



***At the close of the third quarter and primarily due to the recovery of the International markets***

**URALITA REPORTS A CUMULATIVE NET PROFIT OF 5.1 MILLION EUROS THROUGH SEPTEMBER AND A STEADY RISE IN SALES**

- **Q3 revenue reached 178.9 million euros, only 2.6% less than the same period last year.**
- **The company's strategy of product and geographic diversification, with a presence in more than 20 countries, has been crucial for maintaining positive results despite the economic downturn, particularly in Spain.**
- **Nine months into financial year 2010, sales and results are beginning to show the potential for mid- and long-term improvement of Uralita businesses.**

**Madrid, November 11, 2010**

Uralita S.A. reports earnings results for the third quarter of the year, ending September 30. The company had sales of 178.9 million euros, just 2.6% less than the same period in 2009. Overall, sales for the first nine months of the year totalled 507.2 million euros. This figure is only 6.5% less than the same period last year, which shows that the company is starting to recover from decreased sales.

Uralita's positioning in regions with significant potential compensated for the negative development of the construction industry in Spain. Sales in international markets are increasingly important and already account for almost two thirds of total sales.

Cumulative EBITDA for these nine months totalled 66.2 million euros, down 13.9% from the same period in 2009. This drop was mostly due to negative growth in the Piping business and the high prices of some raw materials, particularly polystyrene, which had an impact on part of the insulation business.

Through September, Uralita achieved an attributable net profit of 5.1 million euros, 37% less than the previous year, due to a smaller EBITDA and improved results from businesses with minority partners.



### **Sales improve in international markets**

Uralita's sales from international markets rose 3% in Q3 2010 compared to the same period last year. There was significant growth in the Eastern European and Russian markets, with sales as of September totalling the same as those for all of 2009.

As for Spain, the decrease in sales slowed to 11% in Q3, down from a 17% drop in H1 2010.

### **Slight improvement in sales for Interior Solutions and Tiles**

Looking at business lines, in the Interior Solutions business (gypsum products and insulation), where Uralita is a European leader, sales improved markedly, totalling 404 million through September, similar to the 2009 figure. This business unit remains the most important in the group; for the first nine months of 2010, it accounted for 80% of total sales and 93% to the group's EBITDA. Also, Interior Solutions is the business that contributes the most to the group's geographical diversification, as almost 75% of its sales come from outside Spain.

The Tiles business recovered some of its sales through September, down just 9%, in contrast to 18% in H1 2010.

On the other hand, the Piping business continued the negative trend of the first half of the year, with a 32% drop in sales through September, due to the reduction in public works in Spain.

### **Solid balance sheet**

The improvement plan implemented by the Spanish multinational company continued having a positive effect in its cash flow. In the third quarter, Uralita managed to cut its debt by 3 million euros, putting net financial debt at 241 million euros and the debt/EBITDA ratio at 2.6x.

**Uralita** is a Spanish construction material multinational committed to sustainability. With more than 100 years of history, it is among the leading European firms in the insulation business. It also leads the Iberian Peninsula market in products such as plaster, piping and tiles. It has 33 factories in 10 countries and a presence in more than 20 markets. It employs 3,100 people.