



## **URALITA'S BUSINESS PERFORMANCE**

### **FIRST QUARTER 2010**

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***Improvement of the Attributable Net Profit despite the low level of sales due to adverse weather conditions***

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- The activity of the 1st quarter of 2010 was strongly influenced by bad weather conditions: low temperatures and snowfall in the first months, followed by heavy rain, led to the delay of many construction projects affecting the sales of all companies in the building materials sector.
- In this context, Uralita's sales in the 1st quarter of 2010 were 151 M €, 16% lower than in the same period of 2009. The fall was smaller in insulation (-7%), business with a greater international presence and favored by regulation to improve energy efficiency in buildings.
- Despite the low level of sales, the EBITDA margin was the same as in the 1st quarter 2009 (11.3%) due to the improvements obtained from the action plan implemented during 2009. Total EBITDA for this period was 17.1 M €.
- Finally, thanks to lower impact of extraordinary items (mainly due to restructuring undertaken in the 1st quarter of 2009) and lower financing costs, Net Profit amounted to 2.4 M € (compared to 1.1 M € in Q1 2009) and Attributable Net Profit to 0.4 M € (0.1 M € in 2009).
- Although market visibility is still limited in some countries, once weather conditions improve, we expect a gradual recovery of the international markets where Uralita operates, both in volume and prices.

<i>Total consolidated magnitudes (in millions of euros)</i>	<b>Acumm. 1Q 2010</b>	<b>Acumm. 1Q 2009</b>	<b>Difference (%)</b>
<b>Sales</b>	<b>151.4</b>	<b>180.2</b>	<b>-16%</b>
<b>EBITDA</b>	<b>17.1</b>	<b>20.3</b>	<b>-16%</b>
<i>EBITDA Margin on Sales</i>	<i>11.3%</i>	<i>11.2%</i>	<i>+0.1 pp</i>
<b>Net Profit</b>	<b>2.4</b>	<b>1.1</b>	<b>+126%</b>
<b>Attributable Net Profit</b>	<b>0.4</b>	<b>0.1</b>	<b>+185%</b>

***Comments on sales and EBITDA figures:***

- 151.4 M € Sales, with a 16% reduction compared to Q1 2009. Sales have been severely impacted by the adverse weather in the first two months of the year, during which some countries almost completely stopped their construction activity for several weeks. In fact, the sales differential compared to 2009 has been steadily improving throughout the year: January -23%, February -18%, March -8%, the recovery both in volumes and prices was especially marked in the insulation business.
- The greatest sales reduction took place in Spain (-22%) compared to the international business (-12%). By business, Insulation experienced the lowest decrease (-7%) due to the resilience of Western and Central European markets and the thrust of energy efficiency regulation, followed by Gypsum (-18%) thanks to its positioning in non-residential construction and renovation. Roof Tiles (-32%) and Piping (-36%) sales were affected by bad weather and the lower residential construction and civil works activity in Spain.
- EBITDA reached 17.1 million EUR, down 16% compared to Q1 2009, and thus maintaining the 11.3% EBITDA margin on sales of. This was achieved thanks to the positive impact of the improvement measures implemented in 2009. The Group's two main businesses, Insulation and Gypsum, accounted for more than 95% of total group EBITDA in Q1 2010.