



Building
sustainable
partnerships



H1'14 Results Presentation

September 1, 2014

The accompanying material was compiled or prepared by InterCement on a confidential basis and not with a view toward public disclosure under any securities laws or otherwise.

This material has been prepared by InterCement and it is based on financial, managerial and certain operational information and certain forward-looking statements. The information contained herein has been prepared or compiled by InterCement, obtained from public sources, or based upon estimates and projections, involving certain material subjective determinations, and relies on current expectations and projections of InterCement about future events and trends that may affect its business units, operations, and financial condition, cash flows and prospects and there is no assurance that such estimates and projections will be realized. InterCement does not take responsibility or liability for such estimates or projections, or the basis on which they were prepared.

No representation or warranty, express or implied, is made as to the accuracy, completeness or reliability of the information in the accompanying material and nothing contained herein is, or shall be relied upon as, a representation, whether as to the past, the present or the future. In preparing the accompanying material, InterCement assumed and relied, without independent verification, upon the accuracy and completeness of all public available financial and other information and data.

The accompanying material is strictly confidential, and may not, in whole or in part, be disclosed, reproduced, disseminated or quoted at any time or in any manner to others without InterCement's prior written consent, nor shall any references to InterCement or any of its subsidiaries be made publicly without InterCement's prior written consent. The information contained herein does not apply to, and should not be relied upon by, potential investors. Likewise, it is not to be treated as investment advice. The accompanying material is necessarily based upon information available to InterCement, and financial, and other conditions and circumstances existing and disclosed to InterCement, as of the date of the accompanying material. The information provided herein is not all-inclusive and is subject to modifications, revisions and updates. However, InterCement does not have any obligation to update or otherwise revise the accompany materials. Nothing contained herein shall be construed as legal, tax or accounting advice.



Building
sustainable
partnerships

1. Operations Review

- 2. Results Improvement
- 3. Financing Structure
- 4. Perspectives

InterCement reinforces market position: cement volume grows 11%, keeping EBITDA margin at 22,4%.

Record high cement sales volume of 15M tons.

Turnover reaches €1.243M and EBITDA €278M, impacted respectively by €273M and €64M adverse forex effect.

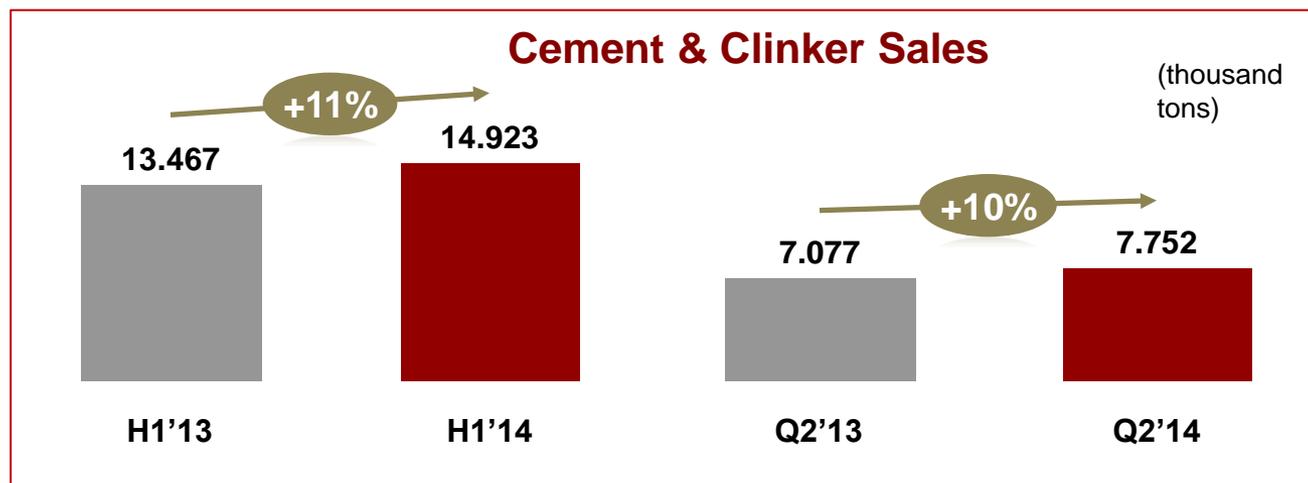
Depreciation of Brazilian real (15%), Argentinian peso (37%) e South African rand (17%), penalizes Turnover (-4,3%) and EBITDA (-3,6% or -15,8% excluding 2013 non recurring items) vs H1'13.

Improved financial results and better tax rate.

Q2 Net Profit reaches €10M, improving by €37M yoy on H1 and containing loss to €4M.

Favorable trend in Free Cash Flow. Q2 delivers €23M. H1'14 €141M increase on H1'13.

Robust volume increase in all geographies, except Argentina.
 Focused commercial strategy and efficiency initiatives expand market penetration.



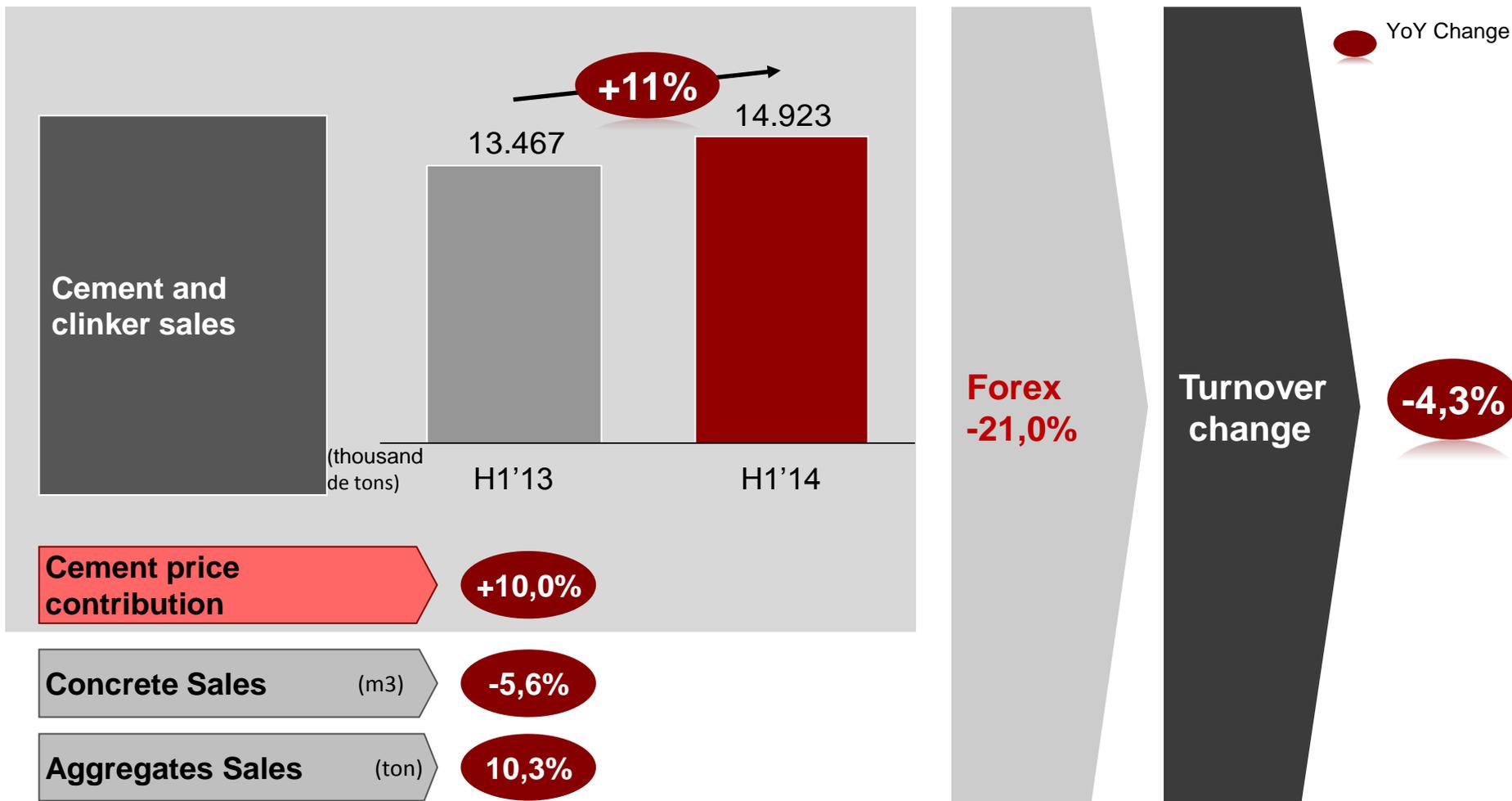
Cement and Clinker Sales - BU opening

(thousand tons)	1 st Half			2 nd Quarter		
	2014	2013	Var. %	2014	2013	Var. %
Brazil	6,241	5,897	5.8	3,131.9	3,009.2	4.1
Argentina	2,879	2,985	-3.6	1,450.8	1,535.9	-5.5
Paraguay	168	136	23.8	73.2	70.7	3.6
Portugal	2,335	1,954	19.5	1,250.3	1,061.0	17.8
Cape Verde	92	89	3.5	48.6	48.4	0.6
Egypt	2,094	1,617	29.5	1,100.0	797.9	37.9
Mozambique	653	557	17.3	357.7	292.3	22.4
South Africa	706	572	23.5	411.3	322.7	27.5
Sub-Total	15,168	13,806	9.9	7,823.8	7,138.1	9.6
Intra-Group Eliminations	-244	-339	s.s.	-71.6	-60.6	s.s.
Consolidated Total	14,923	13,467	10.8	7,752.2	7,077.4	9.5

Double digit volume growth.

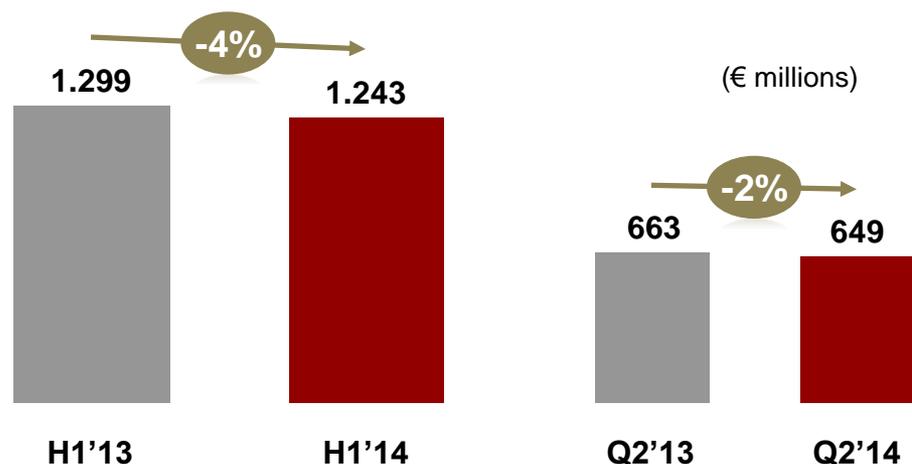
Average increase of local prices for cement and clinker (+10%) offset by forex impact (€273M).

Depreciation of BRL (15%), ARS (37%) e ZAR (17%).



H1 local currency Turnover increases: Egypt 52%; Argentina 29%; Trading 29%; Brazil 8%.

(€ million)	Turnover - BU opening							
	1 st Half				2 nd Quarter			
	2014	2013	Var. %	Var. % LC	2014	2013	Var. %	Var. % LC
Brazil	565.1	617.5	-8.5	7.9	291.7	304.6	-4.2	6.4
Argentina	238.6	294.3	-18.9	29.5	121.1	150.7	-19.6	29.7
Paraguay	21.6	19.8	8.9	18.9	9.4	10.2	-8.3	-2.8
Portugal	140.9	138.8	1.5	1.5	74.5	76.7	-2.9	-2.9
Cape Verde	13.5	12.0	13.2	13.8	7.1	6.4	10.6	11.2
Egypt	132.2	93.4	41.5	52.0	73.0	47.1	54.8	65.5
Mozambique	62.4	63.3	-1.4	7.4	33.7	34.5	-2.1	7.2
South Africa	57.6	59.2	-2.6	17.9	32.9	32.2	2.1	20.1
Trading / Shipping	166.7	129.2	29.1	29.1	88.7	72.2	22.8	22.8
Others	25.3	19.1	32.0	32.0	13.1	9.4	40.4	0.4
Sub-Total	1,424.0	1,446.5	-1.6	17.3	745.1	743.9	0.2	16.5
Intra-Group Eliminations	-181.0	-148.0	22.3	22.3	-96.2	-81.4	18.2	18.2
Consolidated Total	1,243.0	1,298.5	-4.3	16.8	648.9	662.5	-2.1	16.3



Brazil: reinforced local position offset by forex.

Argentina volume weakens after record high sales in 2013. Forex penalizes.

Paraguay new mill increases market share.

Egypt: competitive advantage on fuel and clinker inventories deliver volume and price growth.

Mozambique: Recovery from Q1'14. Raw materials access improved. Commercial strategy fights imports and delivers sales increase. Price and forex penalize.

South Africa: successful market share recovery strategy. Sales up 24%. Turnover affected by products mix and forex.

Trading increasing activity offsets Portuguese market decrease, enabling **Portugal and Cape Verde** sustained Turnover.

Africa reveals EBITDA increase of 36% in local currency.
 Brazil improves logistics and operations to address demand.
 Forex adverse impact of €64M.

(€ million)	EBITDA							
	1 st Half				2 nd Quarter			
	2014	2013	Var. %	Var. % LC	2014	2013	Var. %	Var. % LC
Brazil	143.1	190.9	-25.0	-11.6	78.4	105.6	-25.7	-16.9
Argentina & Paraguay	53.9	45.5	18.7	86.4	23.8	8.6	176.5	341.5
Portugal & Cape Verde	9.5	-0.3	s.s.	s.s.	4.8	-0.1	s.s.	s.s.
Africa	70.2	57.4	22.3	35.8	43.9	31.2	40.7	54.2
Trading & Others	1.4	-5.0	n.m.	n.m.	0.9	-5.5	n.m.	n.m.
Consolidated Total	278.1	288.5	-3.6	18.6	151.8	139.8	8.6	28.4
EBITDA margin	22.4%	22.2%	0.2 p.p.	0.4 p.p.	23.4%	21.1%	2.3 p.p.	2.2 p.p.

Brazil: reinforced footprint requires logistic and operational efforts

Argentina and Paraguay: operations improvement penalized by Forex. *Anti-trust* fine (€23M) in 2013.

Portugal and Cape Verde: Portuguese consumption contraction and increase of exports penalize margin. H1'13 non recurring restructuring costs (€18M) benefit comparison.

Egypt: Q2'14 delivers record high EBITDA. Strong local position drives activity and increases EBITDA.

Mozambique: Q2'14 operating improvements, enable recovery on Q1. Focused commercial policy.

South Africa: market share increase strategy and local efficiency program enable EBITDA increase offsetting forex depreciation.

EBITDA would have decreased 16%, yoy in €, excluding non recurrent items in H1'13.



InterCement

Building
sustainable
partnerships

1. Operations Review

2. Results Improvement

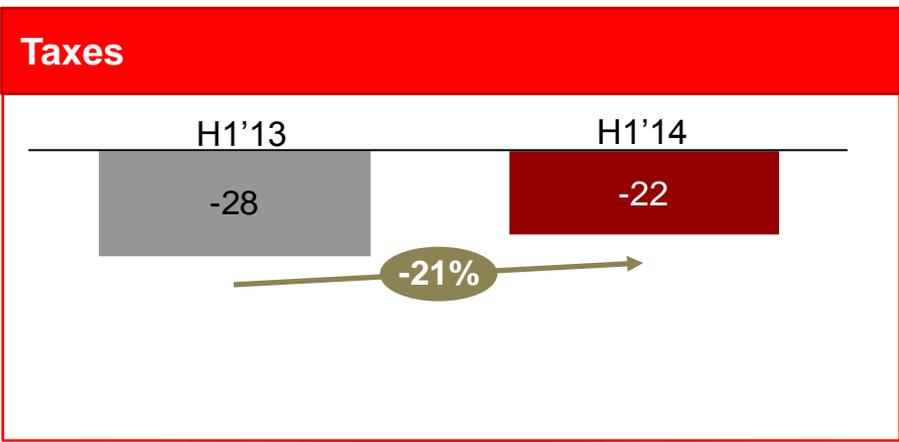
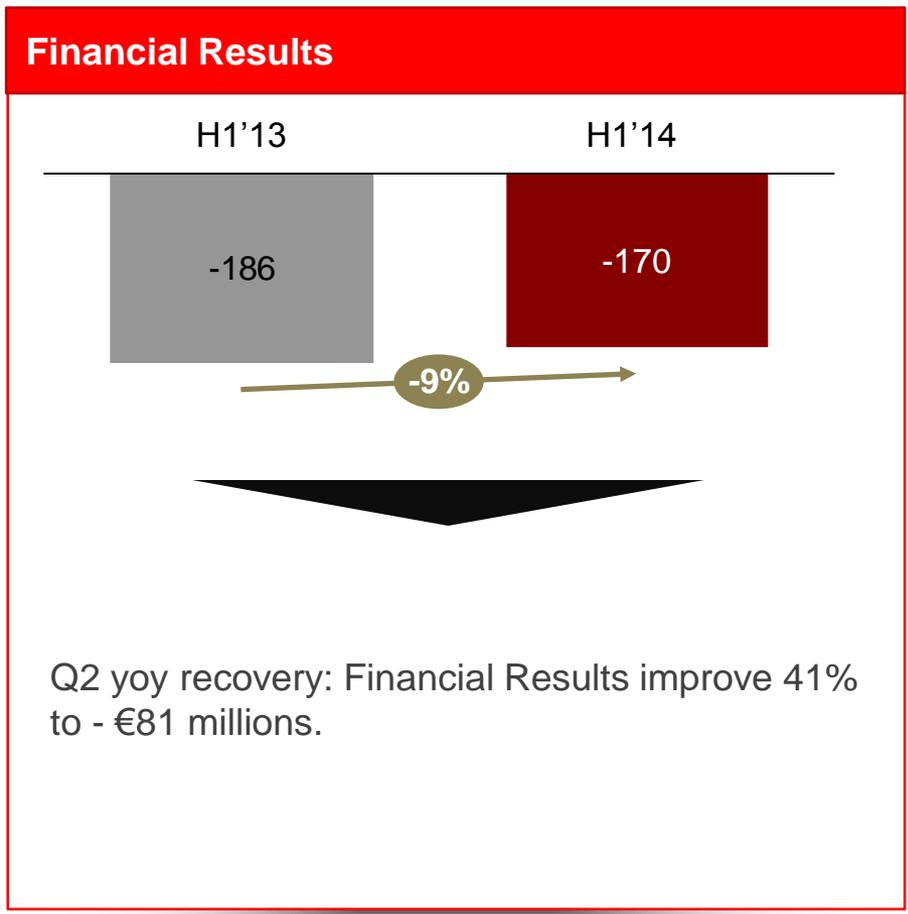
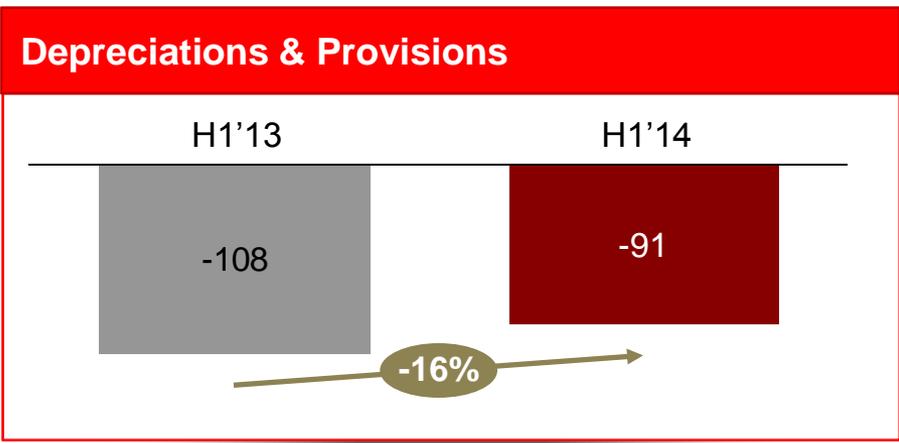
3. Financing Structure

4. Perspectives

Depreciations & Provisions: follow forex trend.

Financial Results: lower debt.

Taxes: Lower average tax rate.



€ million ● YoY change

Q2 €10M Net income vs Q1 €14M losses.

Better financial results and lower taxes contain losses to €4M.

Income Statement						
(€ million)	1 st Half			2 nd Quarter		
	2014	2013	Var. %	2014	2013	Var. %
Turnover	1,243.0	1,298.5	-4.3	648.9	662.5	-2.1
Net Operational Cash Costs	965.2	1,010.0	-4.4	497.4	522.7	-4.8
Operational Cash Flow (EBITDA)	277.8	288.5	-3.7	151.5	139.8	8.4
Amortisations and Provisions	90.2	107.5	-16.1	46.9	58.2	-19.5
Operating Income (EBIT)	187.6	181.0	3.6	104.7	81.6	28.3
Financial Results	-169.9	-186.2	-8.7	-80.5	-135.5	-40.6
Pre-tax Income	17.6	-5.2	s.s.	24.2	-53.9	s.s.
Income Tax	22.1	27.8	-20.7	14.2	5.8	144.5
Net Income	-4.4	-33.0	s.s.	10.0	-59.7	s.s.
Attributable to:						
Shareholders	-5.9	-0.4	s.s.	6.1	-7.0	s.s.
Minority Interests	1.4	-32.6	s.s.	3.9	-52.7	s.s.



InterCement

Building
sustainable
partnerships

1. Operations Review
2. Results Improvement

3. Financing Structure

4. Perspectives

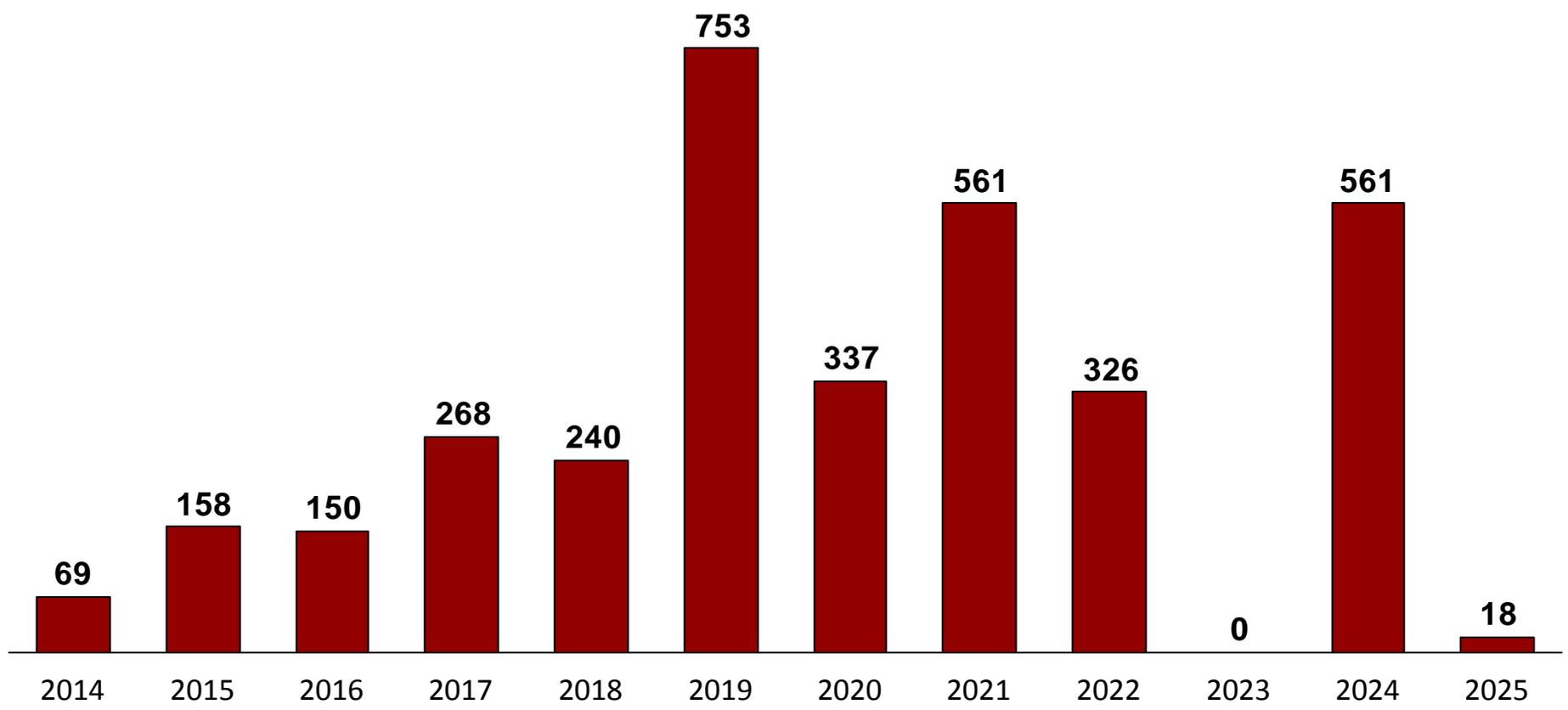
Debt prepayment results in 4% decrease of Total Assets.
Stable Net Debt vs Q1: €2.667M.

Consolidated Balance Sheet Summary			
(€ million)	30 Jun 2014	31 Dec 2013	Var. %
Assets			
Non-current Assets	5,306	5,155	2.9
Current Assets			
Cash and Equivalents	767	1,278	-40.0
Other Current Assets	792	760	4.2
Total Assets	6,864	7,194	-4.6
Shareholders' Equity attributable to:			
Equity Holders	1,479	1,348	9.7
Minority Interests	861	911	-5.5
Total Shareholders' Equity	2,340	2,259	3.6
Liabilities			
Loans & Obligations under finance leases	3,428	3,744	-8.4
Provisions & Employee benefits	142	143	-0.4
Other Liabilities	954	1,048	-8.9
Total Liabilities	4,525	4,934	-8.3
Total Liabilities and Shareholders' Equity	6,864	7,194	-4.6

Debt Prepayment in progress.
No material commitments before 2019. Average debt maturity of 6,4 years.

August 31, 2014

Maturities:



H1'14:

- EBITDA affected by forex and seasonal effect.
- Working capital increases reflects 2013 commitments with capex suppliers.
- Interest and tax decreases.
- Capex discipline.

€ million	2013			2014
	FY	1H	2H	1H
ajusted EBITDA	742	332	410	278
Working Capital	-118	-191	73	-118
Others	-30	-20	-10	2
Operating Activities	594	121	473	163
Interests Paid	-227	-114	-113	-104
Income taxes Paid	-106	-27	-79	-13
Cash Flow before investments	260	-20	281	45
CAPEX	-331	-179	-152	-102
Assest Sales / Others	45	-10	55	-27
Free Cash Flow to the company	-26	-209	183	-84
Borrowings, financing and debentures	473	220	253	813
Repayment of borrowings, financ. and debent.	-443	-200	-243	-1208
Capital Increases	534	0	534	0
Dividends	-17	-7	-10	-2
Other financing activities	-100	0	-100	-85
Changes in cash and cash equivalents	421	-196	618	-566
Exchange differences	-184	-56	-128	17
Cash and cash equivalents, End of the Period	1228	737	1228	679



Building
sustainable
partnerships

1. Operations Review
2. Results Improvement
3. Financing Structure

4. Perspectives

Focus on efficiency and strength

InterCement Strategy

Strengthen Footprint:

Focused on Commercial Strategy.

Efficiency: Cimpor integration proceeds. Projects on track address: efficiency, synergies, best practices replication, new products and processes.

Deleverage: Working capital improvement program. Disciplined approach to investments aimed at strengthening the balance sheet for future opportunities.

Regional Outlook

- **Brazil** - despite economic slowdown, fundamentals support sustainable cement demand.
 - **Argentina**- notwithstanding the local current economic and financial instability, sustainable housing sector supports demand.
 - **Paraguay** - economic growth cycle to sustain demand growth. Integrated line completion in H2'14.
 - **Egypt** - Market outlook remains positive.
 - **Mozambique** - expected robust and growing demand.
 - **South African** - cement market shows recovery signs.
 - **Portugal** - signs of recovery yet to expand to cement consumption. Exports to proceed, relevant market penetration strategy.
- Cape Verde** - Recent slight positive signs.



InterCement

**Building
sustainable
partnerships**

