

CARMEUSE GROUP Interim Report as of March 2010

1. Net turnover reaches € 250.7 million for the first three months of this year corresponding to a 13.9% organic increase compared to last year first quarter.
2. EBITDA amounts to € 48.7 million showing an organic improvement of 34.5% compared to 2009, mainly driven by the actions initiated by the Group in 2009 and improved business conditions.
3. Net result is back to profit at €10.2 million.

OPERATIONS

This first part of the year has confirmed the increased demand for our burnt products already noticed during last quarter of 2009; improvement in terms of volumes has been driven by the steel and FGT (Flue Gas Treatment) segments. Increased demand of lime products lead to end this quarter with sold volumes ahead of the first quarter 2009 level and Group budget. Sales of crude products ended up slightly better than budgeted at a similar level as last year. Current year performance has been hampered by harsh winter conditions in North America and Europe reducing the activity level in the agricultural and construction markets. Sands US operations are globally performing at budgeted level though suffering from low activity in the construction sector.

Europe

Western Europe : net turnover is slightly ahead of last year result. On the volumes side, burnt products have performed to similar level as during same period of 2009 while crude products dropped by some 7%, affected by the depressed construction sector and adverse weather conditions. Recurring Ebitda for this region is close to the 2009 number. Contrary to 2009, no sale of Emission Rights (CO2 quotas) has been performed during this first quarter.

Central and Eastern Europe, Turkey : compared to last year, net sales are up by some 14%. Regarding evolution of sold volumes, crude products faced lesser demands (negative impact of weather conditions in the building & construction markets) while increased activity – notably in the steel sector - allowed higher demand for burnt products. Ebitda of this region ended up significantly ahead of budget and last year numbers.

North America

Driven by the current recovery of the steel industry, the North American operations reflect a 21% increase of net sales compared to same period of last year; both volumes in crude and burnt products have shown superior performances. However, sold volumes of crude products were slightly below budget as building and construction sectors remain below expectations coupled with adverse weather conditions. Ebitda and operating result have significantly improved during this first quarter when compared to both budget and last year levels.

The contribution of the North American region in the Group's figures was negatively impacted, of about 4%, by the weakening of the US dollar (on an average basis) versus the Euro between the first quarters of 2009 and 2010.

GROUP FINANCING

The Group Consolidated Net Debt as of March 31, 2010 reaches €719.3 million, compared to €715.4 million end of December 2009. However, when excluding the negative impact of the strengthening of the US currency versus the Euro since December 2009 (close to 40% of the debt of the Group is denominated in US dollar), the net debt decreased to about. €700 million.

Net Consolidated Interests Charges for these first months of the year ended up at €12.2 million or a 20% increase compared to same period of 2009. Despite the debt reduction that occurred since March 2009, the amendments to the financial terms and conditions of the bank's credit agreements, renegotiated in September 2009, lead to higher interests charges for Carmeuse that are compensated by an extension of the credits maturities as well as a higher flexibility on the covenants side.

NET RESULT

The net result after taxes is returning to profit at €10.2 million compared to a net loss of €3.9 million by end of March 2009. This positive result has been driven by improved recurring operating results and a favorable revaluation in Euro of assets denominated in dollars which balanced the positive impact of sales of Emission Rights achieved during the first quarter 2009 while no similar results have been recognized in 2010.

PERSPECTIVES AND OUTLOOK

As noticed end of last year, positive signs of recovery of the economy have been confirmed during those first months of 2010, however more pronounced in North America than on the European continent. Despite this positive evolution, Carmeuse remains cautious on the sustainability of said recovery. Persistent lack of visibility and current volatility in financial markets are driving this cautiousness and today favourable evolution of the operations will have to be confirmed in the coming months.

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 944 million Euros in 2009.