



## Financial Results – First Quarter 2012



**Analysts' conference call**

**Athens, May 3, 2012**

# Disclaimer

- **This document contains forward-looking statements relating to the Group's future business, development and economic performance. It also includes statements from sources that have not been independently verified by the Company.**
- **Such statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to:**
  - **Competitive pressures**
  - **Legislative and regulatory developments**
  - **Global, macroeconomic and political trends**
  - **Fluctuations in currency exchange rates and general financial market conditions**
  - **Delay or inability in obtaining approvals from authorities**
  - **Technical development**
  - **Litigation**
  - **Adverse publicity and news coverage, which would cause actual development and results to differ materially from the statements made in this document**
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# Agenda

- ❑ **Group Financial Results**
- ❑ **Market Overviews**
- ❑ **Outlook**

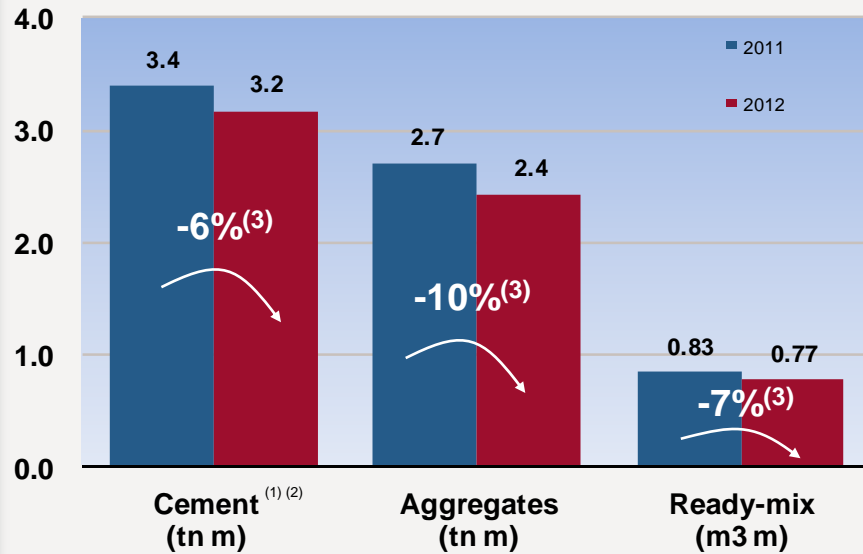
# Harsh Winter in the Balkans, Greece, and Turkey Slows Down Seasonally Weak 1<sup>st</sup> Quarter Sales

<i>In Million Euro, unless otherwise stated</i>	Q1 2012	Q1 2011	Variance
<b>Net Sales</b>	<b>225.4</b>	<b>252.9</b>	<b>-10.9%</b>
<b>EBITDA</b>	<b>34.1</b>	<b>48.2</b>	<b>-29.3%</b>
<i>Adjusted EBITDA <sup>(1)</sup></i>	39.5	47.8	-17.4%
FX Gains/Losses	-2.9	-14.1	
<b>Profit Before Taxes</b>	<b>-17.6</b>	<b>-5.8</b>	
<b>Net Profit after Taxes &amp; Minorities</b>	<b>-19.4</b>	<b>-3.9</b>	
<b>Earnings per Share (€/share) – basic</b>	<b>-0.2381</b>	<b>-0.048</b>	
	31 Mar' 12	31 Dec' 11	Variance
<b>Share Price</b>	<b>13.85</b>	<b>11.59</b>	<b>19.5%</b>
<b>ASE Index</b>	<b>728.93</b>	<b>680.42</b>	<b>7.1%</b>

(1) EBITDA excluding FX effect, other operating income/expense and Egypt profit share brought forward.

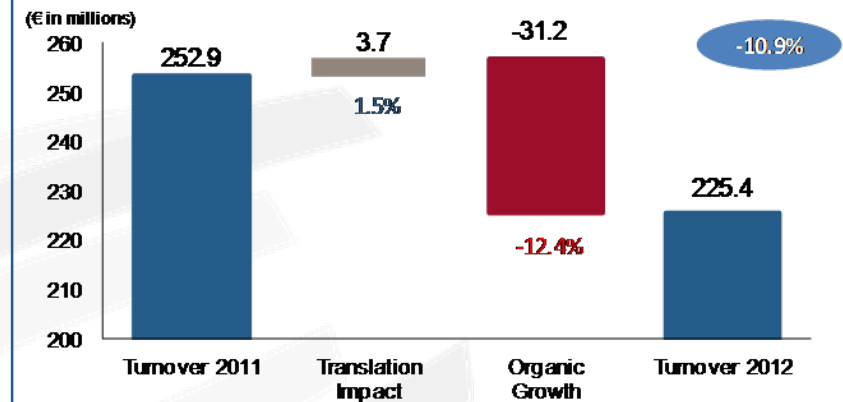
# Weak Sales Volume in Greece and SEE Overshadows Growth Momentum in US and Egypt

## 1<sup>st</sup> Quarter

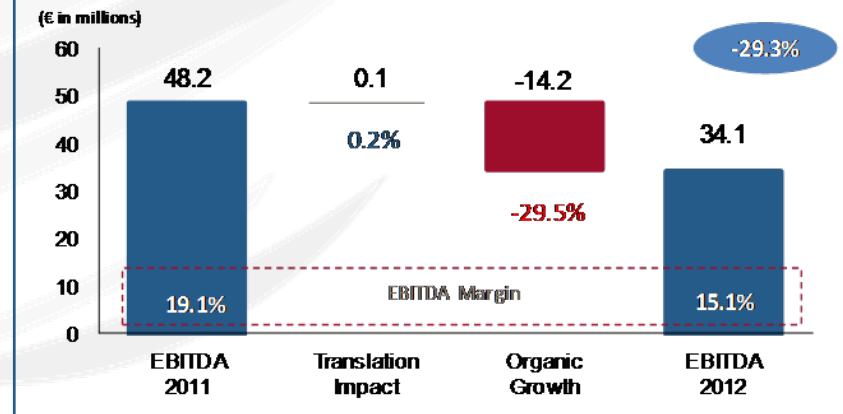


- (1) Cement sales include clinker and cementitious materials
- (2) Includes Turkey at 100%
- (3) % represents performance versus last year

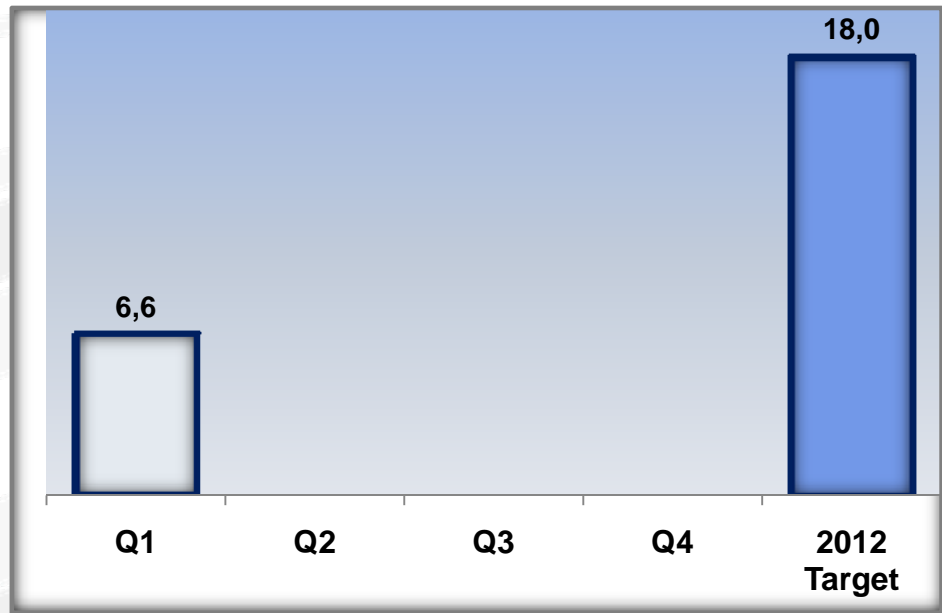
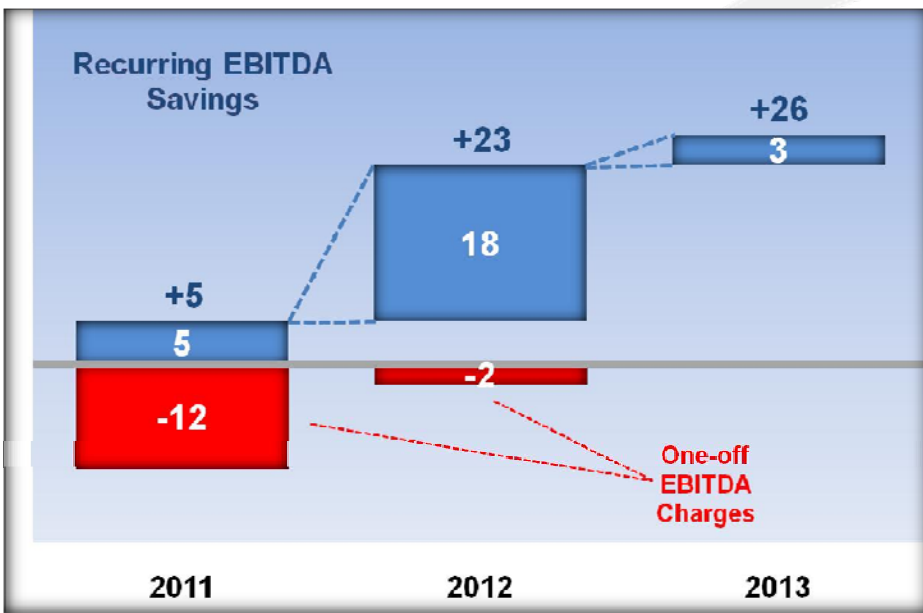
## Turnover Reconciliation



## EBITDA Reconciliation



# More than 1/3 of Targeted Restructuring Plan Savings in 2012 Materialize in the 1<sup>st</sup> Quarter



**Cumulative Cash Flow Impact**

Year	Cumulative Cash Flow Impact
2011	-18
2012	+3
2013	+29

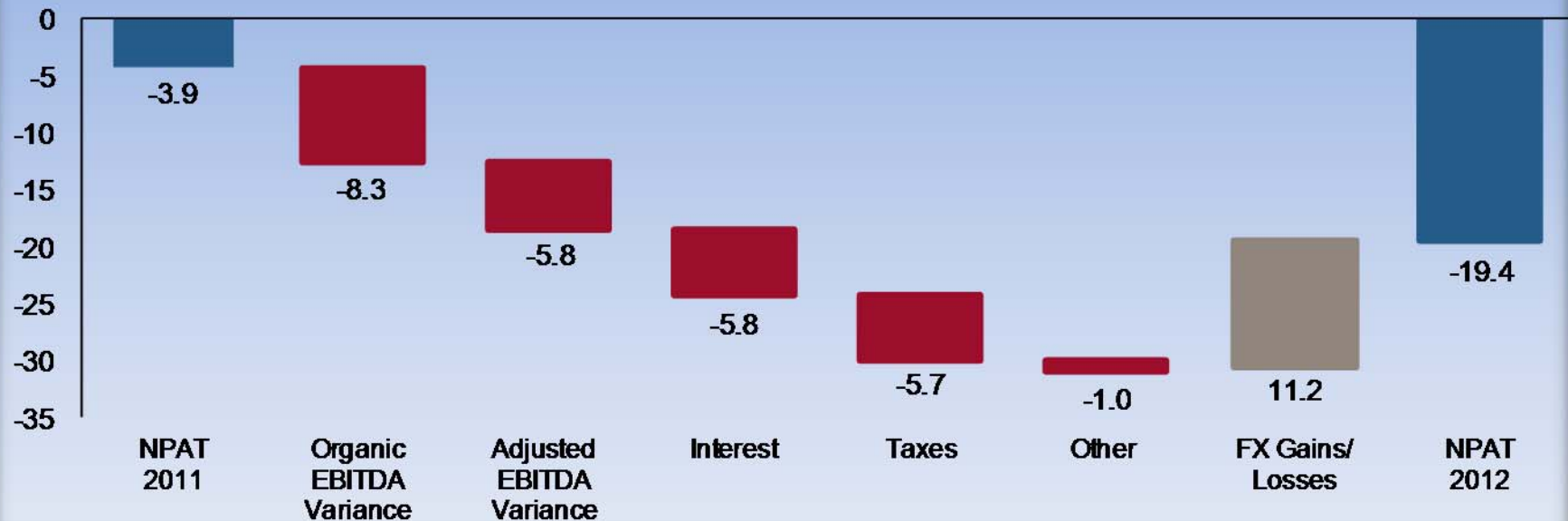
**2012 Recurring EBITDA Savings**

Quarter	2012 Recurring EBITDA Savings
Q1	6.6
Q2	0
Q3	0
Q4	0
2012 Target	18.0

# NPAT Impacted by Lower Operating Profitability

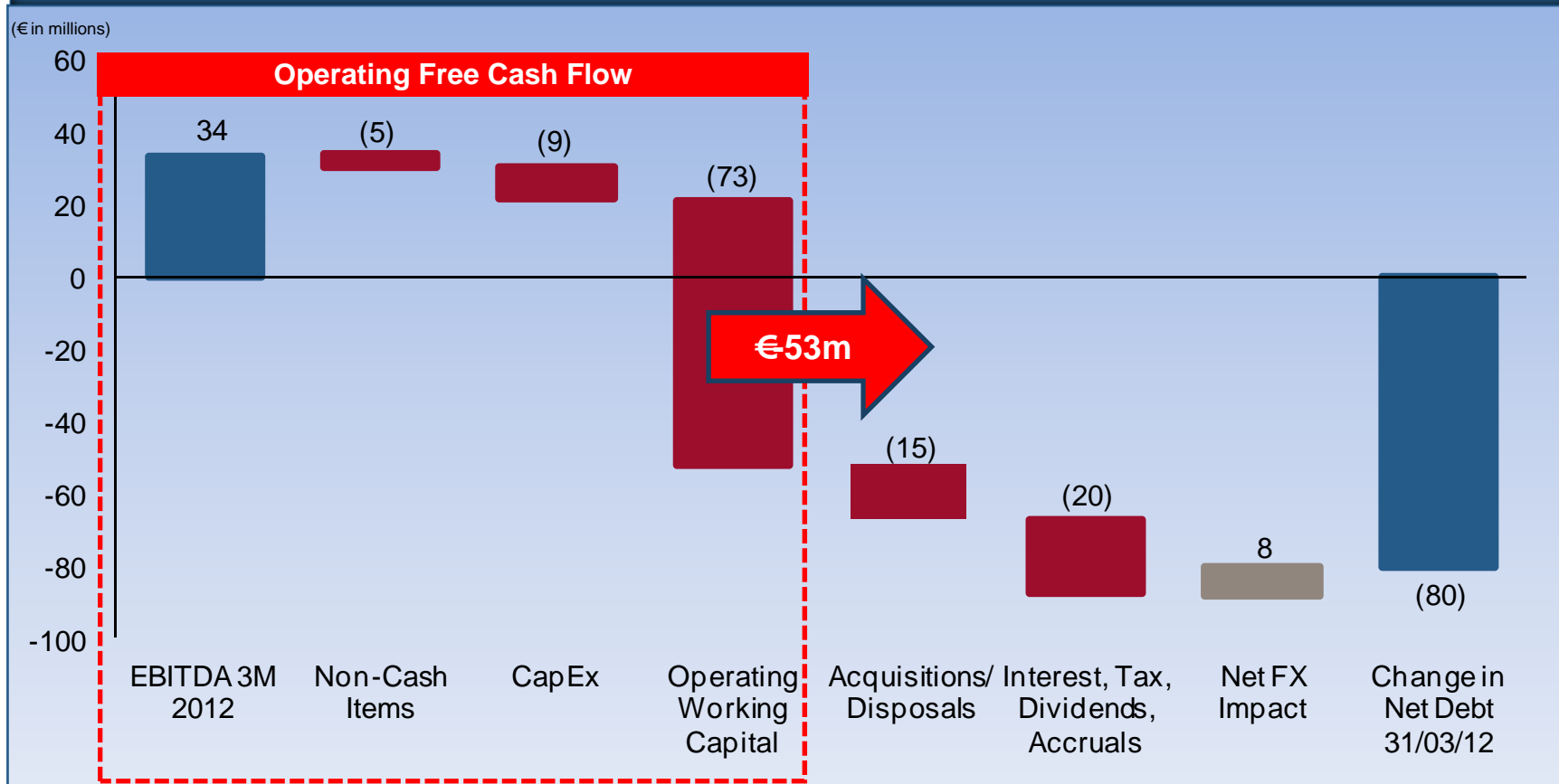
## 2012 Group Net Profit After Taxes and Minorities (Reconciliation vs. 2011)

(€ in millions)

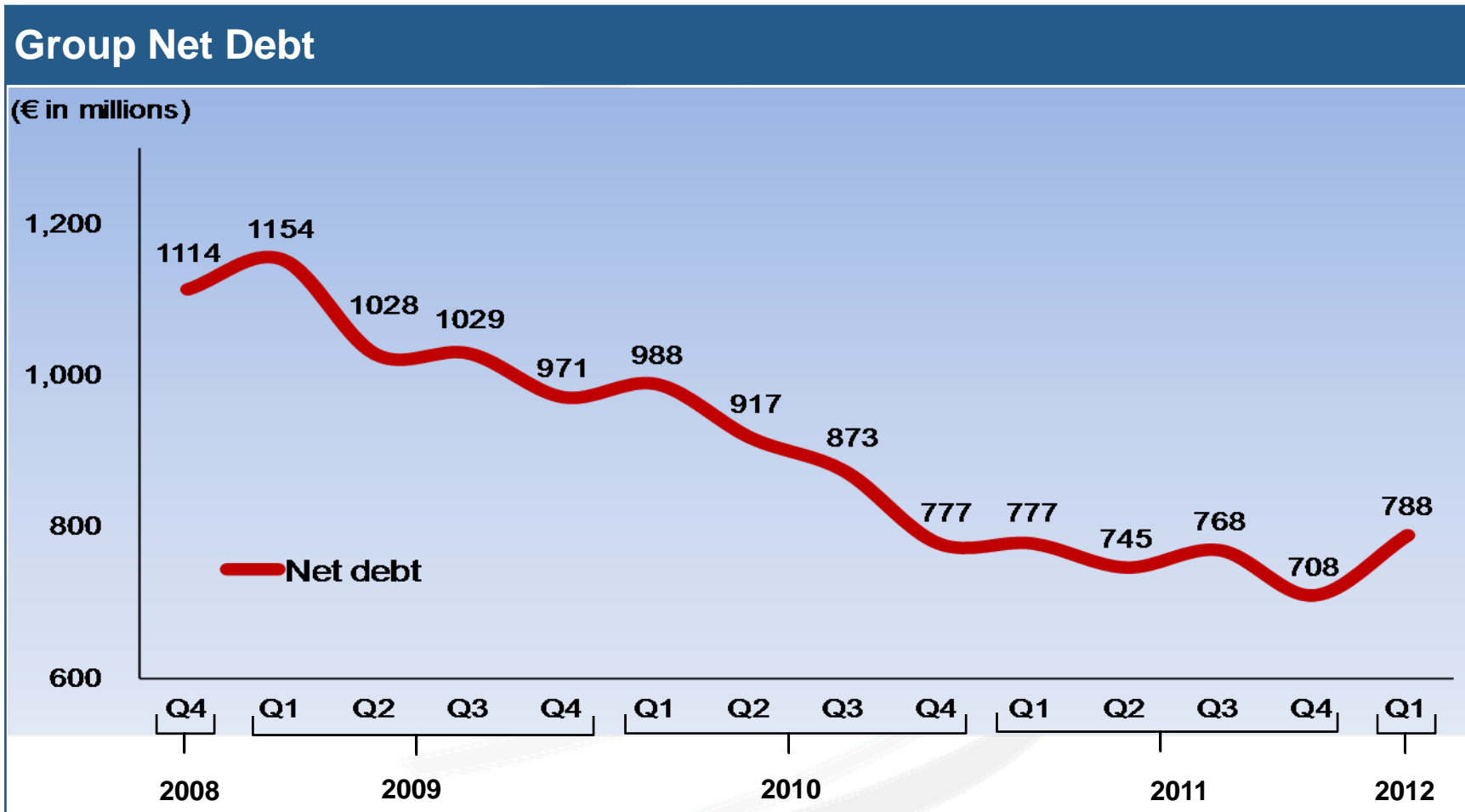


# Seasonal Inventory Built-up Drives High Working Capital

## Sources and Uses of Cash

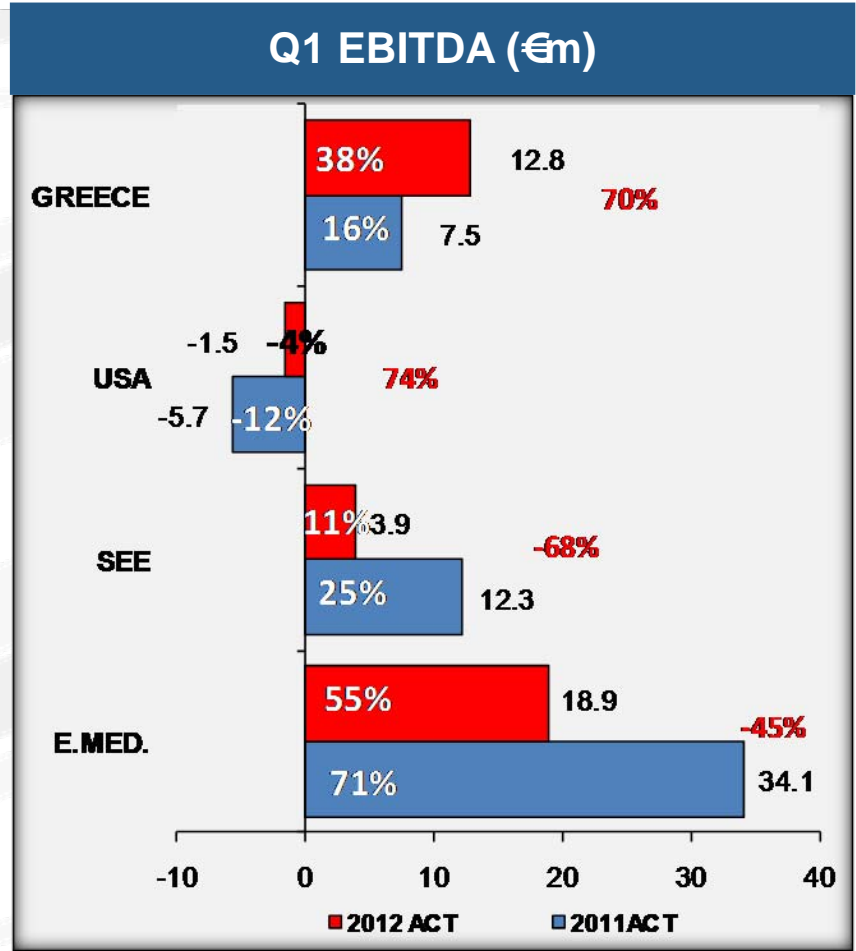
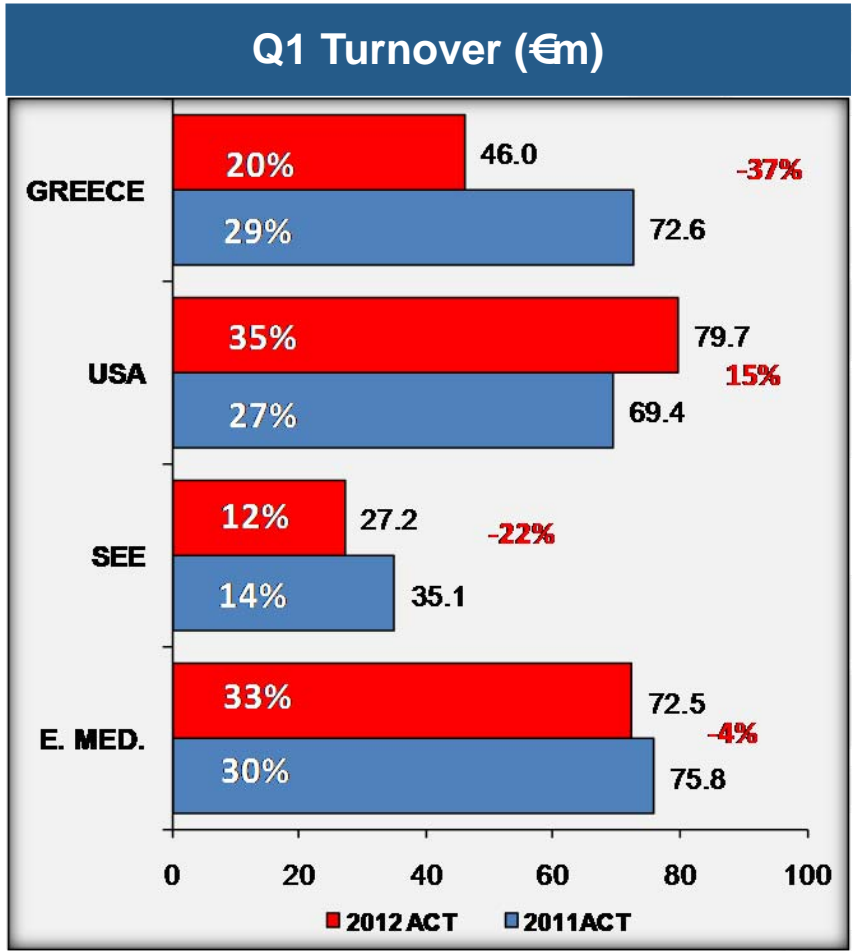


# Seasonal Increase in Net Debt



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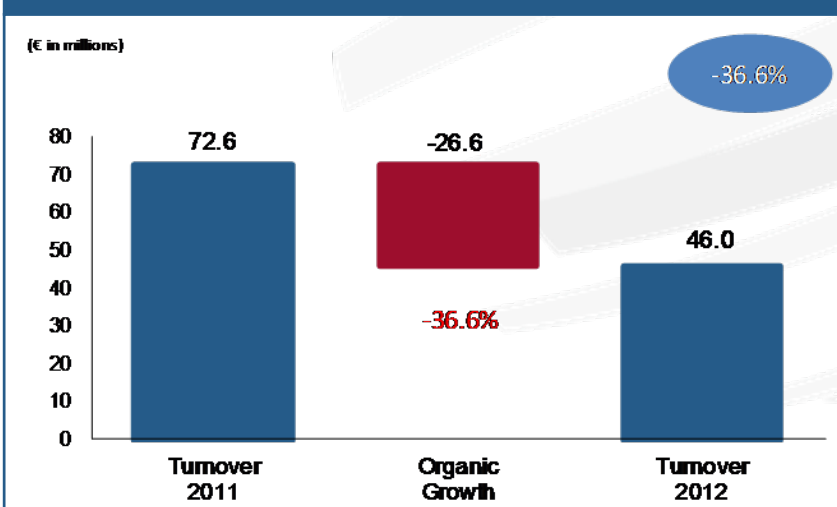
# Underlying Regional Trends Remain Unaffected Despite Seasonal 1st Quarter Distortions



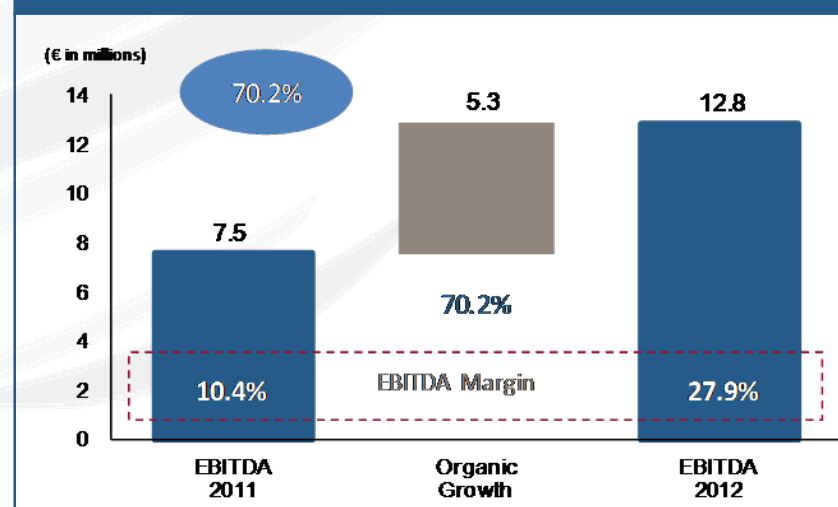
# Sales of Surplus Carbon Rights Offset Impact from Weak 1<sup>st</sup> Quarter Demand in Greece

- Greek sovereign debt crisis drives building activity to record lows.
- Continued decline in sales volumes across all products and market segments.
- Quarter-on-quarter selling prices decline in all products.
- Export volumes on a recovery course.
- Inventory built-up in anticipation of exports growth in coming quarters.
- Surplus CO<sub>2</sub> sales augment margins.
- Restructuring programme delivers fixed cost savings according to plan.

## Greece Turnover Reconciliation



## Greece EBITDA Reconciliation



1<sup>st</sup> Quarter

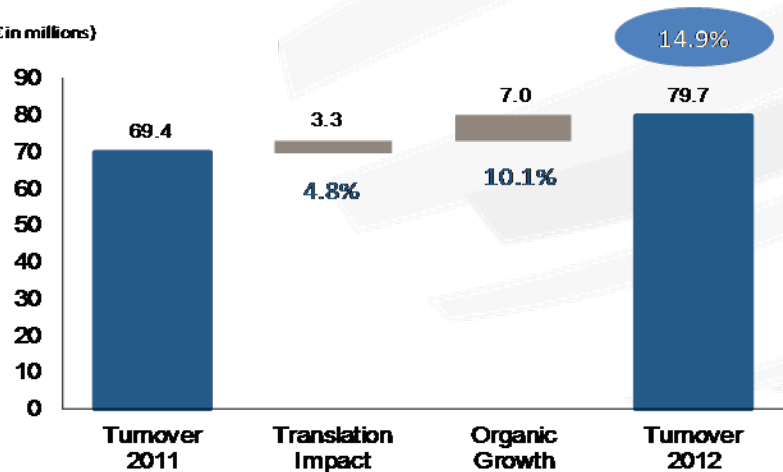
# Mild Weather Supports Increased Construction Activity and Renews Hopes for a Turnaround in the USA

- USA cement consumption increased by 20% in the first quarter.
- After steep 5-year decline, are residential and commercial construction firmly trending up?
- New housing permits seem to support upward trend, with multi-family starts leading an apparent residential recovery.
- Double digit volume growth across all products, albeit starting from a depressed baseline.
- Prices are stabilizing.
- ST growth continues with sales up by 18%.

1st Quarter

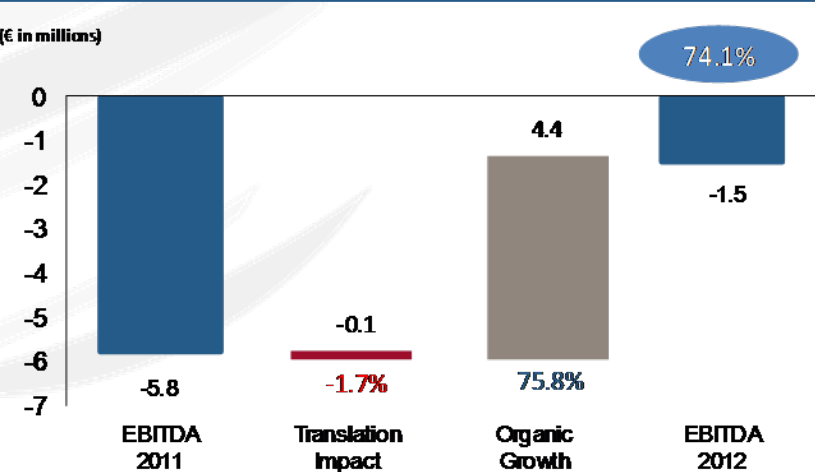
## US Turnover Reconciliation

(€ in millions)



## US EBITDA Reconciliation

(€ in millions)

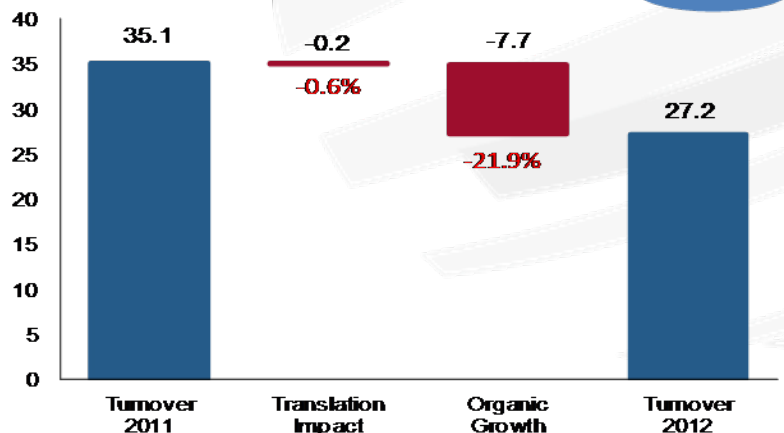


# Harsh Winter in SEE Drives Sales and Profits Down

- Growing demand in construction materials affected by poor weather conditions in the 1st quarter.
- Double digit volume decline vs. last year.
- Cement prices on an upward trend in most countries.
- Executed option to acquire stake of minority shareholder in Kosovo.
- GAEA prepares portfolio of alternative fuels, energy efficiency and waste management projects in the region.

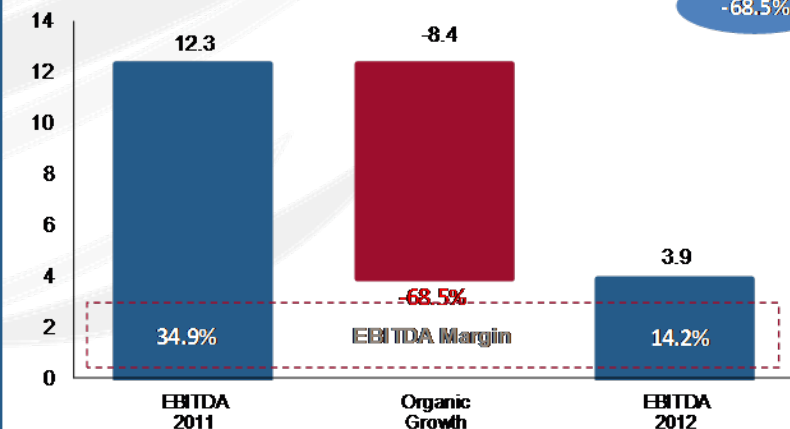
## SEE Turnover Reconciliation

(€ in millions)



## SEE EBITDA Reconciliation

(€ in millions)

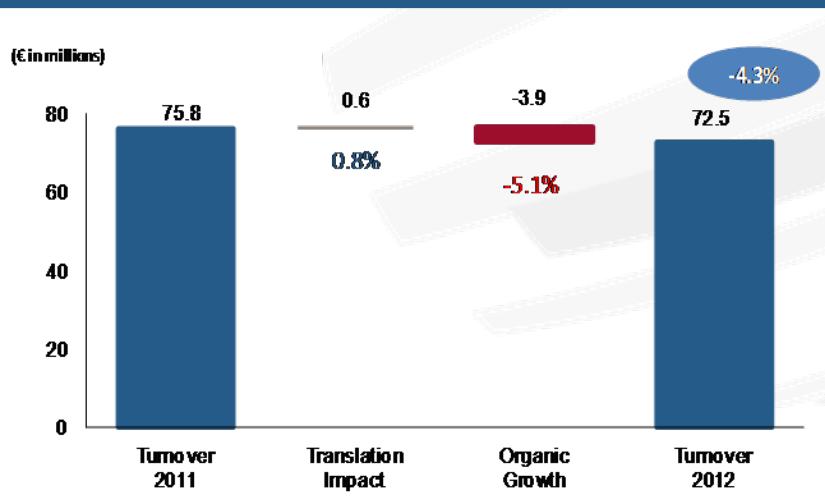


1st Quarter

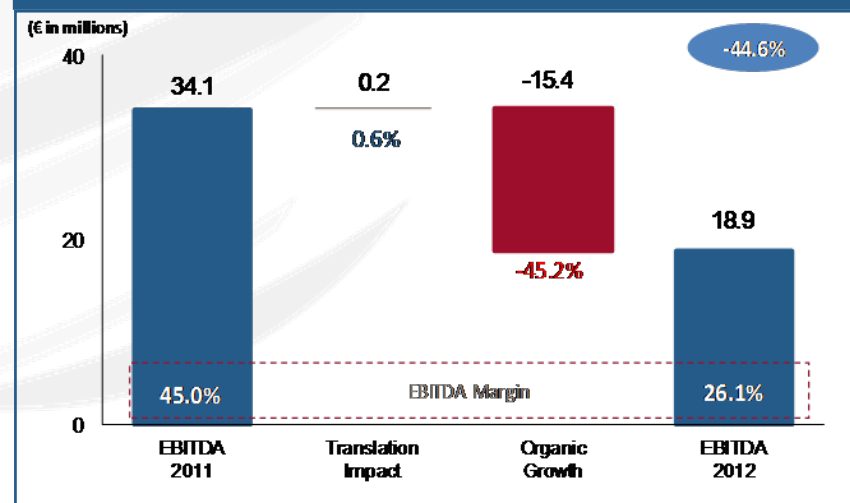
# EBITDA performance in the EMED Region Affected Mainly by Early Employee Profit Sharing Scheme

- In Egypt cement consumption increases by +15% vs. last year.
- Supply and demand close to balance despite new capacity additions
- Prices increase versus Q4, but still lag 1Q11 levels.
- €10.7m employee profit-share in Egypt affects Q1 results (vs. Q2 last year).
- In Turkey, poor weather drives double digit decline in domestic sales volume, off-set by the boost of exports volumes. Prices continue on an upward trend.
- EMED impacted by increase in fuel and electricity costs.

## EMED Turnover Reconciliation



## EMED EBITDA Reconciliation



1st Quarter

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# Outlook 2012

- **Greece: Further substantial decline in demand**
- **US: Optimism returns**
- **South Eastern Europe: Improving trends**
- **Eastern Med: Growth in Turkey, Transition progressing in Egypt**
- **Energy costs: Roughly stable (excluding Egypt)**
- **Pricing: Some upside potential (excluding Greece)**
- **Focus remains on:**
  - **Free cash flow generation**
  - **Productivity initiatives**
  - **Reducing carbon footprint**
  - **Bolt –on growth initiatives**