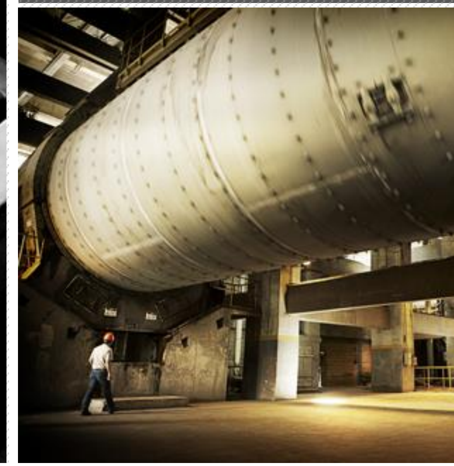
Building sustainable partnerships



Q1’2017

Results Presentation

InterCement

Disclamer

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InterCement operations improved on Q1

EBITDA grew 8% (YoY), as efficiency increased on the back of the initiatives pursued in the last two years. **EBITDA margin** rose 1.4pp to 18.6%.

Seasonal working capital requirements, along with investments to address further increasing activity and circumstantial inventory management, together with higher CAPEX disbursements - energy upgrade conclusion and environmental oriented – prevented FCF generation.

New growth cycle in Argentina, Paraguay surge, Portuguese market recovery and South Africa operational drive, combined with LMU average price adjustment (+10%), kept **Sales** at Q1'16 level, overcoming lower **Volumes Sold** (-6.8%). Lagging Brazilian performance and challenges from Egypt and Mozambique, were no obstacles to grab new growth opportunities in portfolio.

Cash Costs where down by 2%, as efficient market adjustment initiatives succeeded.

Financial results, unlike Q1'16, were not negatively affected by forex.

Net Income, recovered by 39%, though still negative (€-31M),

Net Debt increased 5% to €2.737M reflecting the negative FCF (€-103M) – seasonality, inventory management and capex.

Subsequent events: Asset monetization progressed improving liquidity - €208M from derivatives disarming. Sale of minority interests evolved (Estreito €87M), targeting InterCement's deleveraging process to also benefit from estimated FY FCF.

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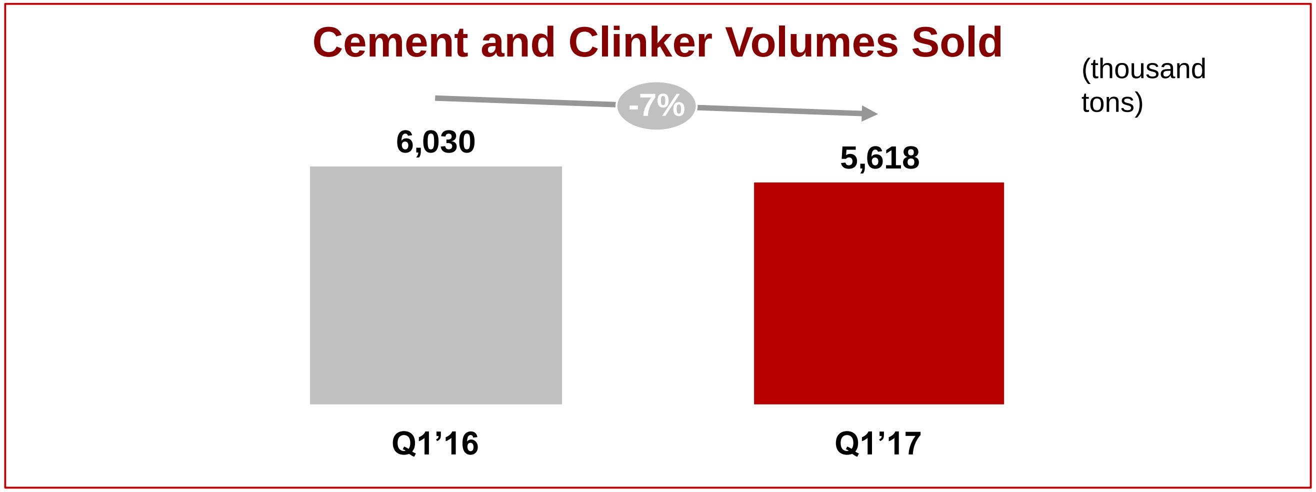
Volumes: recovering operations mitigated Brazil crisis

Brazil focus on EBITDA accretive market approach. **Egypt** economic adjustment mode. **Mozambique** adverse context. **Argentina** started new growth cycle. **Paraguay** and **South Africa** outstood. **Portuguese** demand increased.



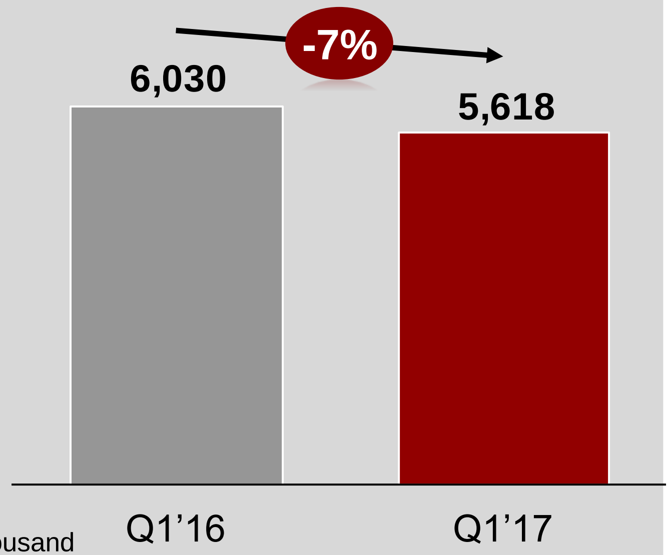
Cement and Clinker Volumes Sold			
(thousand tons)	1st Quarter		
	2017	2016	YoY
Brazil	1,918	2,267	-15.4%
Argentina	1,446	1,408	2.7%
Paraguay	147	90	64.7%
Portugal	771	730	5.6%
Cape Verde	43	49	-12.2%
Egypt	722	851	-15.1%
Mozambique	251	368	-31.8%
South Africa	351	315	11.2%
Sub-Total	**5,650**	**6,079**	**-7.1%**
Intra-Group Eliminations	-32	-49	-35.3%
Consolidated Total	**5,618**	**6,030**	**-6.8%**

Sales: prices offset lower volumes sold

Average **Cement Price increase** overcame lower cement volumes**.**
Stable **Concrete** volumes, following assets sales in Brazil, and stronger **Aggregates** contribution.

Cement and clinker Volumes Sold

(thousand tons)



Cement price Contribution (LMU) **+10.3%**

Concrete Volumes (m3) **-1.8%**

Aggregates Volumes (ton) **+17.8%**

Forex 0%

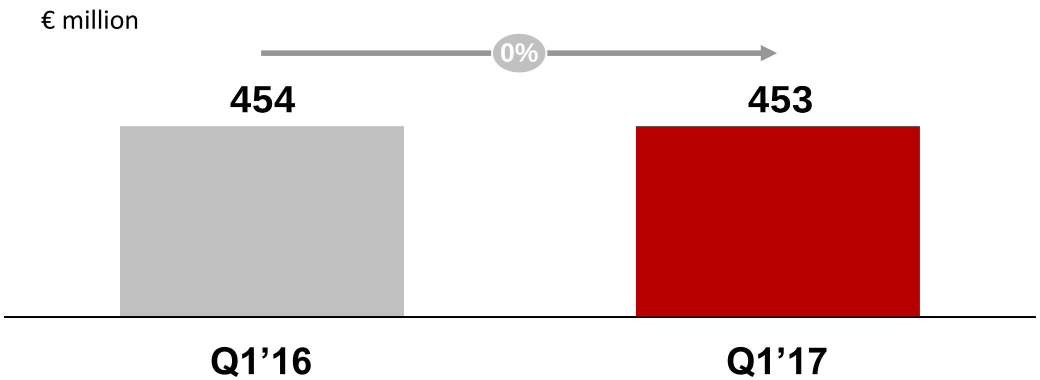
Reported Sales change in € **0%**

YoY Change

Sales: Argentina growth kept consolidated Q1’16 level

Argentina new growth cycle started signaling for cement demand. **Paraguay** addressed demand in a highly competitive manner. **South Africa** excellence drivers teamed with commercial approach. **Portuguese** market grew.
Brazil lagged. **Egypt** adjusted. **Mozambique** strove.

Sales - BU opening				
(€ million)	1st Quarter			
	2017	2016	YoY	YoY LC
Brazil	121.0	135.5	-10.7%	-30.2%
Argentina	172.1	133.8	28.6%	35.1%
Paraguay	16.9	10.4	62.6%	53.9%
Portugal	61.2	53.8	13.6%	13.6%
Cape Verde	6.9	8.2	-15.5%	-15.5%
Egypt	24.0	52.6	-54.5%	-6.2%
Mozambique	21.5	34.1	-37.0%	-9.6%
South Africa	31.3	23.2	35.3%	8.6%
Trading / Shipping	46.5	48.2	-3.4%	-3.4%
Others	10.9	11.0	-0.2%	-0.2%
Sub-Total	**512.5**	**510.7**	**0.3%**	**0.3%**
Intra-Group Elimin.	-59.5	-56.6	5.0%	5.0%
Consolidated Total	**453.0**	**454.1**	**-0.2%**	**-0.3%**



Brazil: consumption followed the anticipated trend. InterCement volumes decreased 15%, as focused on EBITDA accretive market approach. Overcapacity still prevented price adjustments.

Argentina: March registered two-digit growth, after mild first months. Redesigned cost structure together with the commercial reaction towards inflation adjustments requirements succeeded. **Paraguay:** operations overcame the recent installed integrated plant technical performance. Strong market approach.

Portugal: local demand recovery drove volumes up 24%. Exports were yet to recover.

Cape Verde: major new works delay draw down contribution to consolidated figures.

Egypt: despite proven market resilience the effect of cement sales drop and Egyptian pound depreciation brought sales down by 54%.

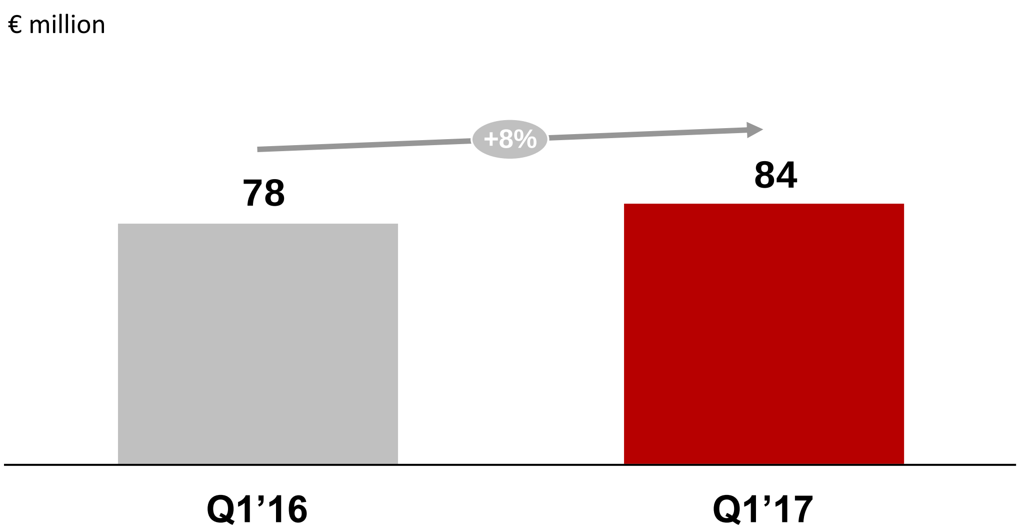
Mozambique: political economic context dragged demand and sales down by more than 30%.

South Africa: further capacity utilization and reinforced commercial approach resulted in 11% volume growth.

EBITDA grew 8%. EBITDA margin improved by 1.4pp.

EBITDA margin was up to 18.6%, 19.6% excluding non recurrent from further efficiency initiatives. Industrial excellence and commercial assertiveness on track to address market challenges. Energy costs pressured.
InterCement recovered, as ready to grab new growth opportunities.

EBITDA - BU opening				
(€ million)	1st Quarter			
	2017	2016	YoY	YoY LC
Brazil	8.9	16.8	-46.7%	-58.3%
Argentina & Paraguay	51.9	35.1	48.0%	53.8%
Portugal & Cape Verde	10.5	8.2	29.1%	29.1%
Africa	11.2	17.5	-35.9%	-19.2%
Trading & Others	1.6	0.3	n.m.	n.m.
Consolidated Total	**84.2**	**77.9**	**8.2%**	**8.5%**
EBITDA margin	***18.6%***	***17.1%***	**1.4 p.p.**	**1.5 p.p.**



Brazil: Efficiency increasing initiatives recently implemented materialized in local currency cost reductions – fixed costs (-16%); variable costs (-9%); SGA (-17%). However, a lower activity level came to further deteriorate EBITDA generation.

Argentina and Paraguay: EBITDA increased 48%. EBITDA margin was up to 27.5%, riding market growth on both geographies.

Paraguay equipment overcame technical performance, benchmarking internally for EBITDA margin.

Portugal and Cape Verde: Portuguese demand increased, together with recent efficiency pack implementation allowed a 30% increase in EBITDA, and a 3p.p. improvement on the EBITDA margin.

Egypt: efficiency brought by new coal mill would have offset local adversity, however further efficiency initiatives costs (€2.8M – headcount reduction) and forex led EBITDA down, dropping margin to a sole digit level.

Mozambique: efficiency initiatives delivered. Despite the slowdown and cost inflation EBITDA improved from Q1'16, while EBITDA and EBITDA margin increased QoQ.

South Africa: excellence driven capacity utilization, allowed moderate growth on a maintenance interventions. Quarter.

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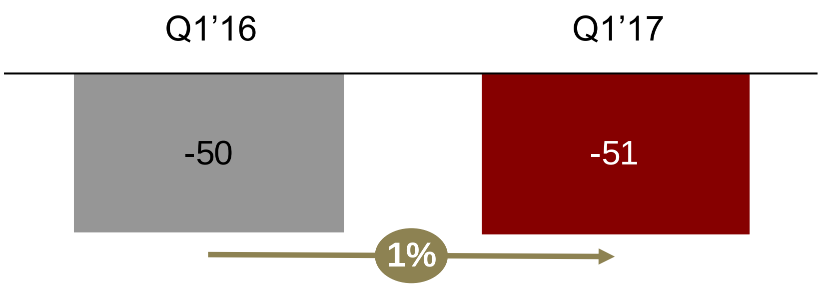
1. Operations Review

2. Results

3. Financing Structure

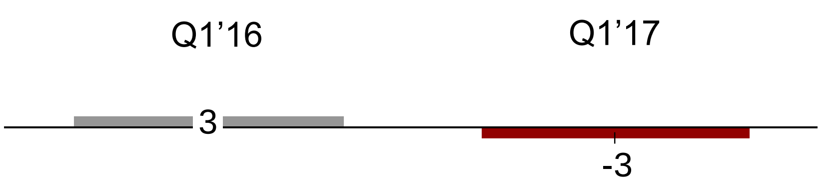
Financial results, unlike Q1'16, not affected by adverse forex

Depreciation, Amortizations and Impairments



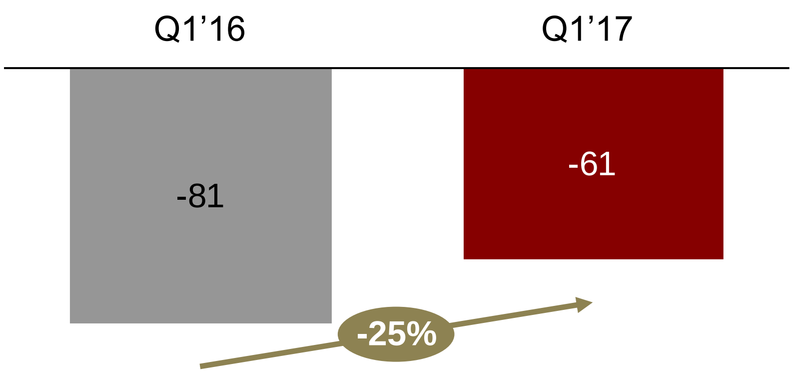
Depreciation and Amortizations kept at Q1'16 level.

Income Taxes Credits



Tax credits followed Earnings before Taxes evolution. Egyptian taxes penalized.

Financial Results



Unlike Q1'16 figures, no unfavorable forex impact.

€ million   YoY change

Net Results improved though still negative

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Net Results improved on the back of better operating performance and non forex penalized Financial Results. Marked Q1 seasonality was evident.

Income Statement			
(€ million)	1st Quarter		
	2017	2016	YoY
Sales	**453.0**	**454.1**	**-0.2%**
Net Operational Cash Costs	368.8	376.2	-2.0%
Operational Cash Flow (EBITDA)	**84.2**	**77.9**	**8.2%**
Deprec. Amort. and Impairments	51.1	50.4	1.3%
Operating Income (EBIT)	**33.1**	**27.4**	**20.8%**
Financial Results	-60.9	-81.3	-25.1%
Pre-tax Income	**-27.8**	**-53.9**	**-48.4%**
Income Tax	3.2	-3.3	-197.4%
Net Income	**-31.0**	**-50.6**	**-38.6%**
Attributable to:			
Shareholders	-26.3	-39.6	-33.5%
Minority Interests	-4.7	-11.0	-57.1%

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3. Financing Structure

Balance Sheet

€5,351M Total Assets. Equity slightly appreciated on a neutral forex environment.

Net Debt reached €2,737M, +5% vs December 31, revealing working capital and capex requirements.

Consolidated Balance Sheet Summary			
(million euros)	Mar 31 '17	Dec 31 '16	Var. %
Assets			
Non-current Assets	3,976	3,957	0.5
Derivatives	176	215	-18.2
Current Assets			
Cash, Equivalents and Securities	461	591	-22.0
Derivatives	23	26	-12.8
Other Current Assets	715	629	13.7
Total Assets	**5,351**	**5,419**	**-1.3**
Shareholders' Equity attributable to:			
Equity Holders	556	564	-1.4
Minority Interests	398	391	1.7
Total Shareholders' Equity	**954**	**955**	**-0.1**
Current Liabilities			
Loans & Obligations under finance leases	351	336	4.6
Derivatives	4	8	-56.5
Provisions & Employee benefits	1	1	0.0
Other Current Liabilities	551	569	-3.2
Non-current Liabilities			
Loans & Obligations under finance leases	3,037	3,090	-1.7
Derivatives	6	7	-25.2
Provisions & Employee benefits	114	114	0.1
Other Non-current Liabilities	334	338	-1.2
Total Liabilities	**4,397**	**4,464**	**-1.5**
Total Liabilities & Shareholders Equity	**5,351**	**5,419**	**-1.3**

Seasonality, inventory management and capex prevent FCF

Q1 seasonality trend outstands. Further **working capital investments** – new growth cycle requirements and inventory management.

Capex reveals completion disbursements for Egypt coal mill, fast return coprocessing investments and environmental required interventions.

Positive FCF expected for 2017 YE.

Free Cash Flow		
(€ million)	1st Quarter	
	2017	2016
Adjusted EBITDA *	89	79
Change in Working Capital	-113	-78
Others	-5	-15
Operating Activities	**-29**	**-14**
Interests Paid	-26	-51
Income taxes Paid	-6	-6
Cash Flow before investments	**-61**	**-71**
CAPEX	-44	-28
Assets Sales / Others	2	1
Free Cash Flow to the company	**-103**	**-98**
Borrowings, financing and debentures	22	24
Repayment of borrowings, financ. and debent.	-52	-38
Dividends	0	0
Other investment activities	32	-18
Changes in cash and cash equivalents	-101	-130
Exchange differences	1	-14
Cash and cash equivalents, End of the Period	441	623

Subsequent events:

-- Derivatives disarming

- Sale of minority stake in Estreito

Debt Profile

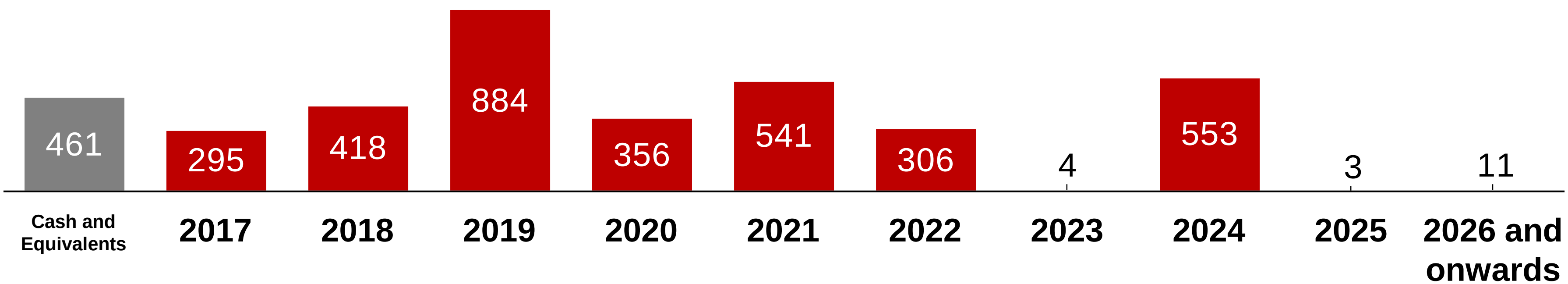
Liquidity covers needs up to 2018. Average debt maturity of 4 years.

Average debt **cost**: 4% (USD)

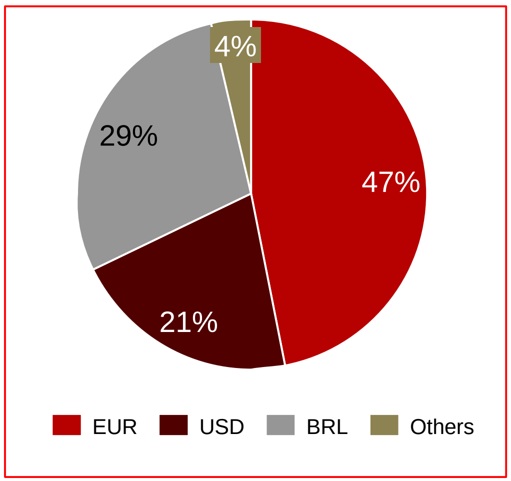
March 31, 2017

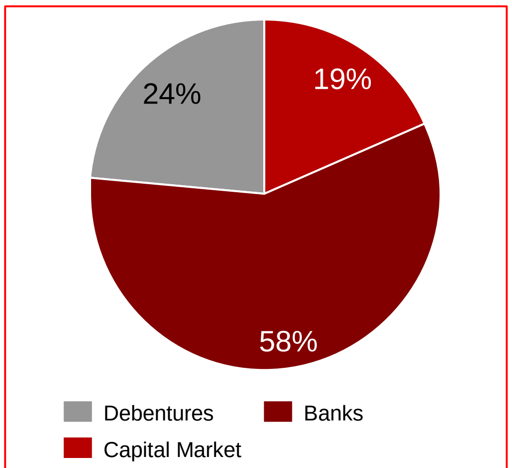
Maturities:

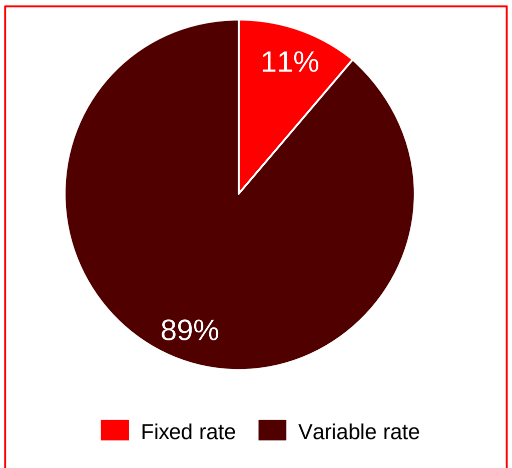
€ million



Profile:







Note: debt profile includes derivatives

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Thank you!

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