Investor Presentation
BNP Paribas
High Yield & Leveraged Finance Conference

London, January 15, 2015
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Agenda

1. Company overview
2. Key credit highlights
3. Financial profile
4. Conclusion
Xella at a glance – well balanced business mix

Xella

- Leading European manufacturer of wall-building materials and premium dry lining products, with backward integration into lime products and limestone
- Diversified revenue and earnings streams across products, customers, end markets and geographies
- Well-recognized brands and well-invested asset base in a capital-intensive industry
- Leading positions in Germany and other Western European countries and growing positions in Central and Eastern European countries as well as in selected regions of Russia and China
- Investments in the new business unit Ecoloop, offering award-winning waste to energy technology

### Products

<table>
<thead>
<tr>
<th>Building Materials</th>
<th>Dry Lining</th>
<th>Lime</th>
<th>Ecoloop</th>
</tr>
</thead>
<tbody>
<tr>
<td>Autoclaved Aerated Concrete (AAC)</td>
<td>Gypsum fiber boards</td>
<td>Lime</td>
<td>Ecoloop technology</td>
</tr>
<tr>
<td>Calcium Silicate Units (CSU)</td>
<td>Cement-bonded boards</td>
<td>Limestone</td>
<td>Clean synthesis gas from various wastes</td>
</tr>
<tr>
<td>Mineral insulation boards (Multipor)</td>
<td>Fire protection boards</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Sales by Geography

- **Asia/ Americas** 5%
- **Central and Eastern Europe** 24%
- **Western Europe** 71%
- Core markets are Germany, Switzerland, France, Austria, The Netherlands, and Belgium
- **Central and Eastern Europe** 18%
- **Germany** 82%
- **Our first reactor is in the commissioning and testing phases at our Lime plant “Kaltes Tal”, Germany**

### Brands

- **YTONG**
- **silka**
- **fibel**
- **Ytong**
- **fermacell**
- **fermacell**
- **Fels**
- **Ecoloop**

### Key end-markets

- Residential new build
- Non-residential new build
- Renovation
- Renovation
- New build

### Highlights

- Europe’s largest producer of AAC and CSU
- A leader in a high-end market segment
- One of the leading producers of lime in Europe
- Award winning waste to energy technology

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(a) LTM September 30, 2014  
(b) Includes Russia  
(c) Largest in AAC by capacity and CSU by number of production plants  
(d) We received the IKU (German Innovation Award for Climate and the Environment) and the Hugo Junkers Innovation Award 2012
Xella Group – key financials

### Key financials

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>LTM Sep 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales (in €m)</strong></td>
<td>1,271</td>
<td>1,283</td>
<td>1,254</td>
<td>1,269</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>690</td>
<td>697</td>
<td>658</td>
<td>673</td>
</tr>
<tr>
<td><strong>Margin</strong></td>
<td>54.3%</td>
<td>54.4%</td>
<td>52.4%</td>
<td>53.0%</td>
</tr>
<tr>
<td><strong>Normalized EBITDA</strong></td>
<td>208</td>
<td>217</td>
<td>196</td>
<td>198</td>
</tr>
<tr>
<td><strong>Margin</strong></td>
<td>16.4%</td>
<td>16.9%</td>
<td>15.7%</td>
<td>15.6%</td>
</tr>
</tbody>
</table>

### Sales by geography (LTM as of Sep 30, 2014)

- **Asia/America**: 4%
- **Central/Eastern Europe**: 20%
- **Germany**: 48%
- **Western Europe**: 28%

Total: €1,269m

### Sales and Normalized EBITDA breakdown by business unit (LTM as of Sep 30, 2014)

**Sales by business unit**

- **DL**: 17%
- **BM**: 62%
- **Lime**: 21%

Total: €1,269m

**Normalized EBITDA by business unit**

- **DL**: 13%
- **BM**: 51%
- **Lime**: 36%

*including BU Ecoloop EBITDA of € -1.5 million

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<table>
<thead>
<tr>
<th>Page</th>
<th>Company overview</th>
<th>Key credit highlights</th>
<th>Financial profile</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td></td>
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</tbody>
</table>
## Strategy: focus on sustainable & profitable growth

### Product Differentiation
- Competitive advantage vs. traditional wall-building products through product innovations, particularly in terms of energy-efficient building solutions
- Technological leadership through product related R&D
- Supplementary products and comprehensive solutions, one-stop shop offering
- Value-added services including logistics, consulting and construction planning support
- Continuous strengthening of brands

### Profitability Improvement
- Continuous process improvement in all functional areas and production optimization
- Optimization of consumption of raw materials and energy sourcing
- Exploitation of economies of scale through plant expansions and shared services, supply chain management, etc.
- Strong focus on cash flows, with respect to cost optimization and working capital / capex management
- Kick-off of group-wide efficiency improvement project with McKinsey & Company

### Diversification Strategy
- Geographic diversification through a network of 98 production plants\(^{(a)}\) in 20 countries and sales organizations in over 30 countries
- Substantial organic and external capacity increase in Dry Lining achieved as a result of recent investments (e.g. capacity expansion in cement-bonded boards plant in Calbe, Germany, and acquisition of unfinished gypsum fiber boards plant in Orejo, Spain, in 2012)
- Penetration of existing markets, selective participation in consolidation and further expansion in growth markets in Asia
- Development of the award-winning Ecoloop technology

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\(\text{\(^{(a)}\) Multiple production facilities for different products in the same location count as multiple plants}\)
Agenda

1. Company overview
2. Key credit highlights
3. Financial profile
4. Conclusion
Key credit highlights

1. Portfolio of innovative and high-quality premium products supported by well regarded brands
2. Favorable industry dynamics
3. Diversified revenue streams from a wide range of products with multiple applications
4. Dense and flexible plant network in key markets
5. Strong and resilient business through the cycle
6. Strategic investments for future growth
Portfolio of innovative and high-quality premium products supported by well regarded brands (1/2)

<table>
<thead>
<tr>
<th>Building Materials</th>
<th>Products overview</th>
<th>Xella brands</th>
<th>Key applications / selling points</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Autoclaved Aerated Concrete (AAC)</td>
<td></td>
<td>Full range of products (sizes and applications)</td>
</tr>
<tr>
<td></td>
<td>Assembly components and AAC panels</td>
<td>[image]</td>
<td>Complementary products</td>
</tr>
<tr>
<td></td>
<td>Calcium Silicate Units (CSU)</td>
<td>[image]</td>
<td>Low thermal conductivity</td>
</tr>
<tr>
<td></td>
<td>Mineral insulation board</td>
<td>[image]</td>
<td>Easy and reliable to apply (e.g. partition and separation walls)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Dry Lining</th>
<th>Gypsum fiber boards</th>
<th>Key applications / selling points</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cement-bonded boards</td>
<td>Fits all applications</td>
</tr>
<tr>
<td></td>
<td>Complementary products for system solutions</td>
<td>Strong sound absorption</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Lime</th>
<th>Lime</th>
<th>Key applications / selling points</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Limestone</td>
<td>High load-bearing capacity</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ecoloop</th>
<th>Ecoloop</th>
<th>Key applications / selling points</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Innovative products (e.g. hydro active hydrate)</td>
</tr>
</tbody>
</table>

Ongoing and continuing improvement of products and services through own dedicated R&D facilities and local R&D teams
**Portfolio of innovative and high-quality premium products supported by well regarded brands (2/2)**

### Complementary product offerings

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

### Overview of key applications

<table>
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<th>Financial profile</th>
<th>Conclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>9</td>
<td></td>
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</tr>
</tbody>
</table>

- 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)
2 Favorable industry dynamics

- **Macroeconomic environment**: GDP rebounding in Germany compared to crisis levels (+3.1% in 2011, +0.9% in 2012, 0.5% in 2013 and 1.4%(a) in 2014), while interest rates remain low

- **Construction sector cyclical recovery** in European residential and non-residential sectors, supported by:
  - Construction underinvestment in some key geographies
  - Pent-up in demand for new housing in some Eastern European countries

- **Demographics** support demand for new housing due to increase in household numbers and expected increase in skilled worker migration to certain countries

- **Renovation** demand less cyclical, supported by an ageing housing stock

- **Trend to real estate investments** due to safe haven function and positive financing environment

- **Other positive trends** include:
  - Emerging markets demand driven by GDP growth, increasing regulatory requirements and improvements in standards of living
  - Demand for lime driven by a variety of applications and by a diverse, non-correlated set of end customers

**Industry Trends**

- **Additional construction requirements** drive demand for products with better sustainability, fire resistance, sound performance and lower maintenance needs

- **Sustainable buildings** require products allowing for lower energy intensity and environmental footprint

- **Flexibility in construction work** becoming increasingly important for builders, in search of complete building solutions – including the procurement of handling and logistics services

- **Reduction in labour content** supports demand for pre-fabricated and large-size building elements

**Regulatory Environment**

- **Increasing environmental regulations**, driven by growing energy consumption and governments’ commitment to reduce carbon dioxide emissions, imply more stringent requirements to improve heat insulation and reduce CO₂ emissions. e.g. European Union’s Energy Performance of Buildings Directive (EnEV 2020)

- **Tightening quality standards for building materials** in Europe with regards to fire protection, seismic characteristics and acoustic properties

Sources: IMF, Euroconstruct

(a) IMF figures actual (2011-2013) / forecast (2014)
Diversified revenue streams from a wide range products with multiple applications

Sales by product (LTM as of September 30, 2014)(a)

Sales by geography (LTM as of September 30, 2014)(b)

Dry Lining – various applications

Lime – applications in various industries

(a) product sales excluding service sales, trading goods, transportation and inter business unit sales
(b) excluding consolidation
(c) without Germany
Dense and flexible plant network

Geographic footprint

Xella’s plants

- Xella active with sales force
- Xella not active

Key highlights

- 98 plants in 20 countries and sales activities in more than 30 countries
- High capital investment to establish operations is hard to replicate
- The dense plant network provide proximity to customers and cost advantage due to high relative transportation costs
- Technological advantage due to autoclaving steam hardening process
- Ability to alter production capacity in a short period of time by adjusting the number of staff shifts between 1 and 4
Strong and resilient business through the cycle

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (€m)</th>
<th>Normalized EBITDA (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>170</td>
<td>25</td>
</tr>
<tr>
<td>2009</td>
<td>169</td>
<td>26</td>
</tr>
<tr>
<td>2010</td>
<td>185</td>
<td>29</td>
</tr>
<tr>
<td>2011</td>
<td>208</td>
<td>34</td>
</tr>
<tr>
<td>2012</td>
<td>208</td>
<td>35</td>
</tr>
<tr>
<td>2013</td>
<td>210</td>
<td>25</td>
</tr>
<tr>
<td>LTM 09/2014</td>
<td>221</td>
<td>26</td>
</tr>
</tbody>
</table>

Margin:
- 14.6%
- 15.5%
- 15.8%
- 16.4%
- 16.6%
- 12.0%
- 11.8%

Key strengths:
- Strong exposure to the more resilient renovation market segment
- Maintained stable sales and improved profitability in the economic downturn based on:
  - Ability to increase prices (cost pass-through)
  - Strict cost controls
- Strong brand
- Active in the premium segment of the gypsum board market
- Broad variety of applications
- Commencement of new operations in Q2 2013 (Orejo, Spain and Calbe, Germany)
  - Start-up losses: €4.9m in 2013 and €1.9m LTM Q3 2014

... and Lime operations

<table>
<thead>
<tr>
<th>Year</th>
<th>Sales (€m)</th>
<th>Normalized EBITDA (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>229</td>
<td>50</td>
</tr>
<tr>
<td>2009</td>
<td>216</td>
<td>53</td>
</tr>
<tr>
<td>2010</td>
<td>240</td>
<td>67</td>
</tr>
<tr>
<td>2011</td>
<td>268</td>
<td>59</td>
</tr>
<tr>
<td>2012</td>
<td>272</td>
<td>63</td>
</tr>
<tr>
<td>2013</td>
<td>281</td>
<td>69</td>
</tr>
<tr>
<td>LTM 09/2014</td>
<td>283</td>
<td>73</td>
</tr>
</tbody>
</table>

Margin:
- 21.6%
- 24.6%
- 28.0%
- 22.0%
- 23.2%
- 24.6%
- 25.8%

Key strengths:
- Broad range of customers in non-correlated industries
- Price increases during downturn
- Long-term contracted volumes relate to high-volume customers, especially in steel, power and chemical industries
- Long-term contracted volumes represent approx. 50% of total expected volumes in 2015
- Long-lasting high-quality deposits (>120 years)
6 Strategic investments for future growth

Acquisition of unfinished GFB\(^{(a)}\) plant Orejo, Spain

- Strengthening international business
- GFB plant Orejo adds 12m m² capacity
- Attractive purchase price of €14.5m (vs. a significantly larger greenfield investment), acquired from a distressed seller
- Commissioning capex of €6.6m until start of operation in Q2 2013
- No start-up losses in LTM Q3 2014 anymore

Capacity expansion in CBB\(^{(b)}\) in Calbe, Germany

- Enhance market position
- Extension of CBB capacity by 1.5m m² (max.)
- Capex from 2010 to Q2 2013: €19.2m (excl. subsidies)
- Start of operation in Q2 2013
- Start-up losses incurred in LTM Q3 2014: €0.3m

Ecoloop: “First of its kind”

- Producing synthesis gas from problem waste (e.g. plastic)
- Environmentally friendly, sustainable use of resources
- Establishment of own business unit in 2013
- Capex of around €17.5m from 2010 to Q2 2013
- Start-up losses incurred in LTM Q3 2014: €6.4m

Build of new Lime plant Tovarkovo, Russia

- High market demand for high quality lime
- Customer base: steel industry and building materials
- Capacity: 230 kt, operating with four kilns
- Capacity fully utilized

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\(^{(a)}\) Gypsum fiber boards
\(^{(b)}\) Cement-bonded boards
**Market position Fermacell**

- Established market positions in Germany, Switzerland, Benelux and Denmark
- Key focus on UK and France given high market volume of gypsum boards
- Further expansion possibilities in Italy, Sweden, Eastern Europe and Export in general

**Cement bonded board – sales development**

- **Sales growth (CAGR)** +20%

- **Company overview**

- **Key credit highlights**

- **Financial profile**

- **Conclusion**
Agenda

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Historical financial data – Xella P&L

- Sales in 2009 dropped significantly especially in Building Materials due to the economic crisis related market downturn
- 2010 saw further market decline in Building Materials, especially in South Eastern Europe, and price pressure in some European markets, but also strengthened performance in Dry Lining and Lime
- Performance in 2011-2012 was largely driven by Xella’s ability to pass on higher costs to customers in certain key markets
- 2013 was affected by a harsh winter in Q1 2013, continued difficult economic environment, and start-up losses (BU Dry Lining and Ecoloop) which negatively affected EBITDA in 2013, partly offset by strong sales contributions from Russia and Germany
- In Q1 2014, strong performance supported by the mild winter and higher lime demand from industrial sector
- Q2 and Q3 2014 slightly weaker than previous year due to pull-forward effect into Q1 2014

<table>
<thead>
<tr>
<th>in €m</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>LTM Q3 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales&lt;sup&gt;a&lt;/sup&gt;</td>
<td>1,416</td>
<td>1,181</td>
<td>1,146</td>
<td>1,271</td>
<td>1,283</td>
<td>1,254</td>
<td>1,269</td>
</tr>
<tr>
<td>% growth</td>
<td>7.9%</td>
<td>(16.6%)</td>
<td>(3.0%)</td>
<td>10.9%</td>
<td>0.9%</td>
<td>(2.2)%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>793</td>
<td>671</td>
<td>634</td>
<td>690</td>
<td>697</td>
<td>658</td>
<td>673</td>
</tr>
<tr>
<td>% margin</td>
<td>56.0%</td>
<td>56.8%</td>
<td>55.3%</td>
<td>54.3%</td>
<td>54.4%</td>
<td>52.4%</td>
<td>53.0%</td>
</tr>
<tr>
<td>Normalized EBITDA&lt;sup&gt;b&lt;/sup&gt;</td>
<td>278</td>
<td>219</td>
<td>193</td>
<td>208</td>
<td>217</td>
<td>196</td>
<td>198</td>
</tr>
<tr>
<td>% margin</td>
<td>19.6%</td>
<td>18.5%</td>
<td>16.8%</td>
<td>16.3%</td>
<td>16.9%</td>
<td>15.7%</td>
<td>15.6%</td>
</tr>
<tr>
<td>Reported EBITDA</td>
<td>254</td>
<td>222</td>
<td>202</td>
<td>200</td>
<td>207</td>
<td>194</td>
<td>200</td>
</tr>
</tbody>
</table>

<sup>a</sup> For 2010 – LTM September 2014, sales as reported, including inter-segment sales
<sup>b</sup> Normalized EBITDA as reported
## Financial data – divisional overview

<table>
<thead>
<tr>
<th>Segment</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>LTM Sep 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Building Materials</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales (a)</td>
<td>1,057</td>
<td>836</td>
<td>769</td>
<td>848</td>
<td>854</td>
<td>817</td>
<td>822</td>
</tr>
<tr>
<td>% growth</td>
<td>-</td>
<td>(20.8%)</td>
<td>(8.0%)</td>
<td>10.2%</td>
<td>0.8%</td>
<td>(4.4)%</td>
<td>0.6%</td>
</tr>
<tr>
<td>Normalized EBITDA</td>
<td>216</td>
<td>140</td>
<td>97</td>
<td>115</td>
<td>120</td>
<td>104</td>
<td>102</td>
</tr>
<tr>
<td>% margin</td>
<td>20.5%</td>
<td>16.7%</td>
<td>12.6%</td>
<td>13.6%</td>
<td>14.0%</td>
<td>12.7%</td>
<td>12.4%</td>
</tr>
<tr>
<td><strong>Dry Lining</strong></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Sales (a)</td>
<td>170</td>
<td>169</td>
<td>185</td>
<td>208</td>
<td>209</td>
<td>210</td>
<td>221</td>
</tr>
<tr>
<td>% growth</td>
<td>-</td>
<td>(0.6%)</td>
<td>9.5%</td>
<td>12.2%</td>
<td>0.4%</td>
<td>0.7%</td>
<td>5.2%</td>
</tr>
<tr>
<td>Normalized EBITDA</td>
<td>25</td>
<td>26</td>
<td>29</td>
<td>34</td>
<td>35</td>
<td>25</td>
<td>26</td>
</tr>
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<td>11.8%</td>
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<tr>
<td><strong>Lime</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
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<tr>
<td>% growth</td>
<td>-</td>
<td>(5.7%)</td>
<td>10.7%</td>
<td>11.6%</td>
<td>1.6%</td>
<td>3.2%</td>
<td>0.7%</td>
</tr>
<tr>
<td>Normalized EBITDA</td>
<td>48</td>
<td>53</td>
<td>67</td>
<td>59</td>
<td>63</td>
<td>69</td>
<td>73</td>
</tr>
<tr>
<td>% margin</td>
<td>20.7%</td>
<td>24.6%</td>
<td>28.0%</td>
<td>22.0%</td>
<td>23.2%</td>
<td>24.6%</td>
<td>23.5%</td>
</tr>
<tr>
<td><strong>Ecoloop</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales (a)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1 (b)</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Normalized EBITDA</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(2)</td>
<td>(2)</td>
<td></td>
</tr>
<tr>
<td>% margin</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,416</td>
<td>1,181</td>
<td>1,146</td>
<td>1,271</td>
<td>1,283</td>
<td>1,254</td>
<td>1,269</td>
</tr>
<tr>
<td>% growth</td>
<td>-</td>
<td>(16.6%)</td>
<td>(3.0%)</td>
<td>10.9%</td>
<td>0.9%</td>
<td>(2.2)%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Normalized EBITDA (c)</td>
<td>278</td>
<td>219</td>
<td>193</td>
<td>208</td>
<td>217</td>
<td>196</td>
<td>198</td>
</tr>
<tr>
<td>% margin</td>
<td>19.6%</td>
<td>18.5%</td>
<td>16.8%</td>
<td>16.3%</td>
<td>16.9%</td>
<td>15.7%</td>
<td>15.6%</td>
</tr>
</tbody>
</table>

(a) Total sales for the segment, including inter-segment sales  
(b) 2013 result available only; previous figures reported as part of Lime segment  
(c) Sales and Normalized EBITDA including consolidation / holding adjustments

### Highlights

- Severe impact of economic downturn since 2008 with a significant effect on sales volumes and net average revenues  
- Steady bounce back from the trough in 2010 on the back of strong performance in certain key markets  
- Still difficult market situation in important Dutch market as well as in France and Italy  
- Segment more exposed to demand from less cyclical construction sectors of renovation, remodeling and modernization  
- Steady through the cycle topline growth, based on stable core market with higher net average revenues until 2012  
- FY2013 and LTM Q3 2014 negatively impacted by expansion projects and cost for increased sales forces  
- Segment focuses on a broad range of customers in non-correlated industries  
- Margins maintained well above the 20% level through the cycle  
- Rapid revenue growth from 2009 to 2011, with 2 years of 10+% top line growth  
- Ecoloop is a new segment within Xella, previously reported as part of Lime business  
- Ecoloop is in the start-up phase to market the technology to external customers. The business unit will grant licences, supply engineering and key components as well as offer post-commissioning support for Ecoloop reactors  
- Despite the challenging macroeconomic conditions, Xella was able to return to top line growth in 2011/2012  
- EBITDA margin has proved resilient though the cycle, remaining stable until 2012  
- FY2013 and LTM Q3 2014 negatively impacted by Dry Lining expansion and certain weaker markets in Building Materials segment
Performance Group Q1-3/2014

Normalized EBITDA development (in € million)\(^{(a)}\)

- Dry Lining: Q1-3/2013: -2.2, Q1-3/2014: 0.0
- Lime: Q1-3/2013: 0.8, Q1-3/2014: 3.5

Q3 trading update

- Sales in all three operational BU’s YTD Q3 2014 above PY despite challenging macro-economic development in Netherlands and Southern Europe
- EBITDA in Q1-3 in BU Building Materials slightly below PY; positive development in Belgium, Czech Republic, Poland and Hungary can only partly offset weaker development in Netherlands, France and Russia (mainly fx effects)
- EBITDA in BU Lime well above PY due to positive sales and favorable production cost development overcompensating negative fx effects in Czech Republic and Russia

\(^{(a)}\) EBITDA of Xella International S.A. (single entity) included in Normalized EBITDA, but not shown in bars above (Q1-3/2013: €-0.2 million; Q1-3/2014: €-0.2 million).

EBITDA of BU Ecoloop included in Normalized EBITDA, but not visible in bars above (Q1-3/2013: €-0.7 million; Q1-3/2014: €-0.7 million).
Capex development

Investments of approx. €820m in the years 2006-2013, including €570m in the years 2008-2013

Substantial investments have been made in developing the Dry Lining business unit

Investments in the award-winning Ecoloop technology

Cautious Capex behaviour in Q1-3 2014 with catch up in the fourth quarter
Strong cash generation profile

Free cashflow development

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA (€)</th>
<th>FCF (€)</th>
<th>Cash Conversion (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007 (pro forma)</td>
<td>272</td>
<td>131</td>
<td>48%</td>
</tr>
<tr>
<td>2008</td>
<td>281</td>
<td>144</td>
<td>51%</td>
</tr>
<tr>
<td>2009</td>
<td>222</td>
<td>141</td>
<td>63%</td>
</tr>
<tr>
<td>2010</td>
<td>204</td>
<td>117</td>
<td>58%</td>
</tr>
<tr>
<td>2011</td>
<td>202</td>
<td>130</td>
<td>64%</td>
</tr>
<tr>
<td>2012</td>
<td>207</td>
<td>97</td>
<td>47%</td>
</tr>
<tr>
<td>2013</td>
<td>194</td>
<td>101</td>
<td>52%</td>
</tr>
<tr>
<td>LTM Q3 2014</td>
<td>200</td>
<td>98</td>
<td>49%</td>
</tr>
</tbody>
</table>
Financial Structure

Financial structure as of September 30, 2014

<table>
<thead>
<tr>
<th>Credit Facility</th>
<th>Amount (€m)</th>
<th>x EBITDA</th>
<th>Maturity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>(90)</td>
<td>(0.5)x</td>
<td></td>
</tr>
<tr>
<td>Facility A term loans</td>
<td>31</td>
<td>0.2x</td>
<td>Aug 15</td>
</tr>
<tr>
<td>Facility B term loans</td>
<td>124</td>
<td>0.6x</td>
<td>Aug 16</td>
</tr>
<tr>
<td>Facility C term loans</td>
<td>89</td>
<td>0.4x</td>
<td>Aug 17</td>
</tr>
<tr>
<td>Combined Facility loans</td>
<td>70</td>
<td>0.4x</td>
<td>Aug 16</td>
</tr>
<tr>
<td>Facility D2 loan</td>
<td>325</td>
<td>1.6x</td>
<td>Jun 19</td>
</tr>
<tr>
<td>Capex/Acquisition Facility loan</td>
<td>6</td>
<td>0.0x</td>
<td>Aug 15</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>7</td>
<td>0.0x</td>
<td></td>
</tr>
<tr>
<td><strong>Net financial debt</strong> (a)</td>
<td>562</td>
<td>2.8x</td>
<td></td>
</tr>
<tr>
<td>Revolving Credit Facility (b)</td>
<td>75</td>
<td></td>
<td>Jun 17</td>
</tr>
<tr>
<td><strong>Normalized LTM EBITDA</strong></td>
<td>198</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(a) Financial debt does not include subordinated shareholder loans
(b) Thereof €21.1m utilized in form of guaranty facilities

- **Moderate Leverage Ratio of 2.8x** (SFA Leverage Ratio: 2.50x)
- **Extension of maturity profile with latest SFA amendment and new bond issuance**

- **Sound capital structure,**
  no refinancing action required prior to Q3 2015
Agenda

1. Company overview
2. Key credit highlights
3. Financial profile
4. Conclusion
Key credit highlights

1. Portfolio of innovative and high-quality premium products supported by well regarded brands
   - Technically innovative products and differentiation through focus on branding, value-added products and services
   - High brand awareness, standing for high-quality and customer-oriented products
   - Broad product offering to address full spectrum of customer needs
   - High level of customer retention particularly in Lime segment

2. Favorable industry dynamics
   - Well positioned for potential cyclical upturn in the 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
   - Very limited exposure to European countries with particularly challenging outlook (e.g. Spain, Portugal, Ireland and Greece)

3. Diversified revenue streams by geography, products and end-markets with leading market positions
   - 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
   - Exposure to diverse construction end-markets, including less cyclical renovation and infrastructure segments
Key credit highlights

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)
- 98 plants in 20 countries and sales activities in more than 30 countries
- Technological advantage due to autoclaving steam hardening process in BU Building Materials
  - Enables fast and easy adjustment of production capacities (1- to 4-shift system)
  - Required only a low number of plant closures throughout the crisis

Strong and resilient business throughout the cycle
- Diversified business (three pillars) are the basis for resilience
- Strong operating leverage potential enhanced by cost base improvement measures
- High cash flow generation throughout the cycle
- Stable leverage ratio maintained through the downturn despite a lower Normalized EBITDA

Strategic investments for future growth
- Investments of approximately €820m in the years 2006-2013, including €570m in the years 2008-2013
- Substantial investments have been made in developing the Dry Lining business unit
- Unique Ecoloop technology to provide a low-cost natural gas substitute from residues