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Agenda

1. Company overview
2. Financial profile
3. Conclusion
# Xella at a glance – well balanced business mix

- **Building Materials**
  - Products:
    - Autoclaved Aerated Concrete (AAC)
    - Calcium Silicate Units (CSU)
    - Mineral insulation boards
  - Sales by Geography:
    - Central and Eastern Europe: 26%
    - Western Europe: 67%
  - Brands:
    - YTONG
    - sika
    - hebel
  - Key end-markets:
    - Residential new build
    - Non-residential new build
    - Renovation
  - Highlights:
    - Europe’s largest producer of AAC by capacity and CSU by number of production plants

- **Dry Lining**
  - Products:
    - Gypsum fiber boards
    - Cement-bonded boards
    - Fire protection boards
  - Sales by Geography:
    - Main countries are Germany, Switzerland, France, The Netherlands, Austria and the United Kingdom
  - Brands:
    - fermaell
    - fermaell
  - Key end-markets:
    - Renovation
    - New build
  - Highlights:
    - A leader in a high-end market segment

- **Lime**
  - Products:
    - Lime
    - Limestone
  - Sales by Geography:
    - Central and Eastern Europe: 17%
  - Key end-markets:
    - Industry
    - Environmental
    - Building industry
  - Highlights:
    - Among the leading European lime producers

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(a) LTM as of September 30, 2011 and excludes consolidation.
Xella at a glance – key financials

Key financials

<table>
<thead>
<tr>
<th>in €m</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>LTM Sep-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,416</td>
<td>1,181</td>
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<td>Gross profit</td>
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<tr>
<td>Margin</td>
<td>56.0%</td>
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<td>55.3%</td>
<td>54.4%</td>
</tr>
<tr>
<td>Normalized EBITDA</td>
<td>278</td>
<td>219</td>
<td>193</td>
<td>213</td>
</tr>
<tr>
<td>Margin</td>
<td>19.6%</td>
<td>18.5%</td>
<td>16.8%</td>
<td>17.3%</td>
</tr>
</tbody>
</table>

Sales and Normalized EBITDA breakdown by business unit (LTM as of September 30, 2011) (b)

<table>
<thead>
<tr>
<th>Sales by business unit</th>
<th>Normalized EBITDA by business unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lime 21%</td>
<td>Lime 32%</td>
</tr>
<tr>
<td>Dry Lining 16%</td>
<td>Building Materials 53%</td>
</tr>
<tr>
<td>Building Materials 63%</td>
<td>Dry Lining 15%</td>
</tr>
</tbody>
</table>

(a) Excludes Germany.
(b) Excludes consolidation.

Sales by geography (LTM as of September 30, 2011)

- Asia/America 5%
- Eastern Europe 21%
- Germany 44%
- Western Europe (a) 30%

Total: €1,235m

in €m 2008 2009 2010 LTM Sep-11
Sales 1,416 1,181 1,146 1,235
Gross profit 793 671 634 672
Margin 56.0% 56.8% 55.3% 54.4%
Normalized EBITDA 278 219 193 213
Margin 19.6% 18.5% 16.8% 17.3%
## Products overview

<table>
<thead>
<tr>
<th>Products Overview</th>
<th>Xella brands</th>
<th>Selling points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autoclaved Aerated Concrete (AAC)</td>
<td>YTONG</td>
<td>- Complementary products</td>
</tr>
<tr>
<td>Assembly components and panels of AAC</td>
<td>\ hebel</td>
<td>- Full range supplier (sizes and applications)</td>
</tr>
<tr>
<td>Calcium Silicate Units (CSU)</td>
<td>silka</td>
<td>- Superior thermal conductivity</td>
</tr>
<tr>
<td>Mineral insulation board</td>
<td>YTONG</td>
<td>- Easy and reliable to apply</td>
</tr>
<tr>
<td>Gypsum fiber boards</td>
<td>fermacell</td>
<td>- Optimal fire protection</td>
</tr>
<tr>
<td>Cement-bonded boards</td>
<td>fermacell</td>
<td>- Ecological</td>
</tr>
<tr>
<td>Complementing products for system solutions</td>
<td></td>
<td>- Value-added services</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Meet present and future regulatory requirements</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Strong sound absorption</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- High load-bearing capacity</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Environmentally benign</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Fire resistant</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Fits to all applications</td>
</tr>
<tr>
<td>Lime</td>
<td>Fels</td>
<td>- Innovative products (e.g., hydro active hydrate)</td>
</tr>
<tr>
<td>Limestone</td>
<td></td>
<td>- Application know-how</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Logistical and supply chain management</td>
</tr>
</tbody>
</table>

## Ongoing and continuing improvement of products and services through own dedicated R&D facilities and local R&D teams

### Company Overview

<table>
<thead>
<tr>
<th>Company Overview</th>
<th>Financial profile</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Complementary product offerings

Overview of key applications

- Load-bearing walls (exterior + interior)
- Partition and separation walls
- Ceiling and roof panels
- Internal and external insulation

Overview of key applications

- Gypsum fiber board for walls and ceilings
- Gypsum fiber board for use in domestic bathrooms
- Flooring elements
- Attic conversion – 1-man board
- Powerpanel TE for use in wet rooms (flooring)
- Powerpanel H₂O for use in wet rooms (walls & ceilings)
Diversified revenue streams with leading market positions

Geographical footprint

Xella active in market with sales force

Xella not active

Company Overview

Financial profile

Conclusion
Favorable mid to long-term industry dynamics

Building sector trends
- Trend to higher quality construction (sustainability, maintenance costs, energy consumption, insulation, environmentally friendly material, etc.)
- Increasing demand for flexibility and simplicity (handling, logistics, processes, delivery times, etc.)
- Trend towards complete building solutions and reduced labor content (modular or prefab)
- Move towards efficient building processes (e.g. large-size building materials)

Regulatory environment
- Increasingly rigid environmental regulations (heat insulation, CO₂ emissions, etc.)
- Tightening of regulatory standards for building materials across Europe and China
- Greater specification of technical regulations/requirements (thermal & acoustic properties, seismic requirements, etc.)

Macro drivers & market dynamics
- GDP growth, business cycle of the construction industry and long-term interest rates
- Demographic trends
- Historic underinvestment in building construction and pent-up demand for higher quality housing in Central and Eastern Europe
- Renovation
- Prospects for German steel industry and environmental applications (Lime business unit)
Strong and resilient business throughout the cycle

Growth through the down-cycle: Dry Lining...

- Sales and Normalized EBITDA development

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (€m)</th>
<th>Normalized EBITDA (€m)</th>
<th>Margin (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>170</td>
<td>25</td>
<td>14.6%</td>
</tr>
<tr>
<td>2009</td>
<td>169</td>
<td>26</td>
<td>15.5%</td>
</tr>
<tr>
<td>2010</td>
<td>185</td>
<td>29</td>
<td>15.8%</td>
</tr>
</tbody>
</table>

Key strengths

- Strong exposure to the more resilient renovation market segment
- Maintained stable sales and improved profitability throughout the economic downturn based on:
  - Ability to increase price (cost pass through)
  - Strict cost controls
- Strong brand
- Active in the premium segment of the gypsum board market
- Broad variety of applications

... and Lime operations

- Sales and Normalized EBITDA development

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (€m)</th>
<th>Normalized EBITDA (€m)</th>
<th>Margin (%)</th>
</tr>
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<tbody>
<tr>
<td>2008</td>
<td>230</td>
<td>48</td>
<td>20.7%</td>
</tr>
<tr>
<td>2009</td>
<td>216</td>
<td>53</td>
<td>24.6%</td>
</tr>
<tr>
<td>2010</td>
<td>240</td>
<td>67</td>
<td>28.0%</td>
</tr>
</tbody>
</table>

Key strengths

- Broad and diversified customer base
- Price increase during downturn
- 2011: Long-term contracted volumes represent approximately 51% of total expected volume
- 2015: Long-term contracted volumes represent today already approximately 32% of expected volumes
- Long-term contracted volumes relate to high-volume customers, especially steel, power plants and chemical industry
- Long-lasting high-quality deposits (>150 years)
## Group strategy: Focus on sustainable & profitable growth

### Product differentiation
- Competitive advantage against traditional wall-building products through product innovation
- Supplementary products and system solutions, one-stop shop offering
- Value-added services, such as logistics, consulting services and construction planning support
- Continuous strengthening of brands and brand awareness

### Profitability improvement
- Continuous process improvement in all functional areas
- Optimization of consumption and sourcing of raw materials and energy
- Exploitation of economies of scale, including shared services, supply chain management, etc.
- Management of cash flow, costs, working capital and capex

### International expansion
- Further penetration of existing markets and selective participation in market consolidation
- Further expansion in the growth markets in Central and Eastern Europe
- Focus on China and neighboring Asian markets
Group strategy: Product innovations

fermacell

- Performance of regular Fermacell boards
- Ability to absorb chemical compounds (e.g. formaldehyde)
- Particularly of interest for renovation sector

YTONG

- Compound block with an integrated insulating core of Ytong Multipor
- Superior thermal insulation (lambda 0.06)
- Monolithic construction enables fast / cost efficient building process
- Mineral material: breathable, no formation of mould or algea
- Sustainability proven by certification according to “cradle to cradle”

Absorption of harmful substances

- Concentration of harmful substances in air
- Residual harmful substance content due to Fermacell Greeline
Group strategy: Profitability improvement / expansion

**Optimization Capex**

- Strict optimization capex discipline through downturn
- Full pipeline of highly attractive optimization projects in all three business units
- Top 20 optimization projects started in 2011:
  - Capex: €6.7m
  - Annual savings (run-rate): €4.1m
- Additional savings in consumption of resources like carbon emissions, natural gypsum consumption, mould oil etc.

**Expansion project Italy**

- Development of market without initial Capex
- Import of AAC products since 2004 from Xella plants
- Total sales volumes 154 km³ (in 2010) ensures adequate capacity utilization right from the start

➤ Limited risk for investment in own plant in Italy

**Key data Pontenure:**

- Plant built in 2008
- Capex: €33m
- Technical capacity: 360,000 m³ (max.)
Agenda

1. Company overview

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Historical financial data – Xella P&L

- In 2009 sales declined, particularly in the Building Materials business unit, due to the market downturn related to the financial crisis
- Normalized EBITDA 2009 decreased by 21%, Normalized EBITDA margin remained on a high level driven by resilience of Dry Lining and Lime business units, stable Net Average Revenue (NAR) and significant cost cutting initiatives in all business units
- 2010 further market decline in the Building Materials business unit and price pressure in certain European markets, while Dry Lining and Lime business units showed continued strong results
- The significant improvement in the first six months of 2011 is especially attributable to a strong sales volume increase in all business units. This is particularly driven by mild weather conditions in the first quarter of 2011, pent-up effects from 2010 and first signs of an overall recovery in the construction industry

<table>
<thead>
<tr>
<th></th>
<th>2008 (a)</th>
<th>2009</th>
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<td>1,146</td>
<td>1,235</td>
</tr>
<tr>
<td>% growth</td>
<td>7.9%</td>
<td>(16.6)%</td>
<td>(3.0)%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>793</td>
<td>671</td>
<td>634</td>
<td>672</td>
</tr>
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<td>% margin</td>
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<td>18.5%</td>
<td>16.8%</td>
<td>17.3%</td>
</tr>
<tr>
<td>Reported EBITDA</td>
<td>254</td>
<td>222</td>
<td>204</td>
<td>223</td>
</tr>
</tbody>
</table>

(a) Figures derived from an aggregation of the income statement and segment data of the 2008 Four-Month Consolidated Financial Statements of Xella International S.à r.l. for the period from May 26 to December 31, 2008 and the income statement and segment data of the 2008 Eight-Month Consolidated Financial Statements of Xella International GmbH for the period from January 1 to August 29, 2008. The aggregated 2008 financial information is unaudited.
Historical financial data – Current trading Q3-2011

**Sales by business unit (in €m)**

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>Q3 2010</th>
<th>Q3 2011</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>875</td>
<td>964</td>
<td>+10%</td>
</tr>
<tr>
<td>Building Materials</td>
<td>595</td>
<td>643</td>
<td>+8%</td>
</tr>
<tr>
<td>Dry Lining</td>
<td>139</td>
<td>160</td>
<td>+15%</td>
</tr>
<tr>
<td>Lime</td>
<td>178</td>
<td>203</td>
<td>+14%</td>
</tr>
</tbody>
</table>

**Comments**

- **Xella Group:**
  - Total sales increased by 10% mainly attributable to a strong increase in sales volumes in all three business units
  - Normalized EBITDA increased by 14%

- **Building Materials:**
  - Significant growth in sales particularly in Germany, other Western European countries, Poland, Russia and China
  - Implementation of price increases in core markets in 2011

- **Lime:**
  - Ongoing strong demand form industrial sector and further revitalization of building materials sector

- **Dry-Lining:**
  - Sustained growth in all core markets particularly in France, Germany, Switzerland, Scandinavia and through export business outside of Europe
  - High growth rate in sales of cement-bonded boards
Historical financial data – Capex 2008-2010

<table>
<thead>
<tr>
<th>Year</th>
<th>Capex (in €m)</th>
<th>Replacement and Others</th>
<th>Optimization</th>
<th>Expansion</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>€148m</td>
<td>60</td>
<td>45</td>
<td>43</td>
</tr>
<tr>
<td>2009</td>
<td>€97m</td>
<td>57</td>
<td>17</td>
<td>23</td>
</tr>
<tr>
<td>2010</td>
<td>€59m</td>
<td>19</td>
<td>9</td>
<td>31</td>
</tr>
</tbody>
</table>

10.5% of sales in 2008
8.2% of sales in 2009
5.2% of sales in 2010
Historical financial data – Free Cashflow

Free Cashflow (a) (in €m)

- 2007: Free Cashflow = 272 m€, Cash Conversion rate = 48%
- 2008 (pro forma) (b): Free Cashflow = 281 m€, Cash Conversion rate = 51%
- 2009: Free Cashflow = 222 m€, Cash Conversion rate = 63%
- 2010: Free Cashflow = 204 m€, Cash Conversion rate = 58%

(a) Free Cashflow after CapEx, before taxes.
(b) Addition of stub years; EBITDA and FCF excluding 27.9 m€ transaction fees related to the Xella Acquisition.
Financial structure as of September 30, 2011

<table>
<thead>
<tr>
<th>Facility</th>
<th>Amount (€m)</th>
<th>x EBITDA</th>
<th>Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>(151)</td>
<td>(0.7)x</td>
<td></td>
</tr>
<tr>
<td>Facility A</td>
<td>191</td>
<td>0.9x</td>
<td>Aug 15</td>
</tr>
<tr>
<td>Facility B</td>
<td>122</td>
<td>0.6x</td>
<td>Aug 16</td>
</tr>
<tr>
<td>Facility C</td>
<td>87</td>
<td>0.4x</td>
<td>Aug 17</td>
</tr>
<tr>
<td>Facility D</td>
<td>300</td>
<td>1.4x</td>
<td>Jun 18</td>
</tr>
<tr>
<td>Capex / Acquisition Facility</td>
<td>40</td>
<td>0.2x</td>
<td>Aug 15</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>11</td>
<td>0.1x</td>
<td></td>
</tr>
<tr>
<td><strong>Total net financial debt</strong></td>
<td><strong>601</strong></td>
<td><strong>2.8x</strong></td>
<td></td>
</tr>
<tr>
<td>Revolving Credit Facility</td>
<td>75</td>
<td></td>
<td>Aug 15</td>
</tr>
</tbody>
</table>

**LTM Sep-11 Normalized EBITDA** 213

Maturity profile as of September 30, 2011 (in €m) (*a*)

- **Strong cash position**
- **Leverage Ratio** (net financial debt/normalized EBITDA) **below 3x**
- **Sound capital structure with comforting maturity profile**
Agenda

1. Company overview
2. Financial profile
3. Conclusion
Key investment highlights (1/2)

Portfolio of innovative and high-quality premium products supported by well regarded brands

- Technically superior products and differentiation through focus on branding and value-added services
- High brand awareness, standing for high-quality, customer-oriented, superior products
- Broad product offering to address full spectrum of customer needs

Favorable mid to long-term industry dynamics

- Well positioned for potential cyclical upturn in construction sector
- Sustainable needs for housing and infrastructure driven by demographics, urbanization and pent-up demand for higher living standards
- Continued demand for technically-advanced, energy-efficient and environmentally friendly products
- Limited exposure to European countries with challenging outlook (e.g. Spain, Portugal, Ireland and Greece)

Diversified revenue streams by geography, products and end-markets with leading market positions

- 90 plants in 19 countries and sales activities in more than 30 countries
- Geographical diversification reducing risks of weaknesses in specific regional markets
- Diversified portfolio of business units with different risk profiles in terms of customers and end-markets
- Strong inroads into Russia and China provide for additional growth opportunities
- Exposure to diverse construction end-markets, including less cyclical renovation and infrastructure segments
Key investment highlights (2/2)

Dense and flexible plant network
- Strong position in white wall segment (especially in Germany and Western Europe) and attractive high-growth international markets (Central and Eastern Europe, selected regions in Russia and China)
- Well-invested business in capital intensive industry
- 90 plants in 19 countries and sales activities in more than 30 countries

Strong and resilient business throughout the cycle
- Strong operating leverage potential enhanced by recent cost base improvement measures
- High cash flow generation throughout the cycle
- Xella maintained a stable leverage ratio despite a lower Normalized EBITDA over the period 2008-2010
Thank you very much for your attention!

Please also visit us on our investor relation website @ xella.com