



## **URALITA'S BUSINESS PERFORMANCE**

### **FIRST QUARTER 2015**

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***Consolidation of growth in Spain, still slow recovery of European markets and strong impact of the devaluation of the Russian ruble***

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- ***In the first quarter of 2015, Uralita achieved sales of EUR 130.3 million in its two business lines (Interior Solutions and Pipes), representing an increase of 1.8 % over the same period of 2014.***
- ***Sales in international markets, which represented 76% of the group total, showed a minor decline because the slight increase in activity was penalized by the devaluation of the ruble against the Euro. Meanwhile, sales in Spain improved for the fourth consecutive quarter.***
- ***EBITDA for the first quarter amounted EUR 9.1 million, 1.9 % less than the same period in 2014, with an improvement of businesses located in Spain and a decrease in European markets affected by the devaluation of currencies.***
- ***Attributable net profit was EUR -18.9 million, reduced by 18 % compared to 2014 due to both higher financial expenses (which in the first quarter amounted to EUR 14.6 million) and extraordinary expenses, which reduced improvement achieved in operating income.***
- ***Moreover, as reported to the market recently through the corresponding relevant note, an agreement for the financial restructuring of Ursa Insulation division has been reached. This is subject to certain suspensive conditions, as the approval by Uralita's General Meeting of Shareholders which will imply, among other things, the transfer of control of the division from Uralita (which will maintain a 10% stake in the division) and the disappearance of the net financial debt of the Group.***

<i>Consolidated totals (in million euros)</i>	<b>Q1 2015</b>	<b>Q1 2014(*)</b>	<b>Difference</b>
<b>Sales</b>	<b>130.3</b>	<b>127.9</b>	<b>1.8%</b>
<b>EBITDA</b>	<b>9.1</b>	<b>9.3</b>	<b>-1.9%</b>
<i>EBITDA margin (over sales)</i>	<i>7.0%</i>	<i>7.2%</i>	<i>-0.2 pp</i>
<b>Attributable Net Profit</b>	<b>-18.9</b>	<b>-16.0</b>	<b>-18.2%</b>

(\*) 2014 sales and EBITDA figures do not include figures of Tiles business to facilitate the comparison of information, as a result of the exit from Uralita's perimeter in early 2015 (see further information in the annual accounts 2014)

### **Comments on sales figures and EBITDA:**

- Uralita generated sales of EUR 130.3 million in Q1 2015, representing an increase of 1.8 % compared to those obtained in the same period last year. This evolution was penalized by the impact of devaluation of certain currencies, especially the Russian ruble that lost 44% in value against the Euro (48.8 RUB / EUR in Q1 2014 against 70.5 RUB / EUR in Q1 2014). Excluding the currency effect, the comparable sales growth was 6.1 %, driven mainly by the progress of the Interior Solutions businesses (Insulation and Gypsum) and, to a lesser extent, of the Piping business.
- By regions: in Western and Central Europe, which accounted for 55 % of group sales in Q1 2015, sales increased 7.4 % due to business growth of plasterboard in France as well as the reopening of the new XPS insulation factory in Bondeno (Italy), damaged after the earthquake in May 2012. Sales in Spain, which accounted for 24% of the total group, grew 13% confirming the turnaround recorded in 2014. Finally, in Eastern Europe and Russia (20% of sales of the group<sup>(1)</sup>) sales in euros were 13% lower, affected by the sharp devaluation of the ruble (growth of 5 % excluding this currency effect) .
- By business, Interior Solutions achieved sales of EUR 117.2 million, 2% higher than Q1 2014, with growth in both activities, while Pipes achieved sales of EUR 13.0 million (+ 1 % vs. Q1 2014), driven by the progress of sewage works in Spain and the sale of fittings.
- Accumulated EBITDA was EUR 9.1 million, down by EUR 0.2 million (-1.9 %) compared to the figure in Q1 2014, with an EBITDA margin of 7.0%. The improvement in operating income of Spanish businesses did not fully compensate the negative impact of the exchange rate of approximately EUR 0.6 million.

<sup>(1)</sup> Sales in other international markets amounted 1 %.