

URALITA

2010 RESULTS

February 25th, 2011

DISCLAIMER

This document contains information internally formulated from different sources, as well as forecasts related to Uralita's financial situation, results from operations, business and strategies.

Such statements are based on assumptions that could eventually be found incorrect, and are subject to financial, commercial, regulatory and general economic factors that can only be estimated.

The company's financial information included in this document is under revision by the firm's external auditors. As of today, the auditor's report is still pending.

Consequently, both analysts and investors should properly evaluate the information provided. Uralita does not assume any obligation related to the update of the information provided and its publication, be it as a result of newfound information, new events, or any other unforeseen cause.

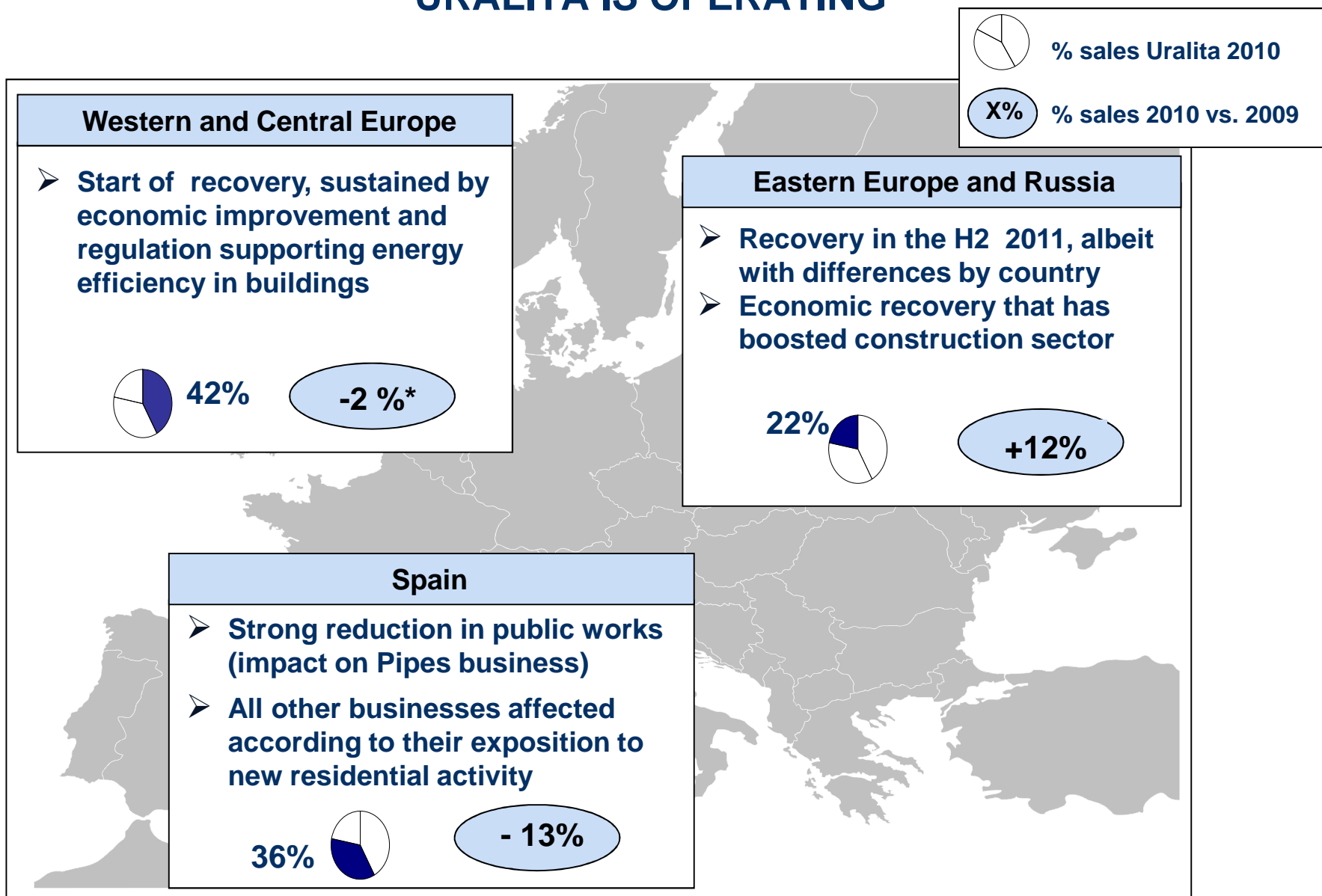
EXECUTIVE SUMMARY

- **A positive recovery in international sales (representing around 64% of Uralita's total sales in 2010) whilst the business in Spain continued to fall, mainly in the Pipes business, hit by cuts in public works.**
- **For the year as a whole, Uralita generated sales of €683 M, reducing the fall to -3% compared with 2009 (from -8% in the first half of the year). The Interior Solutions business, which continues to be the most important for the group, increased its sales by 2% in 2010 thanks to its significant presence in international markets, especially in Eastern Europe.**
- **Operating profitability (EBITDA) fell in comparison with 2009 (a margin of 12.7% against 14.5%), affected by the low level of activity of the Pipes business and the high prices of certain raw materials, especially polystyrene, which affected the profitability of part of the insulation business.**
- **The fall in EBITDA, along with a higher tax rate and a higher weighting of the results in business with minority interests, meant that the Net Attributable Result fell to €0.6 M.**
- **In 2010, Uralita continued its strict cash control, managing to end the year with the same level of debt as 2009. Financial debt as of Dec 31 amounted €234 M, with a Debt/EBITDA ratio of 2.7.**
- **For 2011 and based on our current foresight, we anticipate a recovery in sales and margins, driven by the insulation business, through the consolidation of the recovery in Eastern European markets and the improved growth rate in Western and Central Europe.**

CONTENT

- **Uralita in 2010**
- **Outlook for 2011**

DIFFERENT MARKET CONDITION IN THE REGIONS WHERE URALITA IS OPERATING

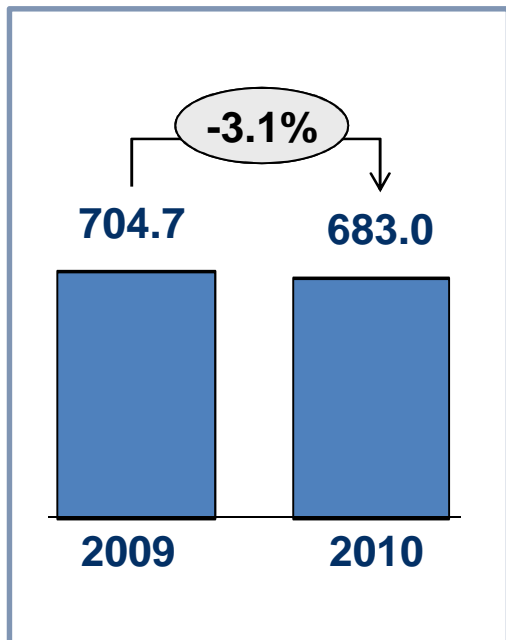


* Of which, +1% in insulation and -18% in all other businesses

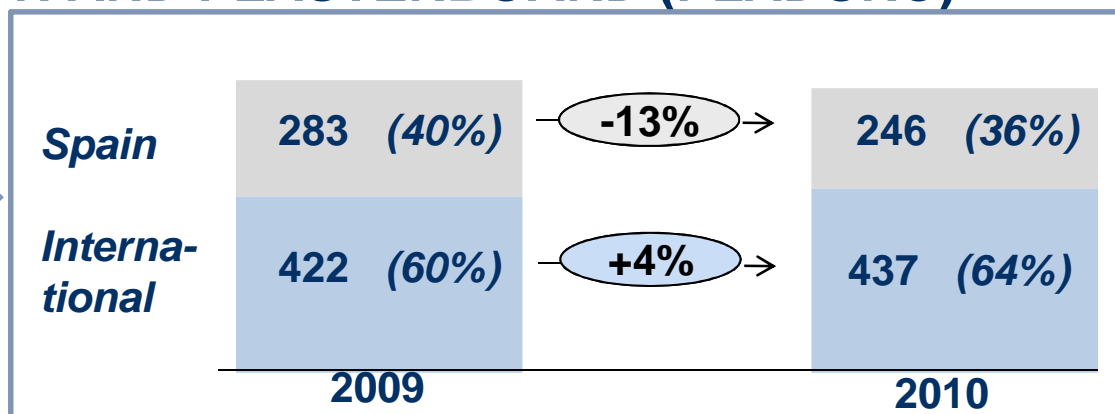
URALITA: BECOMING MORE INTERNATIONAL AND MORE FOCUSED ON INSULATION AND PLASTERBOARD (PLADUR®)

Figures in M EUR

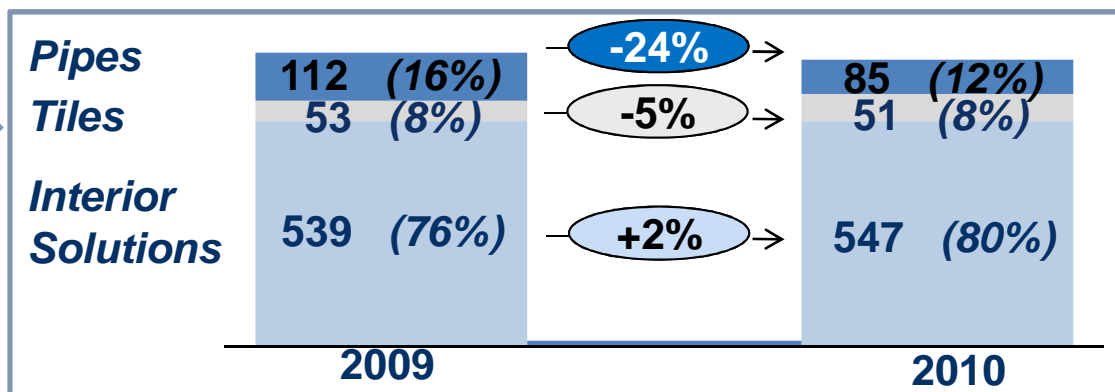
Consolidated Sales



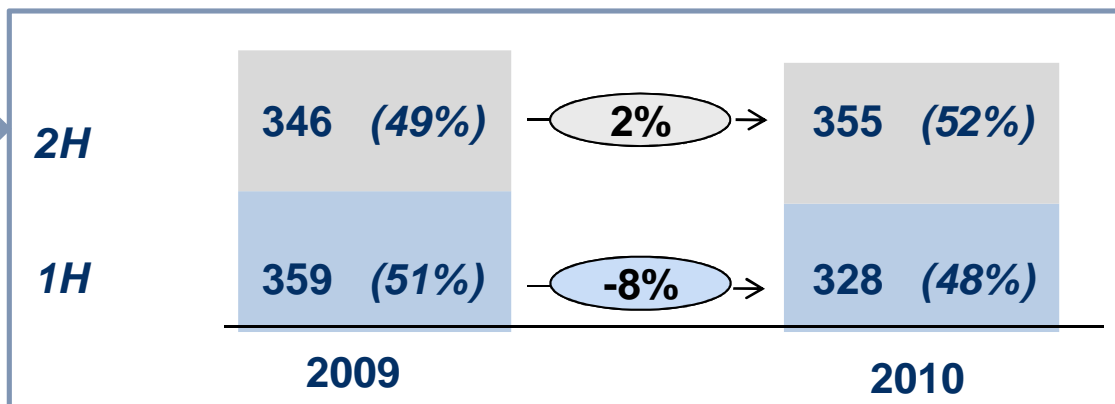
By geography








By business line



By semester



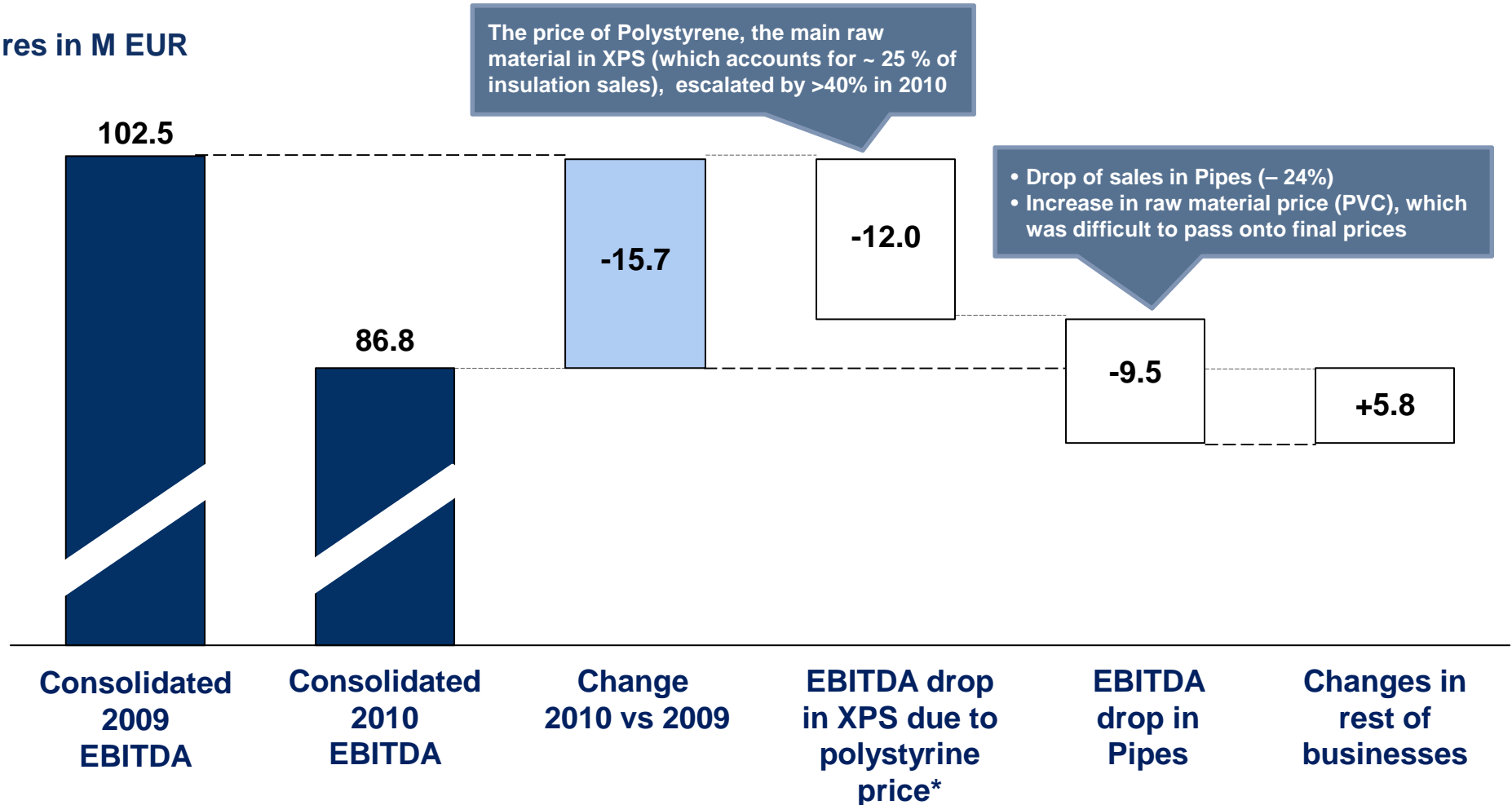
SALES AND EBITDA BY BUSINESS LINE

Business Line	Products	Sales 2010 (M€)	Change 2010/09	EBITDA 2010 (M€)	2010 Margin	Change 2010/09
Energy efficiency in buildings						
Interior Solutions	<ul style="list-style-type: none"> • Insulation – Glass Wool  • Insulation – XPS  • Pladur® (Plasterboard)  • Gypsum 	547.2 (80%)	+2% • Ins. +5% • Gyps. -9%	81.5 (90%)	14.9%	-11% (-2.2 pp)
	Tiles					
Efficient water management						
Pipes	<ul style="list-style-type: none"> • Pipes for infrastructures  • Pipes and components for buildings  	84.6 (12%)	-24%	1.5 (2%)	1.8%	-86% (-8.0 pp)
TOTAL URALITA*		683.0 (100%)	-3%	86.8 (100%)	12.7%	-15% (-1.8 pp)

* Includes non-distributable corporate costs and consolidation adjustments (-3.3 M€ EBITDA in 2010)

GROUP EBITDA HAS BEEN NEGATIVELY AFFECTED BY POLYESTYRENE PRICE AND POOR PERFORMANCE IN THE PIPES BUSINESS

Figures in M EUR



* Calculated as loss in XPS variable margin (sales – variable cost of polystyrene)

NET PROFIT HAS BEEN AFFECTED BY LOWER EBITDA, HIGHER TAX RATE AND BETTER RESULTS IN BUSINESSES WITH MINORITY INTERESTS

Figures in M EUR

	2010	2009	Change
Sales	683.0	704.7	-3.1%
EBITDA	86.8	102.5	-15.3%
Operating EBIT¹	38.0	55.4	-31.5%
Operating Profit	24.9	39.5	-37.1%
Financial expenses ²	12.6	14.1	-10.6%
Profit before tax	13.0	25.9	-49.8%
Income tax	5.1	6.3	-19.0%
Net income³	7.8	15.9	-50.7%
Minority interests	7.2	5.8	24.2%
Net income attributed to Uralita	0.6	10.1	-94.0%

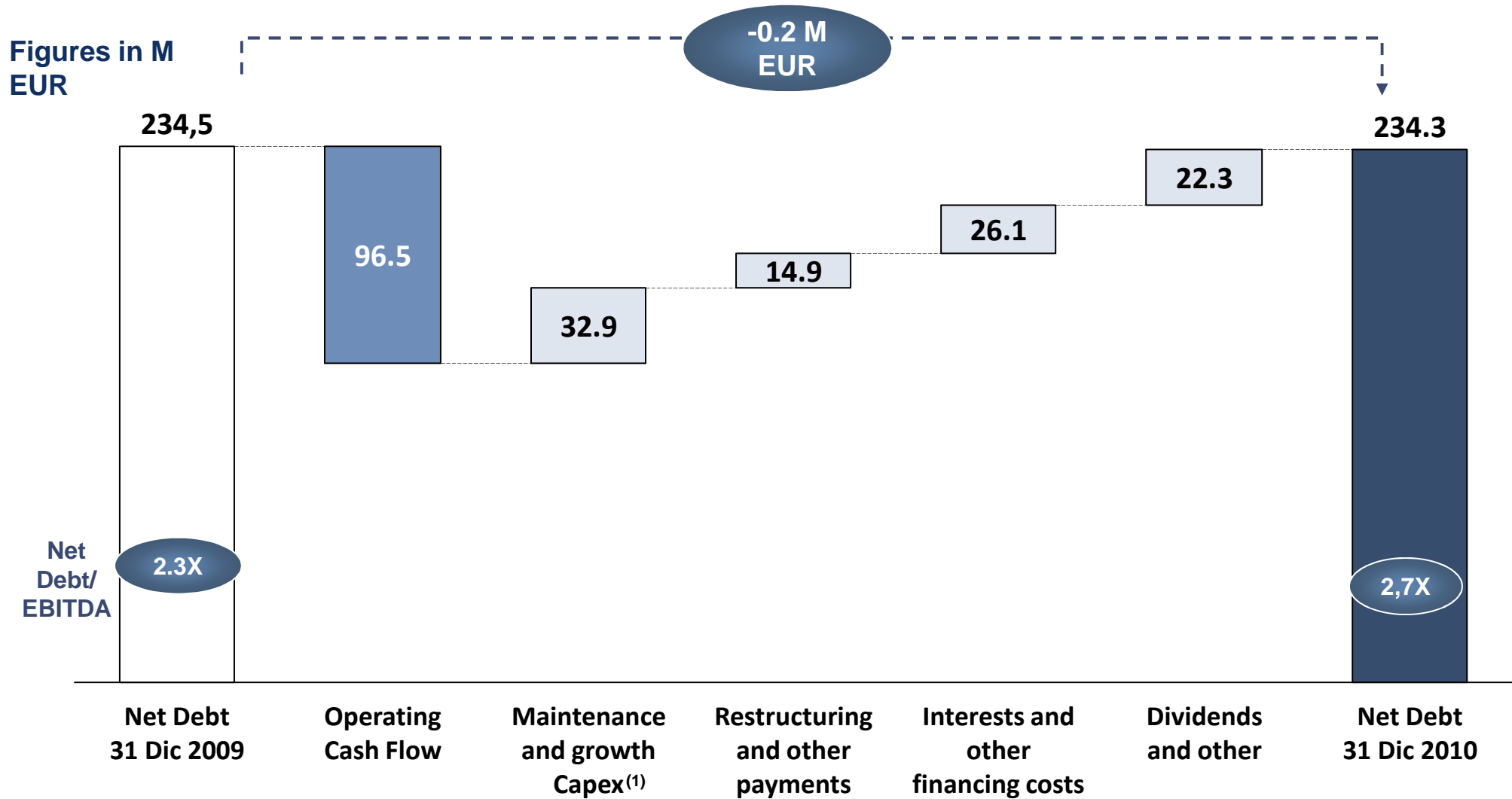
Lower Operating profit due to drop in EBITDA

Higher tax rate due to achievement of better results in business without tax credits

Better results in business lines with minority interests, specially in Tiles

1. Operating EBIT = EBITDA – Depreciation
2. Includes income from participated companies valued by the equity method (0.7 M € in 2010 and 0.4 M € in 2009)
3. Includes results of discontinued operations (-0.1 M € in 2010 and -3.7 M € in 2009)

URALITA MANAGED TO KEEP ITS NET DEBT CONSTANT IN 2010



(1) 16 M€ maintenance capex and 17 M€ growth capex(already committed)

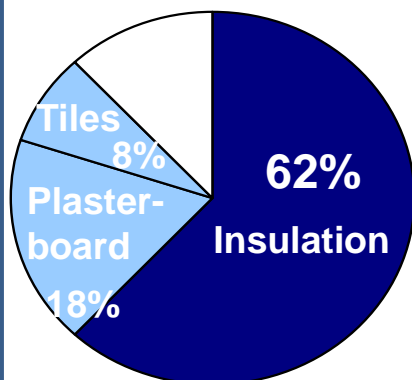
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- **Outlook for 2011**

URALITA: WELL POSITIONED TO RIDE THE NEXT GROWTH WAVE

Focused on energy efficiency



- Improvement of energy efficiency levels in buildings
- Growth drivers
 - Regulation: energy efficiency and climate change
 - Rising energy prices
 - Higher use of insulation materials

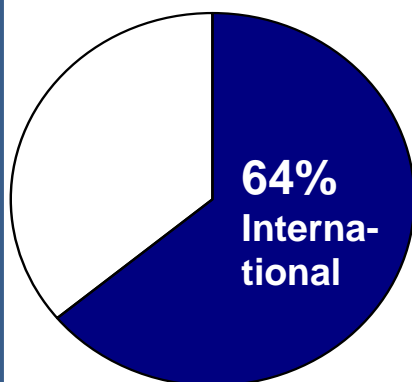
“We consider [insulation companies] an investment in energy efficiency improvements rather than ordinary construction” (1)

“Tighter regulations for energy efficiency in buildings could prompt a demand super-cycle” (2)

“In our bull case we assume a 1.5-2.0x multiplier effect on demand for energy efficient products [such as insulation products]” (2)

“[in Western Europe] the energy efficiency theme will support growth in insulation and plasterboard. Better housing trends will also underpin demand in insulation and plasterboard” (3)

Leadership positions in growing markets



Eastern Europe and Russia (22%)

- Strong growth
- Growth drivers: new buildings and energy efficiency improvement
- Uralita: Leader in insulation* with 6 factories in the region

Western and Central Europe (42%)

- Resilient and stable growth
- Regulation and refurbishment
- Uralita: # 2 in insulation*

Forecast 2010 – 2012 (CAGR)

	<u>GDP</u> ⁽⁴⁾	<u>Insulation</u> ⁽³⁾
Russia	4,4%	11,0%
Poland	2,7%	10,5%
Ukraine	10,8%	6,0%
France	1,7%	7,5%
Germany	2,1%	9,5%
UK	2,1%	5,5%
Spain	1,0%	1,5%

* In Glass Wool, our major insulation product

Sources: (1) Carnegie. Rockwool analysis. February 2011. (2) Morgan Stanley. Saint Gobain analysis. February 2011. (3) Exane BNP. January 2011. (4) IMF

OUTLOOK FOR 2011

	<u>Interior Solutions</u>	<u>Tiles</u>	<u>Pipes</u>
Western and Central Europe	+	n.a.	=
Eastern Europe and Russia	++	n.a.	n.a.
Iberia*	=	= / +	= / -

Objectives for 2011

- Strong sales increase in Eastern Europe and Russia and some more moderate in Western and Central Europe
- Leverage on our current structure to capture higher margin on additional sales

* Includes Spain and Portugal



Thanks for your attention