



URALITA's BUSINESS PERFORMANCE

FIRST QUARTER 2014

Sales and, especially, EBITDA improvement due to more activity in international markets and a lower cost base

- ***In the first quarter of 2014, Uralita achieved total sales of EUR 134.4 million, 1.2% more than the same period of the previous year, due to the progress of the exportation for businesses operating in the Iberian Peninsula and the activity increase of the insulation business in Europe.***
- ***In terms of geographical areas, international sales, which already represent 78% of the group's total sales, increased by 2% exhibiting good performance in the major European countries. However, in Spain they reduced by 3% primarily due to the slowing down of certain hydraulic infrastructure projects in the early part of the year.***
- ***EBITDA totalled EUR 8.6 million, more than double Q1 2013 figure. This increase was fundamentally due production costs optimizations, as a result of implementing industrial efficiency improvement plans, and lower fixed costs after reductions carried out in 2013.***
- ***Attributable net profit for the quarter was EUR -16.0 million, up EUR 2.2 million on Q1 2013 due to improved operating income despite higher finance costs.***
- ***This increase in operating income made it possible to maintain the debt level in comparison with the same date of the previous year, in a first quarter which is financially more demanding due to the seasonal variation of operations.***

<i>Consolidated totals (in million euros)</i>	Q1 2014	Q1 2013	Difference
Sales	134.4	132.8	1.2%
EBITDA	8.6	4.2	107%
<i>EBITDA margin (over sales)</i>	<i>6.4%</i>	<i>3.1%</i>	<i>+3.3 pp</i>
Attributable Net Profit	-16.0	-18.2	n.a.

Comments on sales figures and EBITDA:

- Uralita generated sales of EUR 134.4 million in Q1 2014, up 1.2% on the same period of 2013, due to good positioning for the insulating materials business in Europe as well as the positive growth in exports for the businesses operating in the Iberian Peninsula. This increase was affected by the devaluation of certain currencies against the euro, especially the Russian rouble, as well as Turkey moving beyond the scope of business. On a like-for-like basis, and excluding the effect of foreign currency, the increase in sales would have been 4.8%.
- By geographic area: In Western and Central Europe, which accounted 55% of the group's total sales in Q1 2014, sales grew 4% on greater activity in the insulation materials business due to its positioning in energy efficiency improvement projects for building. In Eastern Europe and Russia (22% of the group's sales), activity also improved, although sales in euros dropped 2% affected by the sharp devaluation of the Russian rouble. Lastly, sales in Spain, which represented 22% of the total for the group, were down 3%. This was primarily due to a slowing down of certain civil works because of the weather, although the building market remained stable at its current low level.
- By business unit, Interior Solutions (Gypsum and Insulation) achieved sales of EUR 115.7 million, 2% more than Q1 2013, with growth in both businesses. Roof Tiles business increased its sales to EUR 6.5 million (+24% vs. Q1 2013), with good performance on all markets, the Iberian Peninsula and exports. Finally, Piping business reached sales of EUR 12.8 million (-8% vs. Q1 2013). This business line was affected by the slowing down of certain projects mentioned above.
- Year-to-date EBITDA was EUR 8.6 million, up EUR 4.5 million (+107%) compared to Q1 2013, with a 3.3 p.p. increase in EBITDA margin. This improvement, which occurred in all businesses, was driven by the increased sales, the progress of industrial operating plans and the lower fixed costs after reductions carried out.