\*) Excluding 50M€ of intercompany funding granted to discontinued operations

# Gross debt maturity profile as of December 31, 2015

Pending HeidelbergCement transaction, no medium term funding activity and consequently shorter debt maturity profile. Stable bond / capital markets debt mix

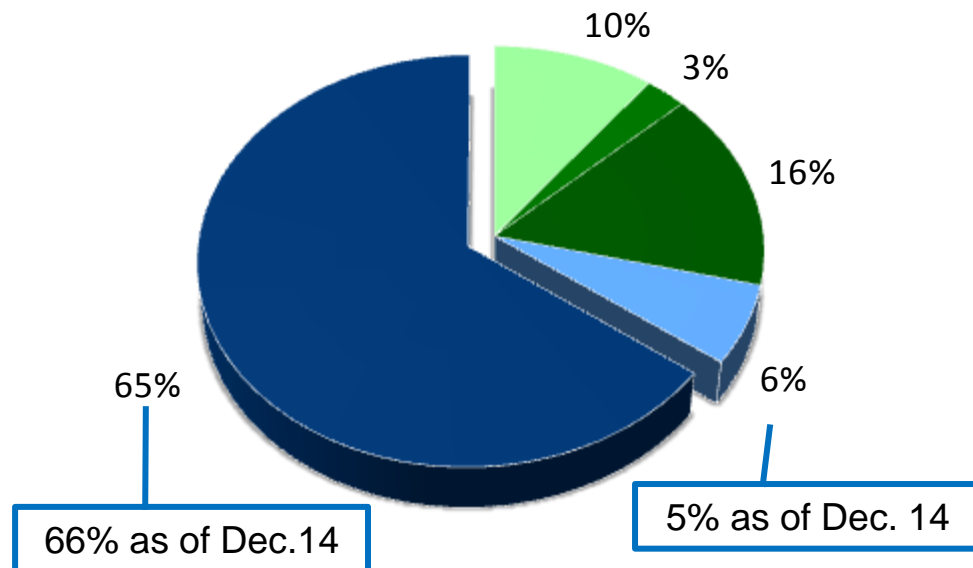
## Gross Debt\* Maturity profile

Total 2,696M€(\*\*) as of Dec. 31, 2015



## Gross Debt Composition

Total 2,696M€(\*\*) as of Dec. 31, 2015



**Capital market weight at 71% vs. 71% (Dec. 14)**

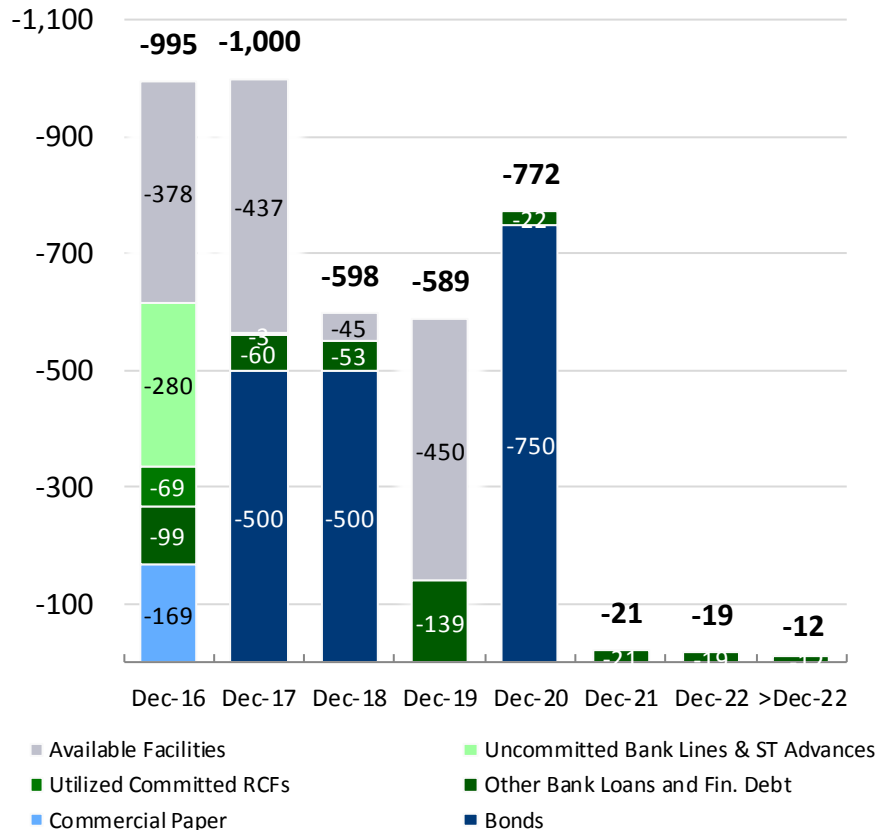
(\*) Face value of financial debt instruments, excluding accrued interests, fair value adjustments and MTM of derivatives as of December 2015

(\*\*) 2,685M€ IFRS 5

# Liquidity profile as of December 31, 2015

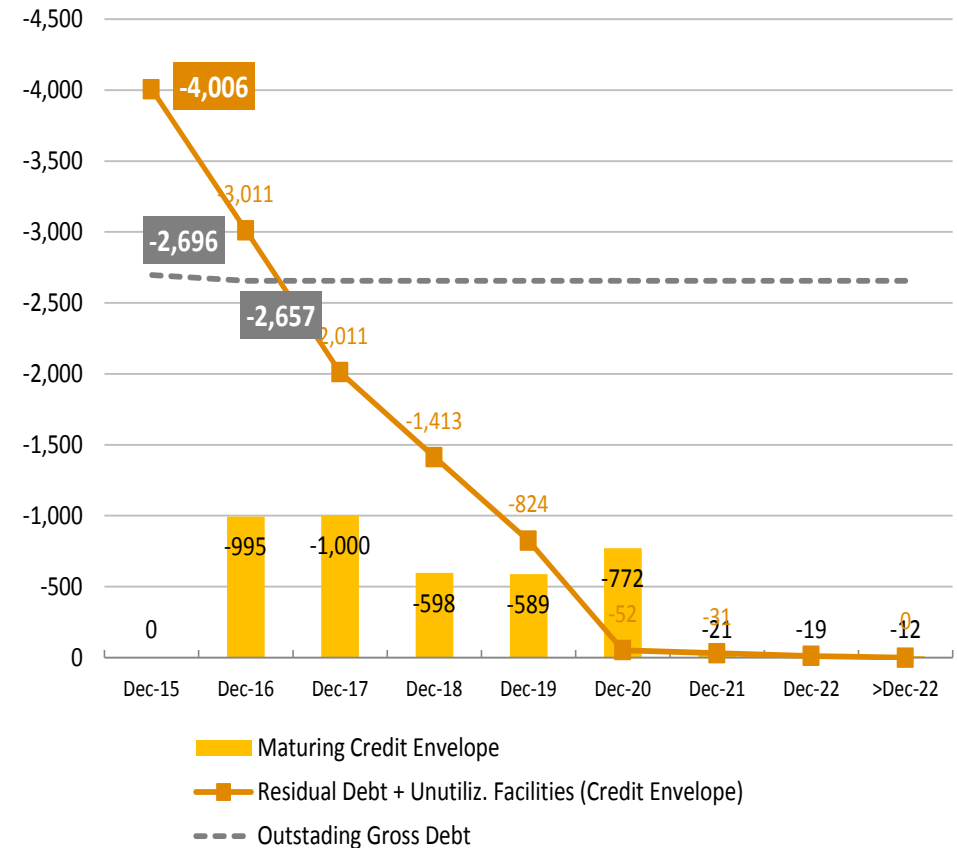
Over 12 months of liquidity headroom, pending refinancing of 500M€ Ciments Français bond maturing in April 2017

## Credit Envelope Maturity Profile | M€



## Liquidity Headroom | M€ as of 12/31/2015

Unutilized RCFs: 1.31B€ vs. 1.31B€ on 12/31/14



# Core financial expenses

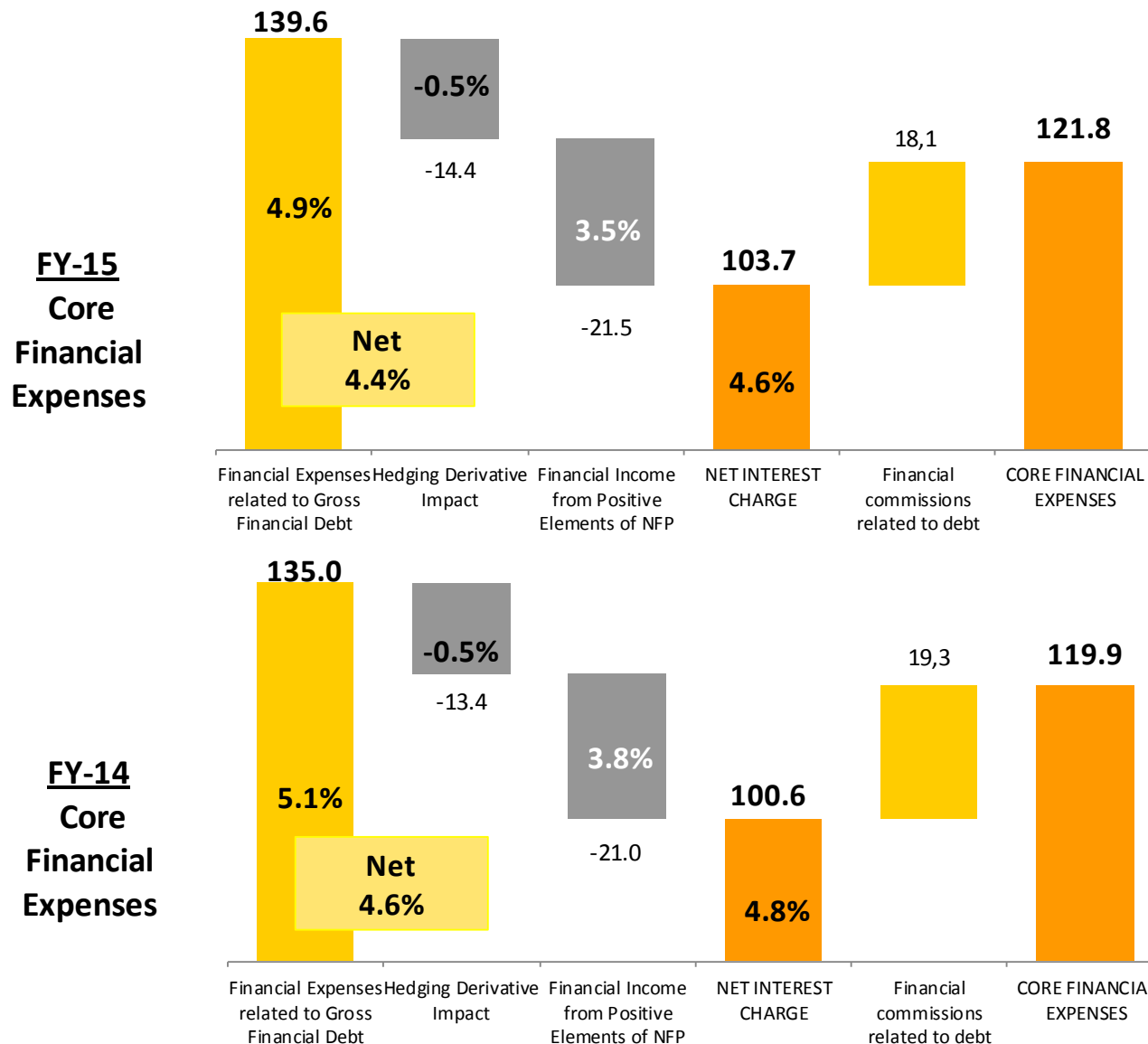
Cost of Gross debt slightly improved from 4.6% to 4.4% due to more efficient funding mix

Interest expenses increase on volume effect (higher average gross debt)

Hedging Derivatives offset to interest expenses improved from -13.4M€ to -14.4M€

Slightly higher financial income on extra-European cash holdings

Commitment fees and other debt related costs slightly down after 2014 optimization of credit facilities envelope



# Agenda

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# Outlook 2016: Mature Countries

## Europe

### Italy Operations

Market volume -5.0% / -1.5%

Cement Price +1.5% / +5.0%

R. EBITDA (ex.CO<sub>2</sub>) ↑

- Low single digit cement market decrease vs. 2015; positive public work and refurbishment but still weak residential and commercial segments. Favorable base effect for price trends
- Core industrial network restructuring completed

### France

Market volume -1.5% / +1.5%

Cement Price -5.0% / -1.5%

Rec.EBITDA ↓

- Uncertain market conditions in 2016 but overall stabilization expected
- Continuous discipline on variable and fixed costs to mitigate potential price erosion

### Spain (N.+S.)

Market volume +5.0% / +10%

Cement Price -1.5% / +1.5%

Rec.EBITDA ↑

### Greece

Market volume +5.0% / +10%

Cement Price -1.5% / +1.5%

Rec.EBITDA ↑

### Bulgaria

Market volume +1.5% / +5.0%

Cement Price -1.5% / +1.5%

R. EBITDA (ex.CO<sub>2</sub>) ↑

## North America

### N. America (Group market area)

Market volume +1.5% / +5%

Cement Price +1.5% / +5%

Rec.EBITDA ↑

- Volumes increase across of all segments
- Favorable conditions for further price increases



# Outlook 2016: Emerging Countries

## North Africa & Middle East

### Egypt

Market volume +1.5% / +5.0%

Cement Price +1.5% / +5.0%

Rec.EBITDA ↑

- Positive market expectations thanks to infrastructure projects and low-middle income housing (several large national projects driven by Government)
- CapEx focused on coal mill in Helwan to further strengthen competitiveness in 2017

### Morocco

Market volume -1.5% / +1.5%

Cement Price -1.5% / +1.5%

Rec.EBITDA →

- Maintaining strong profitability levels

## Asia

### Thailand

Market volume +1.5% / +5.0%

Cement Price -5.0% / -1.5%

Rec.EBITDA ↓

- Additional capacity (~8% of market) from one competitor will continue to put pressure on prices

### South India

Market volume -1.5% / +1.5%

Cement Price -1.5% / +1.5%

Rec.EBITDA ↓

- Price stability expected after strong recovery in 2015. Low utilization rate remains a risk factor

### Kazakhstan

Market volume -1.5% / +1.5%

Cement Price -1.5% / +1.5%

Rec.EBITDA ↑

- Rec. EBITDA is expected to improve thanks to revamped kiln line

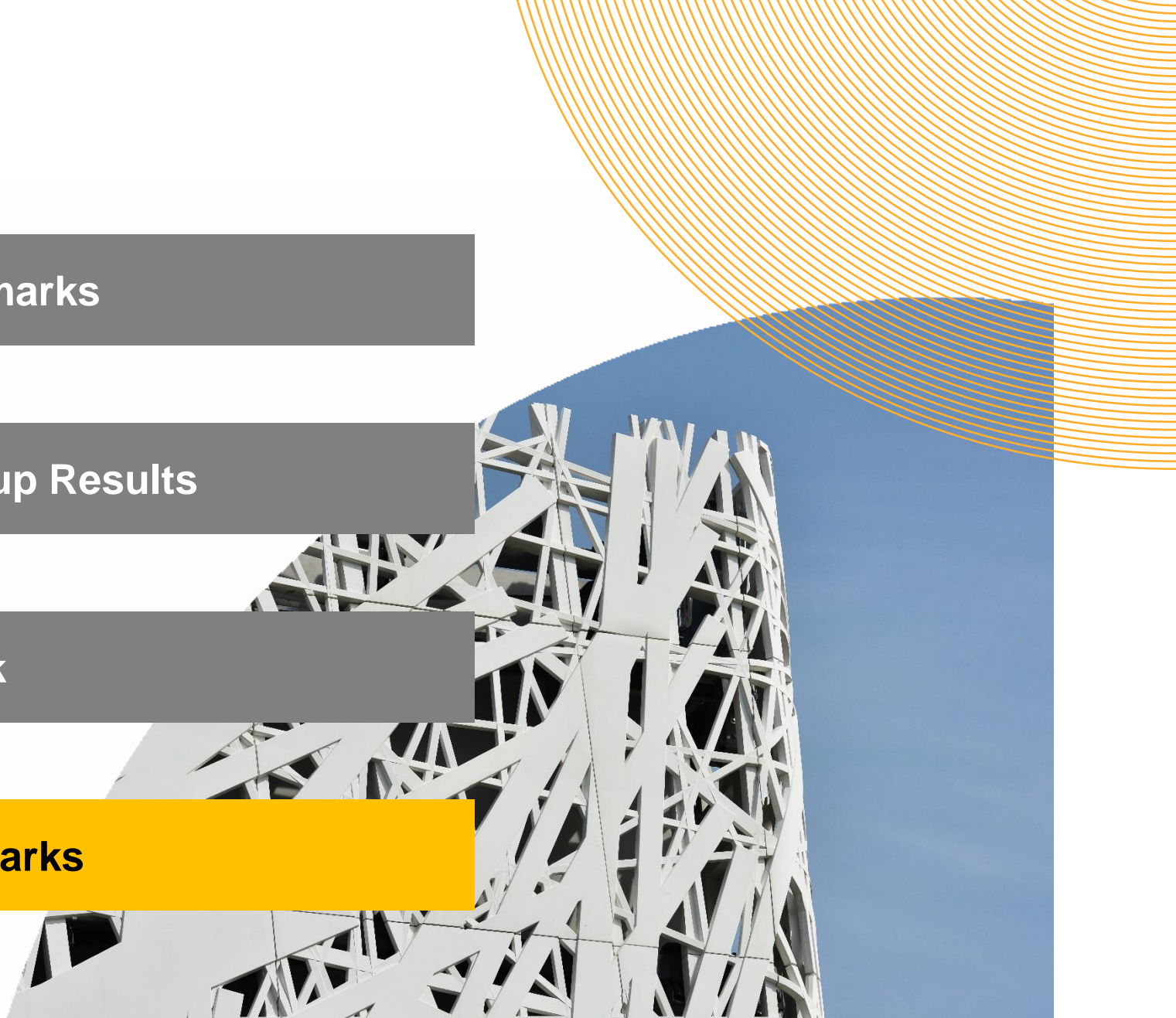
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## 2016 in Summary

**Standalone EBITDA expected to improve to upper 600s area ex CO<sub>2</sub> on still limited recovery expectations in Europe and ongoing strength in North America, with volatility in Emerging Markets creating overall uncertainty to projections**

**Cash flow management to remain key focus of attention with limited CapEx spending (~320M€) and new actions on Working Capital mitigating seasonal H1 leverage peak**

The background features two sets of concentric circles. One set, in blue, is larger and positioned lower on the page. The other set, in orange, is smaller and positioned higher. A solid yellow horizontal bar is located in the lower right quadrant, containing the word 'Appendix' in black text.

## Appendix

# Sales volumes by business and by area

AREA	CEMENT & CLINKER (kt)																			
	Q1 2015	Q1 2014	Δ	Δ L-f-L	Q2 2015	Q2 2014	Δ	Δ L-f-L	Q3 2015	Q3 2014	Δ	Δ L-f-L	Q4 2015	Q4 2014	Δ	Δ L-f-L	YTD 2015	YTD 2014	Δ	Δ L-f-L
Europe	3,246	3,449	-5.9%	-5.9%	4,342	4,318	+0.6%	+0.6%	3,615	3,809	-5.1%	-5.1%	3,775	3,751	+0.6%	+0.6%	14,978	15,327	-2.3%	-2.3%
North America	619	619	+0.0%	+0.0%	1,320	1,262	+4.6%	+4.6%	1,431	1,427	+0.2%	+0.2%	1,238	1,234	+0.4%	+0.4%	4,607	4,542	+1.4%	+1.4%
MATURE COUNTRIES	3,865	4,068	-5.0%	-5.0%	5,662	5,580	+1.5%	+1.5%	5,045	5,236	-3.6%	-3.6%	5,013	4,985	+0.6%	+0.6%	19,585	19,869	-1.4%	-1.4%
North Africa & Middle East	3,156	3,187	-1.0%	-1.0%	3,149	3,232	-2.6%	-2.6%	2,746	2,989	-8.1%	-8.1%	3,659	3,083	+18.7%	+18.7%	12,709	12,491	+1.7%	+1.7%
Asia	2,850	2,796	+1.9%	+1.9%	2,799	2,753	+1.6%	+1.6%	2,605	2,713	-4.0%	-4.0%	2,548	2,705	-5.8%	-5.8%	10,802	10,968	-1.5%	-1.5%
EMERGING COUNTRIES	6,006	5,984	+0.4%	+0.4%	5,948	5,986	-0.6%	-0.6%	5,351	5,702	-6.2%	-6.2%	6,206	5,788	+7.2%	+7.2%	23,511	23,459	+0.2%	+0.2%
Trading	699	824	-15.2%	-15.2%	957	1,056	-9.4%	-9.4%	653	892	-26.8%	-26.8%	899	1,013	-11.3%	-11.3%	3,208	3,786	-15.3%	-15.3%
Eliminations	-582	-752	n.s.	n.s.	-866	-1,033	n.s.	n.s.	-608	-942	+0.0%	n.s.	-865	-962	n.s.	n.s.	-2,922	-3,689	n.s.	n.s.
<b>TOTAL</b>	<b>9,987</b>	<b>10,124</b>	<b>-1.3%</b>	<b>-1.3%</b>	<b>11,700</b>	<b>11,589</b>	<b>+1.0%</b>	<b>+1.0%</b>	<b>10,441</b>	<b>10,889</b>	<b>-4.1%</b>	<b>-4.1%</b>	<b>11,253</b>	<b>10,824</b>	<b>+4.0%</b>	<b>+4.0%</b>	<b>43,382</b>	<b>43,425</b>	<b>-0.1%</b>	<b>-0.1%</b>

AREA	AGGREGATES (kt)																			
	Q1 2015	Q1 2014	Δ	Δ L-f-L	Q2 2015	Q2 2014	Δ	Δ L-f-L	Q3 2015	Q3 2014	Δ	Δ L-f-L	Q4 2015	Q4 2014	Δ	Δ L-f-L	YTD 2015	YTD 2014	Δ	Δ L-f-L
Europe	6,687	6,431	+4.0%	+2.2%	7,786	7,739	+0.6%	-1.2%	6,831	7,059	-3.2%	-5.5%	7,118	6,808	+4.5%	+2.5%	28,421	28,037	+1.4%	-0.6%
North America	222	170	+30.3%	+30.3%	429	325	+31.9%	+31.9%	402	393	+2.2%	+2.2%	351	412	-14.8%	-14.8%	1,404	1,301	+7.9%	+7.9%
MATURE COUNTRIES	6,909	6,601	+4.7%	+3.0%	8,215	8,064	+1.9%	+0.1%	7,233	7,452	-2.9%	-5.1%	7,468	7,220	+3.4%	+1.6%	29,825	29,337	+1.7%	-0.2%
North Africa & Middle East	393	325	+21.0%	+21.0%	528	391	+35.3%	+31.2%	476	391	+21.6%	+21.0%	416	279	+48.8%	+47.4%	1,814	1,387	+30.8%	+29.2%
Asia	131	11	NA	NA	251	11	NA	NA	336	4	NA	NA	319	1	NA	NA	1,037	27	NA	NA
EMERGING COUNTRIES	524	337	+55.8%	+55.8%	779	402	+93.9%	+88.2%	812	395	NA	NA	735	280	NA	NA	2,850	1,414	NA	+99.2%
<b>TOTAL</b>	<b>7,433</b>	<b>6,938</b>	<b>+7.1%</b>	<b>+5.5%</b>	<b>8,994</b>	<b>8,466</b>	<b>+6.2%</b>	<b>+4.3%</b>	<b>8,045</b>	<b>7,847</b>	<b>+2.5%</b>	<b>+0.3%</b>	<b>8,203</b>	<b>7,500</b>	<b>+9.4%</b>	<b>+7.4%</b>	<b>32,676</b>	<b>30,751</b>	<b>+6.3%</b>	<b>+4.3%</b>

AREA	READY-MIX CONCRETE (kmc)																			
	Q1 2015	Q1 2014	Δ	Δ L-f-L	Q2 2015	Q2 2014	Δ	Δ L-f-L	Q3 2015	Q3 2014	Δ	Δ L-f-L	Q4 2015	Q4 2014	Δ	Δ L-f-L	YTD 2015	YTD 2014	Δ	Δ L-f-L
Europe	1,554	1,648	-5.7%	-5.7%	1,898	1,935	-1.9%	-1.9%	1,595	1,826	-12.6%	-12.6%	1,710	1,772	-3.5%	-3.5%	6,757	7,181	-5.9%	-5.9%
North America	106	108	-1.8%	-1.8%	221	220	+0.4%	+0.4%	235	235	-0.2%	-0.2%	202	203	-0.4%	-0.4%	764	767	-0.3%	-0.3%
MATURE COUNTRIES	1,661	1,756	-5.4%	-5.4%	2,119	2,155	-1.7%	-1.7%	1,830	2,061	-11.2%	-11.2%	1,912	1,976	-3.2%	-3.2%	7,522	7,947	-5.4%	-5.4%
North Africa & Middle East	697	630	+10.6%	+10.6%	771	676	+14.1%	+14.1%	635	566	+12.2%	+12.2%	789	627	+25.8%	+25.8%	2,892	2,499	+15.7%	+15.7%
Asia	243	272	-10.5%	-10.5%	265	253	+4.8%	+4.8%	281	260	+8.4%	+8.4%	273	252	+8.3%	+8.3%	1,063	1,037	+2.5%	+2.5%
EMERGING COUNTRIES	940	902	+4.3%	+4.3%	1,036	929	+11.6%	+11.6%	916	825	+11.0%	+11.0%	1,062	880	+20.7%	+20.7%	3,955	3,536	+11.9%	+11.9%
Trading	4	3	+40.9%	+40.9%	5	4	+22.3%	+22.3%	1	4	-86.5%	-86.5%	2	5	-65.6%	-65.6%	12	17	-29.7%	-29.7%
<b>TOTAL</b>	<b>2,605</b>	<b>2,661</b>	<b>-2.1%</b>	<b>-2.1%</b>	<b>3,160</b>	<b>3,088</b>	<b>+2.3%</b>	<b>+2.3%</b>	<b>2,747</b>	<b>2,891</b>	<b>-5.0%</b>	<b>-5.0%</b>	<b>2,977</b>	<b>2,861</b>	<b>+4.0%</b>	<b>+4.0%</b>	<b>11,489</b>	<b>11,500</b>	<b>-0.1%</b>	<b>-0.1%</b>

## Q4/FY 2015 cement volume sales variance by country

	Domestic + Export Cement & Clinker Q4	Domestic + Export Cement & Clinker FY
Italy	-1.4%	-4.1%
France - Belgium	-1.9%	-4.6%
Spain	+9.4% (-6.2%)	-2.8% (-0.8%)
Greece	-10.8%	-13.2%
Bulgaria	+14.7% (+25.8%)	+29.1% (+10.2%)
North America	+0.4%	+1.4%
Morocco	+2.6% (+13.9%)	-2.5% (+1.2%)
Egypt	+27.5% (+20.1%)	+2.6% (+1.6%)
Kuwait	-6.3%	+17.4%
Thailand	+3.9% (+4.2%)	+5.2% (+1.5%)
India	-13.2%	-10.6%
Kazakhstan	-50.1%	-0.2%
<b>Total</b>	<b>+4.0% (+3.9%)</b>	<b>-0.1% (-1.4%)</b>

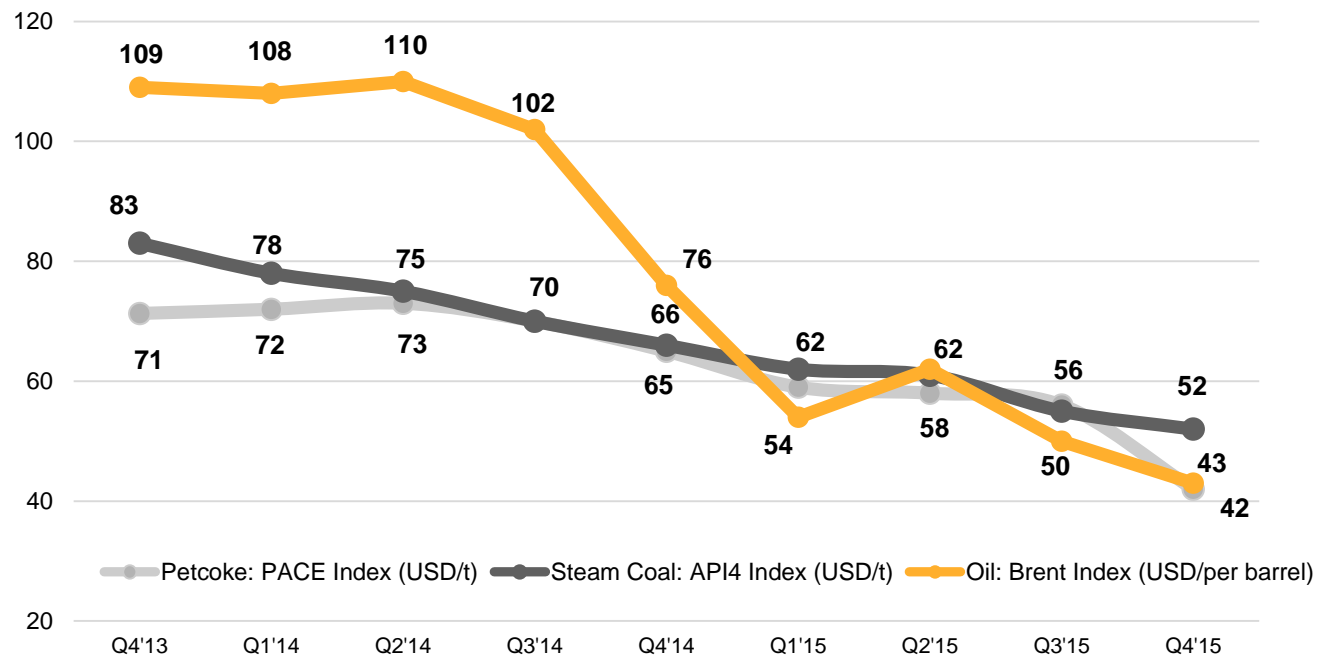
(\*) Cement domestic sales only

## Revenues by country

M€	Q4 2015	Q4 2014	% Chg 15-14	FY 2015	FY 2014	% Change 15-14	
						Actual	LfL
Italy	145	148	-2.5%	571	601	-4.9%	-4.9%
France/Belgium	311	318	-2.0%	1,272	1,363	-6.7%	-7.0%
Spain	26	27	-3.5%	101	108	-6.1%	-6.1%
Greece	7	7	-4.8%	25	29	-13.2%	-13.2%
Bulgaria	17	14	20.4%	69	57	20.2%	20.2%
<i>Eliminations</i>	-4	-5	-	-20	-21	-	-
<b>Europe</b>	<b>502</b>	<b>509</b>	<b>-1.4%</b>	<b>2,018</b>	<b>2,136</b>	<b>-5.5%</b>	<b>-5.7%</b>
<b>North America</b>	<b>159</b>	<b>128</b>	<b>24.5%</b>	<b>584</b>	<b>455</b>	<b>28.5%</b>	<b>4.9%</b>
Egypt	162	152	6.4%	581	589	-1.4%	-10.4%
Morocco	89	73	22.6%	345	309	11.7%	8.2%
Kuwait	21	18	14.3%	73	59	23.4%	9.0%
Saudi Arabia	3	2	20.4%	9	8	17.8%	-1.6%
<b>North Africa Middle East</b>	<b>275</b>	<b>245</b>	<b>11.9%</b>	<b>1,008</b>	<b>964</b>	<b>4.5%</b>	<b>-3.2%</b>
Thailand	71	70	1.7%	304	271	12.0%	-1.3%
India	58	58	-0.4%	276	228	20.8%	6.1%
Kazakhstan	1	10	-86.7%	37	39	-4.6%	-0.9%
<b>Asia</b>	<b>131</b>	<b>139</b>	<b>-5.6%</b>	<b>617</b>	<b>538</b>	<b>14.5%</b>	<b>1.9%</b>
Trading Cement & Clinker	43	49	-11.1%	168	202	-16.8%	-25.5%
Others	87	88	-1.7%	336	328	2.5%	-3.8%
Eliminations	-112	-118	n.s.	-428	-467	n.s.	n.s.
<b>Total</b>	<b>1,085</b>	<b>1,040</b>	<b>4.3%</b>	<b>4,302</b>	<b>4,156</b>	<b>3.5%</b>	<b>-3.0%</b>

# Petcoke, Steam Coal and Oil

Petcoke, steam coal and oil market prices – USD





# Recurring EBITDA by country

M€	Q4 2015		Q4 2014		Change 15 vs. 14		FY 2015		FY 2014		Change 15 vs. 14	
		% on sales		% on sales				% on sales		% on sales		
Italy	-1	-0.7%	3	1.7%	-4	n.s.	34	5.9%	19	3.2%	14	74%
France/Belgium	49	15.7%	61	19.2%	-12	-20%	176	13.9%	231	16.9%	-55	-24%
Spain	-1	-2.6%	1	5.4%	-2	n.s.	0	0.2%	10	9.3%	-10	-98%
Greece	0	-4.2%	0	-5.8%	0	31%	-1	-5.5%	0	0.4%	-2	n.s.
Bulgaria	2	11.8%	2	12.6%	0	13%	27	39.3%	12	20.8%	15	>100%
<b>Europe</b>	<b>49</b>	<b>9.8%</b>	<b>66</b>	<b>13.0%</b>	<b>-17</b>	<b>-26%</b>	<b>236</b>	<b>11.7%</b>	<b>272</b>	<b>12.7%</b>	<b>-36</b>	<b>-13%</b>
<b>North America</b>	<b>35</b>	<b>21.9%</b>	<b>31</b>	<b>24.6%</b>	<b>3</b>	<b>11%</b>	<b>71</b>	<b>12.2%</b>	<b>51</b>	<b>11.2%</b>	<b>20</b>	<b>40%</b>
Egypt	3	1.8%	29	18.9%	-26	-90%	44	7.5%	106	17.9%	-62	-59%
Morocco	38	42.4%	34	46.2%	4	12%	151	43.7%	137	44.3%	14	10%
Kuwait	2	11.9%	1	5.1%	2	>100%	5	6.7%	3	4.6%	2	82%
Others	0	-6.0%	0	-7.7%	0	6%	1	6.1%	0	3.2%	0	>100%
<b>North Africa and Middle East</b>	<b>43</b>	<b>15.6%</b>	<b>63</b>	<b>25.8%</b>	<b>-20</b>	<b>-32%</b>	<b>200</b>	<b>19.8%</b>	<b>245</b>	<b>25.4%</b>	<b>-45</b>	<b>-19%</b>
Thailand	11	15.5%	15	21.6%	-4	-27%	68	22.4%	64	23.6%	4	6%
India	6	10.2%	4	7.6%	1	33%	45	16.3%	18	8.0%	27	>100%
Kazakhstan	-2	n.s.	0	-3.7%	-1	n.s.	-5	-12.5%	3	7.9%	-8	n.s.
<b>Asia</b>	<b>15</b>	<b>11.7%</b>	<b>19</b>	<b>13.8%</b>	<b>-4</b>	<b>-20%</b>	<b>108</b>	<b>17.5%</b>	<b>85</b>	<b>15.9%</b>	<b>23</b>	<b>27%</b>
Trading Cement & Clinker	3	5.9%	3	5.6%	0	-5%	16	9.6%	10	5.1%	6	55%
Others and Eliminations	9	n.s.	-1	n.s.	10	n.s.	5	1.6%	-8	n.s.	13	n.s.
<b>Total</b>	<b>153</b>	<b>14.1%</b>	<b>182</b>	<b>17.5%</b>	<b>-28</b>	<b>-16%</b>	<b>636</b>	<b>14.8%</b>	<b>656</b>	<b>15.8%</b>	<b>-20</b>	<b>-3%</b>

## Income statement (1/2)

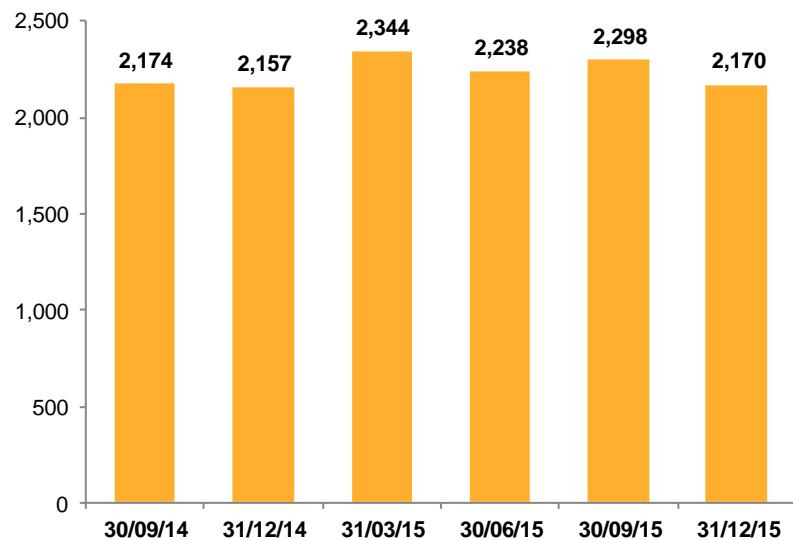
M€	FY 2015	FY 2014	Change	% Change
Revenues	4,302	4,156	146	3.5%
<b>Recurring EBITDA</b>	<b>636</b>	<b>656</b>	<b>-20</b>	<b>-3.1%</b>
<i>% on revenues</i>	14.8%	15.8%		
Other non rec. income / (expenses)	-52	-5	-47	ns
<b>EBITDA</b>	<b>584</b>	<b>651</b>	<b>-67</b>	<b>-10.3%</b>
<i>% on revenues</i>	13.6%	15.7%		
Amortization and depreciation	-413	-408	-4	-1.1%
Impairment losses on non-current assets	-23	-9	-14	
<b>EBIT</b>	<b>148</b>	<b>234</b>	<b>-86</b>	<b>-36.6%</b>
<i>% on revenues</i>	3.5%	5.6%		

## Income statement (2/2)

M€	FY 2015	FY 2014	Change	% Change
<b>EBIT</b>	<b>148</b>	<b>234</b>	<b>-86</b>	<b>-36.6%</b>
Net financial expenses	-132	-139	7	5.4%
Impairment of financial assets	0	-27	27	n.s.
Share of profit/(loss) of associates	14	12	2	20.9%
<b>Profit before Tax (PBT)</b>	<b>31</b>	<b>80</b>	<b>-49</b>	<b>-61.2%</b>
Income tax expense	-100	-129	28	22.1%
<b>Profit (loss) for the period</b>	<b>-69</b>	<b>-49</b>	<b>-20</b>	<b>-41.7%</b>
<i>Of which: Owner of parent</i>	-120	-107	-13	-12.0%
<i>Of which: Non-controlling interests</i>	51	58	-8	-12.9%

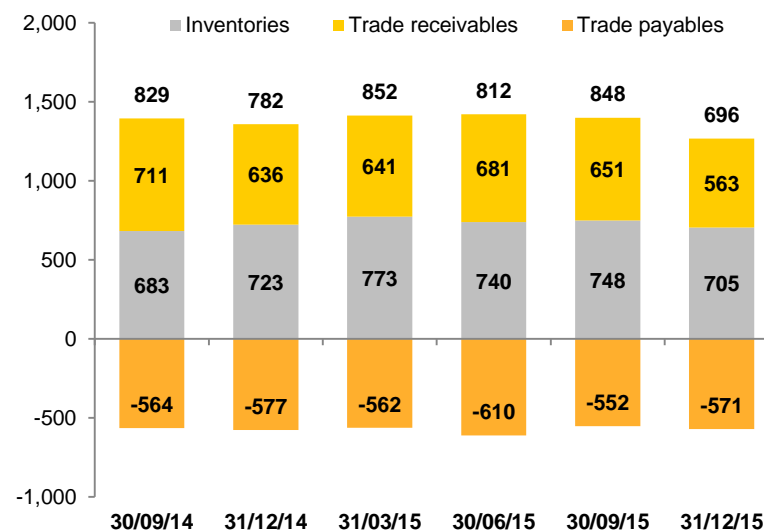
# Net Debt and Operating Working Capital

**Net Debt (\*) – M€**



(\*) 2,178M€ as of 31st December 2015 (IFRS 5)

**Operating Working Capital – M€**



## Balance Sheet – M€

	31 December 2015	31 December 2014	Change
<b>Total non-current assets</b>	<b>6,264</b>	<b>6,422</b>	<b>-158</b>
Goodwill	1,603	1,585	18
Property, plant and equipment	4,133	4,198	-65
Intangible assets	76	93	-17
Others non-current assets	453	547	-94
<b>Total current assets</b>	<b>2,166</b>	<b>2,261</b>	<b>-95</b>
<i>of which: Inventories</i>	705	723	-19
<i>Trade receivables</i>	563	636	-73
<b>Total Assets rel. to continuing operations</b>	<b>8,430</b>	<b>8,684</b>	<b>-253</b>
Assets held for sale	178		
<b>Total Assets</b>	<b>8,608</b>	<b>8,684</b>	<b>-75</b>
Total Equity	3,800	3,891	-91
Total non-current liabilities	2,858	3,054	-195
Total current liabilities	1,893	1,739	154
<i>of which: Trade Payables</i>	571	577	-6
<b>Total Liabilities rel. to continuing operations</b>	<b>4,751</b>	<b>4,793</b>	<b>-41</b>
Liabilities held for sale	57		
<b>Total equity and liabilities</b>	<b>8,608</b>	<b>8,684</b>	<b>-75</b>

## Units of national currency for 1 Euro

	Average Rates			Closing Rates		
	FY 2015	FY 2014	% Change (*)	31 Dec 2015	31 Dec 2014	% Change (*)
Egyptian pound	8.55	9.42	10.1%	8.52	8.69	1.9%
Indian rupee	71.20	81.04	13.8%	72.02	76.72	6.5%
Kazakh tenge	247.34	238.16	-3.7%	370.35	221.46	-40.2%
Moroccan dirham	10.81	11.16	3.2%	10.79	10.98	1.8%
US dollar	1.11	1.33	19.7%	1.09	1.21	11.5%
Swiss franc	1.07	1.21	13.7%	1.08	1.20	11.0%
Thai baht	38.03	43.15	13.5%	39.25	39.91	1.7%
Bulgarian Lev	1.96	1.96	0.0%	1.96	1.96	0.0%

(\*)

- + Local currency appreciation
- Local currency depreciation

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## 2016 calendar

■ **Q1 2016 Results Conference Call**

May 9<sup>th</sup>, 2016

■ **H1 2016 Results Conference Call**

August 1<sup>st</sup>, 2016

■ **9M 2016 Results Conference Call**

November 7<sup>th</sup>, 2016

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