

CARMEUSE GROUP Interim Report as of June 2009

- 1. Net turnover reaches € 458.1 million, compared to € 606.1 million during the first half of 2008, reflecting the severe downturn of the economic environment.**
- 2. EBITDA amounts to € 102.7 million, reflecting an organic deterioration of 26 % when compared to June 2008, but ending up ahead of the Group estimates.**

OPERATIONS

As already noticed during the first quarter of this year, the global economic slowdown has affected all our key market segments, and notably the steel and construction sectors, with production at most steel plants hitting a bottom in the period.

Europe

Western Europe : lower volumes sold (both in crude and burnt) have driven to a decreased turnover when compared to last year (- 20%). The operating result suffered from the decreased activity.

During the period, some positive trend has been noticed in burnt products (Benelux – building/construction and soil stabilization) and crude volumes (Italy - chemical stones).

Volumes exported out of Europe also generated higher Ebitda compared to the previous year.

Central and Eastern Europe, Turkey : lead by low volumes in the steel and building & construction segments, the year to date turnover decreased by c.33% when compared to last year. However, Ebitda contribution has improved compared to the first quarter of the year thanks to strong monitoring of fuel and fixed costs.

Sales of excess CO₂ emission rights mitigated the reduction of Ebitda, most part of said sales has occurred during the first quarter of the year.

North America

At constant currency exchange rate, the net turnover of the North American region is down by c. 33% compared to the performance achieved by end of June 2008. This reduction is linked to decreased volumes sold both in burnt and crude products (major driver being the steel industry and the building & construction sectors where the governmental stimulus package did not materialize as expected) while the sands operations – mainly depending on the gas and oil drillings - ended up with close to 50% reduction of production when compared to the equivalent period of last year. Environmental segment (FGT business) also reflected current lack of utility demand.

GROUP FINANCING

The Group Consolidated Net Debt is stable at €863.2 million.

The Net Consolidated Interests Charges for this first half year ended up at €19.3 million below the level reached during the first part of 2008, supported by current very low interests rates in the financial markets and thanks to an active management of the Group debt charges.

Given the adverse impact of the global economic slowdown on our business, as of June 30, 2009, the Group has not been able to meet certain of the financial covenants previously agreed under its main bank facilities.

The Group has however reached an agreement with its major bankers in order to amend its existing bank facilities and waive, till the end of the next quarter, the event of default resulting from the breach of financial covenants, allowing time to parties to formalize their agreement.

RESULT BEFORE TAXES

As of June 2009, the result before taxes is negative at €10.3 million while the first half of 2008 reflected a profit of €40.9 million. Sharp reduction of operational activity level coupled with some higher depreciation amount (linked to the intensive Capex program of 2008) are the drivers of this result.

PERSPECTIVES AND OUTLOOK

We are impacted by the current economic downturn given our exposure to key markets as steel industry and construction sector. Like for most industries, the visibility is limited and we are cautions about the strength of a possible second-half recovery. However, we stay confident that the current and ongoing rationalization programs, together with our focus on profitability and a tight cash management will serve to best position the Group when the market recovery will take place

The Carmeuse Group is a leading global producer of lime, with almost 150 years of experience in the extraction and processing of high calcium limestone and dolomitic stone into lime and lime-related products for industrial and commercial customer.

Lime is used in multiple aspects of our everyday life (steel, construction, agro-food, paper, chemicals, plastics, carpets, paints, pollution control, water treatment.) .

Carmeuse is present in about 90 locations across Western Europe (Italy, Belgium, France and the Netherlands), Central and Eastern Europe (Slovakia, the Czech Republic, Hungary, Romania, Bosnia and Turkey), North America (the United States and Canada) and Africa (Ghana).

Total consolidated group net turnover amounted to 1.2 billion Euros in 2008.