

Results 2013 Financial Year



**Cementos Molins S.A.
and Subsidiaries**

28 February 2014

Important aspects

- The Group's businesses have had the following performance in the 2013 financial year:
 - ✓ Although the companies located in Spain continue to face shrinking markets and decreased activity, they have registered improved EBITDA as a result of increased exports and of the results of the cost containment policies implemented and the adjustment of their productive structure to the demand and to the current level of activity.
 - ✓ For their part, the Group's international companies continue to register positive results as a whole, despite the fact that their contribution to the consolidated result is lower than that of the previous year, mainly as a result of the market downturn in Mexico and the impact of the devaluation of the currency in Argentina.

- The amount of our **consolidated Turnover** has grown by 832 million euros, 9.4% less than that of the previous financial year:
 - ✓ National companies have registered sales of 168 million euros, representing 20.2% of the total, decreasing by 4.2% compared to the 2012 financial year, despite the substantial increase in clinker exports.
 - ✓ Foreign companies represent 79.8% of the consolidated turnover which, in euros, is 664 million, decreasing by 10.6% compared to the previous financial year.

- **Consolidated EBITDA** has reached 158 million euros during the 2013 financial year, 18.3% lower than that registered the previous year:
 - ✓ Despite the 42.7% improvement compared to the previous year, national companies have registered negative EBITDA of 12.7 million euros. Fundamentally, this improvement is a result of the adjustments made to the productive structure in 2012. During 2013 the different business lines have continued to adjust their productive activities and structures to the current demand.
 - ✓ Foreign investees have registered EBITDA of 171 million euros, 20.8% lower than the previous year. This decrease can be justified by the non-inclusion of Cementos Artigas' EBITDA in 2013 due to its incorporation through the equity method, the decrease in the volume of activity in Mexico and the negative impact of the evolution of the exchange rate in Argentina.

- The **equity method Companies** have registered a positive result of 11.5 million euros, due to the integration of the Uruguayan company Cementos Artigas through this consolidation method.

Important aspects

- The **Consolidated Net Result** has reached 10.1 million euros, 77% lower than the 2012 financial year due to a combination of different aspects:
 - ✓ A net result for the sale of shares in Cementos Artigas and Results for the impairment of 20 million euros in 2012, which did not happen again in 2013.
 - ✓ A lower contribution to EBITDA of international companies.
- The Group's **net debt** has decreased by 16 million euros compared to the previous financial year, standing at 299 million euros, which represents a ratio of 1.9 times EBITDA.
- As a continuation to the renovation of the industrial facilities at the cement factory in Sant Vicenç del Horts in 2010, the Group, firmly committed to its presence on the domestic market, purchased the industrial assets associated to the cement manufacturing plant in Sant Feliu de Llobregat (Barcelona) in November 2013, which were owned by Cemex España, enabling Cementos Molins to take advantage of the synergies that are expected to arise both in the commercial and industrial field. The price agreed for this transaction was 40 million euros.
- In consolidated figures, and including the aforementioned transaction, 70 million euros have been allocated to **investments** during the 2013 financial year.

Abbreviated Consolidated Balance Sheet



(Thousands of euros)

<i>ASSETS</i>	31/12/2013	31/12/2012
Intangible Assets	43,115	45,484
Fixed assets	863,805	964,485
Financial Fixed Assets	14,760	3,027
Participation of equity method Companies	68,061	77,265
Goodwill	25,584	6,598
Other non-current assets	50,303	49,594
NON-CURRENT ASSETS	1,065,628	1,146,453
Stocks	112,327	124,321
Trade debtors and others	178,246	183,141
Temporary financial investments	53,680	104,088
Cash and equivalents	143,028	175,490
Other current assets	2,915	3,755
CURRENT ASSETS	490,196	590,795
TOTAL ASSETS	1,555,824	1,737,248

<i>NET EQUITY AND LIABILITIES</i>	31/12/2013	31/12/2012
Net equity attributed to the Parent Company	585,026	640,089
Net equity from minority shareholders	211,905	237,688
TOTAL NET EQUITY	796,931	877,777
Non-current financial debt	373,910	427,464
Other non-current liabilities	99,646	110,285
NON-CURRENT LIABILITIES	473,556	537,749
Current financial debt	134,054	167,689
Other current liabilities	151,283	154,033
CURRENT LIABILITIES	285,337	321,722
TOTAL NET EQUITY AND LIABILITIES	1,555,824	1,737,248

Results



CONSOLIDATED

	thousands of euros	<u>31/12/2013</u>	<u>31/12/2012</u>	<u>variation %</u>
Turnover		831,897	918,120	-9.4%
EBITDA		158,024	193,336	-18.3%
Amortizations		69,355	76,576	9.4%
Other results/Impairment		-3,336	10,406	-
Financial results		-19,987	-14,195	-40.8%
Results equity method Cos.		11,509	-62	-
Results before tax		76,855	112,909	-31.9%
Results for the financial year		39,877	81,398	-51.0%
Results attributed to the Parent Co.		10,109	43,706	-76.9%
Profit per share (in euros)		0.15	0.66	

INDIVIDUAL

	thousands of euros	<u>31/12/2013</u>	<u>31/12/2012</u>	<u>variation %</u>
Net result Parent Company		22,231	14,732	50.9%

Significant figures as of December 31, 2013

Business Evolution



NATIONAL COMPANIES

thousands of euros

	<u>31/12/2013</u>	<u>31/12/2012</u>	<u>variation %</u>
Turnover	167,894	175,264	-4.2%
EBITDA	-12,733	-22,214	42.7%
Net result	-46,642	-24,642	-89.3%

The consumption of cement in Spain has dropped by 19% compared to the previous year at the end of 2013, according to Oficemen data, with a total consumption of 11 million tons. Therefore, 2013 is the sixth year with consecutive falls in the cement sector since the beginning of the crisis. By contrast, 56 million tons of cement were consumed in Spain in 2007. Consumption has dropped by 45 million tons during the 2008-2013 period, 80% of the total market.

In Catalonia, where the Group's cement activity in Spain is based, the consumption of cement stood at 1.5 million tons, with a 20% decrease compared to 2012.

Faced with this situation, the Group has continued to implement containment policies and policies for the decrease of costs and expenses, while continuing to adjust its productive structure to demand and to the current level of activity in all of its businesses.

Significant figures as of December 31, 2013

Business Evolution



INTERNATIONAL COMPANIES

thousands of euros **31/12/2013** **31/12/2012** variation %

Consolidated data of the Group's foreign companies.

Turnover	664,003	742,857	-10.6%
EBITDA	170,757	215,550	-20.8%
Net result	56,751	68,348	-17.0%

Individual turnover of investees

thousands of euros

	Dec'13	Dec'12	var. %
C. Avellaneda (Argentina)	284,620	259,052	9.9%
C. Artigas (Uruguay)	104,299	97,423	7.1%
C. Moctezuma (Mexico)	468,727	535,466	-12.5%
Lafarge Surma (Bangladesh)	109,136	100,694	8.4%
Sotacib (Tunisia)	39,001	33,238	17.3%
Sotacib Kairouan (Tunisia)	51,199	36,506	40.2%

Individual EBITDA of investees

thousands of euros

	Dec'13	Dec'12	var. %
C. Avellaneda (Argentina)	51,284	60,029	-14.6%
C. Artigas (Uruguay)	31,592	26,237	20.4%
C. Moctezuma (Mexico)	153,834	193,699	-20.6%
Lafarge Surma (Bangladesh)	44,144	32,730	34.9%
Sotacib (Tunisia)	3,252	3,181	2.2%
Sotacib Kairouan (Tunisia)	17,798	13,542	31.4%

- **Argentina:** Our sales have improved due to increased consumption (12%). However, results have deteriorated due to the depreciation of the currency and due to the fact that the increased costs exceed the increased sales prices.

- **Uruguay:** Improved volumes sold, on a market that has grown by 3%, and sales prices, have made it possible to improve EBITDA. The depreciation of the currency has not had significant repercussions.

- **Mexico:** Our sales and EBITDA have dropped due to the contraction of the market and as a result of the launch of a new manufacturer. Variations in the exchange rate of the Mexican peso have not had significant repercussions.

- **Bangladesh:** Slight increases in the volumes sold and improved costs have made it possible to increase EBITDA.

- **Tunisia:**

- SOTACIB: Sales have improved but costs have also increased, and therefore EBITDA has remained unchanged.

- SOTACIB KAIROUAN: Significant improvements in sales volumes have made it possible to offset the increases in costs that are taking place.

Taking the final shareholding percentage of each of the investees, with a proportional consolidation criterion, the comparison of the EBITDA would be:

	thousands of euros	31/12/2013	31/12/2012	<u>variation %</u>
International EBITDA with proportionality criterion		119,461	137,833	-13.3%
GROUP EBITDA with proportionality criterion		106,925	115,936	-7.8%

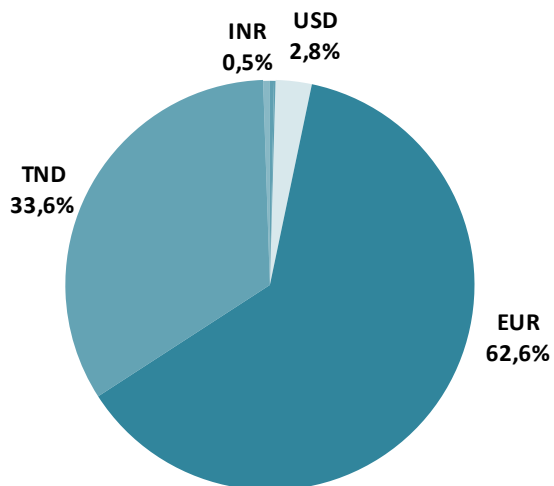
Significant figures as of December 31, 2013

Level of debt. Consolidated figures



Gross debt

by currency



Currencies

Euro	EUR
Bangladeshi taka	BDT
Tunisian dinar	TND
US dollar	USD
Indian rupee	INR

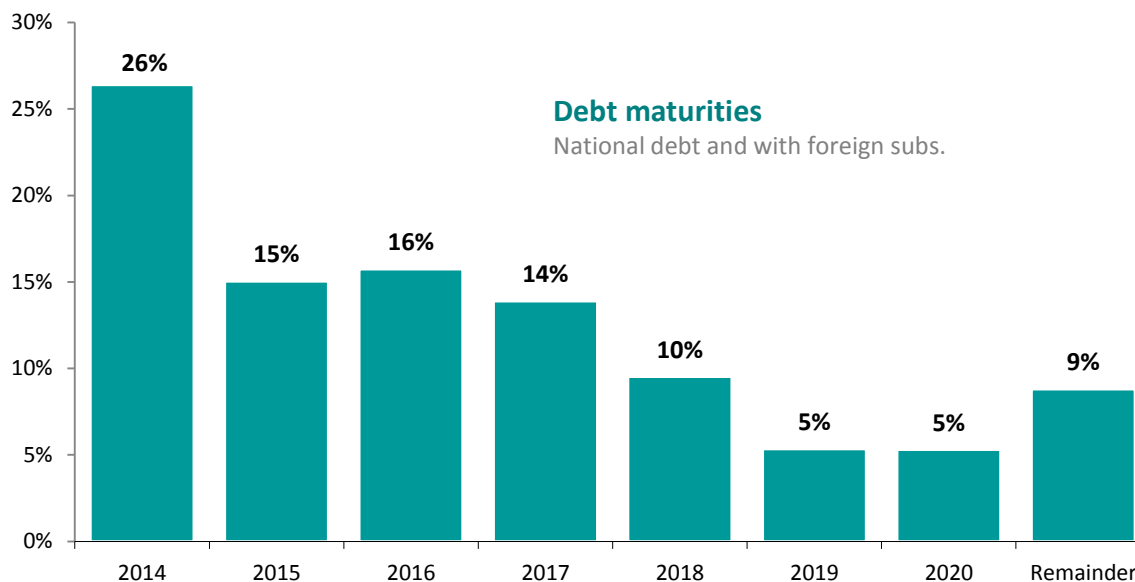
Gross debt

Long term deposits

Cash and equivalents

NET FINANCIAL POSITION

	31/12/2013	31/12/2012
Gross debt	-507,964	-595,152
Long term deposits	12,042	--
Cash and equivalents	196,708	279,577
NET FINANCIAL POSITION	-299,214	-315,575



Debt maturities

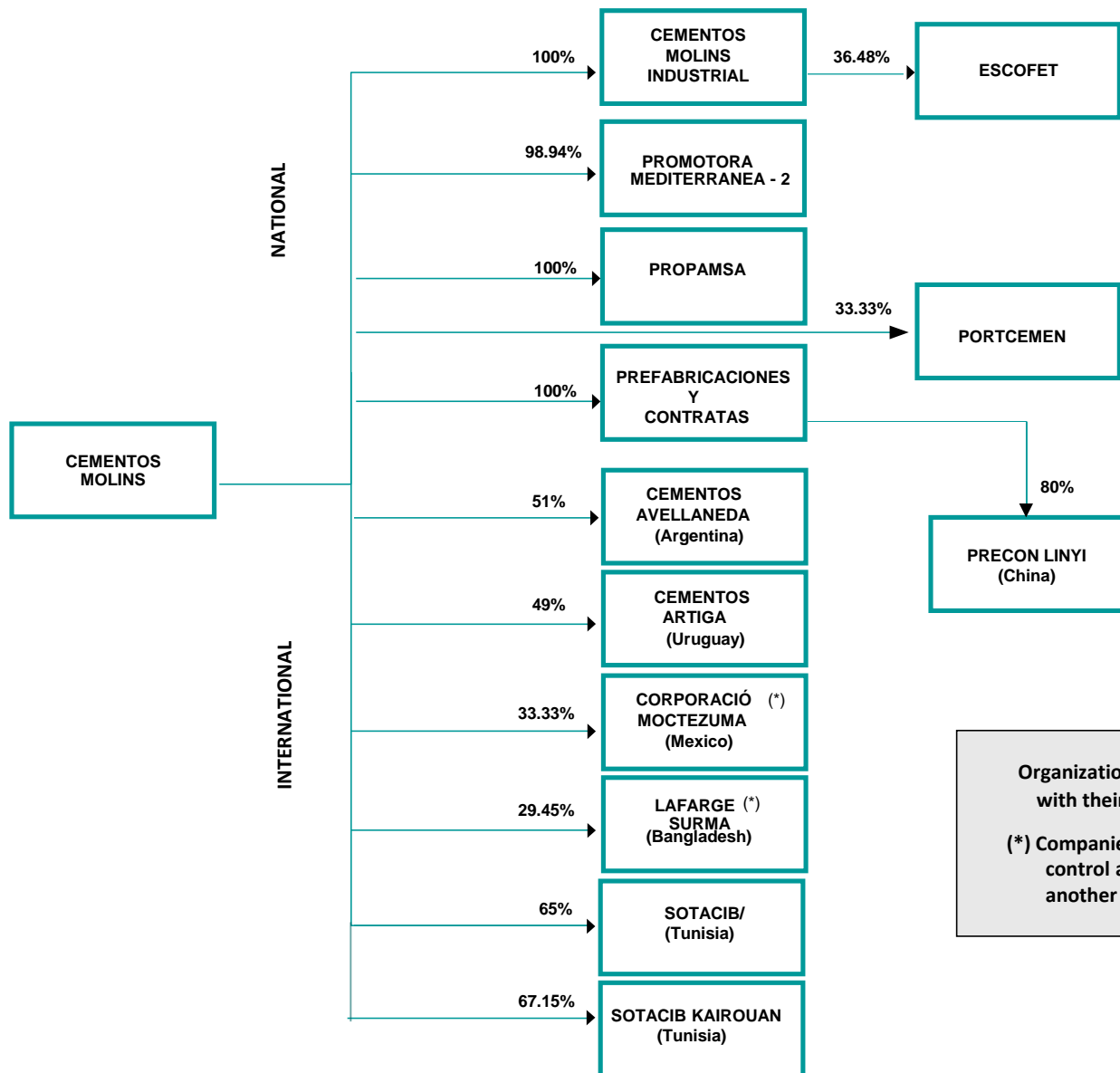
National debt and with foreign subs.

Important company events 2013



- On February 27, 2013, the Management Board prepared the Annual Accounts of Cementos Molins, S.A. and the Consolidated Annual Accounts of the Group, the Management Report, individual and consolidated, and the Annual Corporate Governance Report, corresponding to the year ended December 31, 2012, as well as the proposed distribution of profits. These accounts, audited by Deloitte, S.L., were sent to the Spanish National Securities Market Commission (CNMV) and the Barcelona Stock Exchange on February 28, 2012.
- On February 28, 2013, the CNMV was notified of the re-election of the members of the Audit Commission and of the Remuneration and Appointments Commission.
- On April 26, 2013, the company announced the General Meeting of Shareholders, called for 14 June, 2013. Along with the call for meeting, the proposal of agreements to be presented to the General Meeting of Shareholders was announced.
- The Company submitted information regarding the results for the first quarter of 2013 on May 2, 2013.
- On 13 June it was announced that the subsidiary Cementos Molins Industrial SAU has formalized a sale and purchase agreement of industrial installation and good will associated to the cement manufacturing plant in Sant Feliu de Llobregat (Barcelona), held by the company Cemex España Operaciones S.L.U. The execution of the agreement is subject to a condition precedent, among others, of obtaining authorization from the National Competition Commission. The price agreed by the parties for this transaction is 40 million euros.
- On June 14, 2013, the agreements adopted by the General Meeting of Shareholders and by the Board of Directors of the Company, held on the same date, were announced.
- According to the agreements reached by the General Meeting of Shareholders and by the Board of Directors, adopted in both meetings on June 14, 2013, a complementary dividend for the 2012 financial year was paid for all of the Company's shares on June 26, 2013, of 0.02 euros gross per share, totaling 1,322 thousand euros, along with a dividend on account of financial year 2013 of 0.07 euros gross per share, totaling 4,628 thousand euros.
- On July 30 the Company submitted the interim financial information corresponding to the first quarter of 2013.
- On November 15 it was announced that an agreement had been formalized with Cemex España Operaciones S.L.U. for the sale and purchase agreement of the assets associated to the cement manufacturing plant in Sant Feliu de Llobregat (Barcelona), as announced in a Relevant Event on June 13, 2013.
- On November 15 the Company submitted the interim financial information corresponding to the third quarter of 2013.
- According to the agreements reached by the Board of Directors, adopted in the meeting held on December 20, 2013, a dividend on account of financial year 2013 of 0.06 euros gross per share was paid on January 9, 2014 on all of the Company's shares, totaling 3,967 thousand euros.

Consolidated Group



Organizational chart of the main operating companies with their final shareholding %.

(*) Companies in which the management and control are shared with another shareholder.