

## SUEZ CEMENT GROUP

- **CONSOLIDATED REVENUE:** 4,597 MILLION EGP (4,820 MILLION EGP).
- **OPERATING PROFIT** : 756 MILLION EGP (875 MILLION EGP).
- **NET PROFIT AFTER Non-Controlling Interest:** 524 MILLION EGP (569 MILLION EGP).

At a meeting on February 21<sup>st</sup>, 2013, the Board of Directors of Suez Cement S.A.E examined and approved the consolidated financial report at December 31, 2012, which closed - after the positive results achieved in the 4th quarter - with a net profit of 524 million EGP ( vs. 569 million EGP).

The growth in the domestic grey cement market reached +5% on YTD basis. In this context, Suez Cement Group succeeded in reducing price incentives which had been offered to cement traders since the spring of 2011, but could not match the volume demand as the Group's plants continued to suffer from energy shortages, and new capacities in the market. Although the development of export volumes continued, it could not entirely offset the loss of the domestic sales. In the mean time we continued our efforts to reduce energy and maintenance costs.

**The YTD net sales** of the Suez Cement group reached 4,597 million EGP (- 4.6% vs. PY), **the operating profit** 756 million EGP (-13.6% vs. PY), and **the total net profit "after non-controlling interest"** amounted to 524 million EGP (- 7.9 vs. PY).

## Q4 2012

In the fourth quarter of 2012, **the net sales** of the Suez Cement group reached 1,188 million EGP (+ 11.9% vs. PY), **operating profit** 164 million EGP (+152% vs. PY) and **the total net profit "after non-controlling interest"** amounted to 126 million EGP (+ 142 % vs. PY).

## Outlook

The outlook for the market remains cautiously positive, with demand expected to firm up with the progressive restart of public and private construction investments, as soon as a more stable political situation will prevail. Energy situation is expected to remain clouded by growing supply shortage, likely to reduce cement production; the recently announced steep energy cost increases should hence be reflected in cement prices.

In this context, Suez Cement Group is focusing its efforts and investments on industrial and environmental efficiency, while keeping on hold any capacity expansion project.