

CARMEUSE GROUP Interim Report as of September 2011

1. Net turnover reaches € 907.2 million for the first nine months of this year corresponding to a 9.5% organic increase compared to same period of 2010.
2. EBITDA amounts to € 196.9 million or a 7.8% organic improvement over the same period of last year. Sustained sales to the steel and flue gas treatment segments coupled with continuing good results of the building and construction sector in the Benelux region are key drivers of the year to date EBITDA positive evolution.
3. Despite the negative one time impact of amortization of capitalized financial costs, the net result shows a profit of €20.8 million.

OPERATIONS

Europe

As compared to 2010, the net turnover during the first nine months of 2011 increased by 10% (at similar perimeter of activity and excluding impact from foreign currencies exchange rate evolution). This favorable result is supported by strong volumes sold of both crude and burnt products resulting from solid demand from the steel industry (despite some slowing shown during the last quarter) and from aggregate sales to the construction sector in the Benelux region.

The operating results benefited from such overall increased activity level except in Italy which was impacted by lower volumes and increased capacity by a competitor, along with increased energy and raw material costs.

North America

Excluding the impact from currencies exchange rate between Euro and Dollar, the net turnover for the period increased by 9% when compared to September of last year. Demand from steel industry, that remained relatively strong, combined with a robust activity in the Flue Gas Desulphurization segment (supported by hot weather in the US) are the main drivers of the 2011 performance.

As noticed for long time now, the construction activity remained weak with no improvement in sales.

Globally, the overall increased activity, coupled with cost control measures, resulted in improved operating results, however somewhat mitigated by higher energy and raw material prices during those first nine months 2011.

Since the beginning of 2011, the industrial sands business in the US significantly outperformed the budget thanks to solid volumes mainly supported by high demand in the oil and gas market segment (sand used in drilling activities).

As the industrial sands business is not core to Carmeuse and has limited synergies with the lime and limestone business, Carmeuse has launched a process to divest its industrial sands activity.

GROUP FINANCING

Net consolidated financial result by end of this reported quarter is negative at €61.2 million compared to €29.9 million, negative as well, a year ago. Higher 2011 interest expenses on the new Senior Notes issued end of April 2011 coupled with the non cash effect of marked-to-market valuation of foreign currency position and derivatives that was positive in 2010 and negative in 2011 explain this evolution.

The Group Consolidated Net Debt as of September 30th, 2011 reduces to €589,5 million, compared to €604,4 million at the end of the previous quarter.

NET RESULT

The net profit, after taxes, reaches €20.8 million compared to €46.9 million one year ago. Recognized 2011 write-off of capitalized financial expenses incurred on previous debt structure and the evolution of the financial result are the key items that shadow the improved operating result.

PERSPECTIVES AND OUTLOOK

Global economy is entering in a critical period with deterioration of customers' sentiment and speculation about the monetary Euro zone's future. A potential recession in Europe could also impact the US economy more particularly by hampering trade and industrial production.

We remain cautious about medium and long term forecasts given the uncertainty in overall macroeconomic conditions including, but not limited to, inflation risk, high unemployment affecting private consumption as well as public spending cuts.

The current economic climate may affect our performances for the last quarter of 2011 but we remain confident that our financial and operations structures will enable us to face the evolution of the economic environment.

The Carmeuse Group is a leading global producer of lime, with more than 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 1.1 billion Euros in 2010.