Capital Markets Days
Egypt example

Saâd Sebbar, Middle East Africa
Egypt – Impressive business turnaround

Key initiatives

- **Good progress on top line management:**
  - Successful *price management* approach
  - Continuous success in *winning major infrastructure projects*
  - *Affiliated retail network* leveraging our current base of more than 3000 retailers

- **Brand awareness** and *employee engagement* through the *Momtaz brand* campaign

- **Strong Fixed cost reduction** within the plant and headquarters

- **Fuel conversion** in an *asset light* mode

*Increased profitability by 1200 bps margin from 2015 to 2016FC*
Egypt – Fuel flexibility & Asset light approach

LH Egypt – fuel mix by source (%)

- Successful **fuel transition** …
- …in an **asset light mode converting an existing cement mill** (~30MCHF savings)
- **RDF usage increase** ensuring further fuel flexibility and **reducing USD exposure**

*Fuel bill reduced by ~60MCHF in FC2016 vs. 2015*