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CORPORATE PARTICIPANTS

Gaston Pinnel – Investor Relations

Sergio Faifman – Chief Executive Officer & VP, Board of Directors

Marcos Gradin – Chief Financial Officer

About Loma Negra

Founded in 1926, Loma Negra is the leading cement company in Argentina, producing and distributing cement, masonry cement, aggregates, concrete and lime, products primarily used in private and public construction. Loma Negra is a vertically-integrated cement and concrete company, with nationwide operations, supported by vast limestone reserves, strategically located plants, top-of-mind brands and established distribution channels. The Company also owns a 51% equity stake in an integrated cement production plant in Paraguay, which is one of two leading cement producers in that country. Loma Negra is listed both on BYMA and on NYSE in the U.S., where it trades under the symbol "LOMA". One ADS represents five (5) common shares. For more information, visit www.lomanegra.com

Disclaimer

This release contains forward-looking statements within the meaning of federal securities law that are subject to risks and uncertainties. These statements are only predictions based upon our current expectations and projections about possible or assumed future results of our business, financial condition, results of operations, liquidity, plans and objectives. In some cases, you can identify forward-looking statements by terminology such as "believe," "may," "estimate," "continue," "anticipate," "intend," "should," "plan," "expect," "predict," "potential," "seek," "forecast," or the negative of these terms or other similar expressions.

The forward-looking statements are based on the information currently available to us. There are important factors that could cause our actual results, level of activity, performance or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements, including, among others things: changes in general economic, political, governmental and business conditions globally and in Argentina, changes in inflation rates, fluctuations in the exchange rate of the peso, the level of construction generally, changes in cement demand and prices, changes in raw material and energy prices, changes in business strategy and various other factors.

You should not rely upon forward-looking statements as predictions of future events. Although we believe in good faith that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Any or all of Loma Negra's forward-looking statements in this release may turn out to be wrong. You should consider these forward-looking statements in light of other factors discussed under the heading "Risk Factors" in the prospectus filed with the Securities and Exchange Commission on October 31, 2017 in connection with Loma Negra's initial public offering. Therefore, readers are cautioned not to place undue reliance on these forward-looking statements.

Except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this release to conform these statements to actual results or to changes in our expectations.

PRESENTATION

Operator

Good morning, and welcome to the Loma Negra Update Call. There will be an opportunity for you to ask questions at the end of today's presentation. As a reminder, today's conference call is being recorded.

At this time, I would like to turn the call over to Mr. Gaston Pinnel of Investor Relations. Please go ahead.

Gaston Pinnel

Thank you. Good morning, everyone, and thank you for joining us today. Speaking during today's call will be Sergio Faifman, our CEO and Vice President of the Board, and Marcos Gradin, our CFO. Both will be available for the Q&A session.

Before we proceed I would like to make the following Safe Harbor statement. Today's call will contain forward-looking statements and I refer you to the forward-looking statements section of our earning release and recent filings with the SEC. We assume no obligation to update or revise any forward-looking statement to reflect new or changed events or circumstances.

Now, I would like to turn the call over to the CEO, Sergio Faifman.

Sergio Faifman

Thank you, Gaston. Hello, everyone. As you know my English is not the best, so I prefer to make this call in Spanish which will then be translated into English.

[Spanish]

Interpreter

Good morning, everyone. We appreciate your participation and interest in this call. We have been receiving in the past few days many questions from you related to the current situation of the country and its prospects, impacts of fluctuations in the exchange rate, and publication of unfounded journalistic news. It is for this reason that we decided to have this call.

First of all, I want to point out that Loma Negra keeps intact its competitive advantages and its strengths that allowed us to contribute to the growth of the country for more than 90 years, having gone through the most diverse economic circumstances. We are the undisputed leaders of the cement industry in Argentina, the only one with presence throughout the country, with strategically-located facilities, with limestone reserves for more than 100 years, with a recognized brand and long-term relationships with our customers.

Regarding the industry, the market showed an approximate growth of 13% in April, with the volume of May strongly impacted by the rains this month. Our perspectives on the cement market have not changed, and as evidence for this, our production capacity expansion continues as planned. This project not only will expand our production capacity, but will allow us to substantially reduce our costs, improving our competitiveness.

It is not uncommon in times of volatility for rumors to abound so let me be very clear to you about it. We are not aware of the existence of any type of proceeding, investigation, trial, or similar action against the company by the Comision Nacional de Defensa de la Competencia (CNDC) or any other another body alleging cartelization in the cement industry or any violation of federal securities law.

We are convinced that the only way to develop and progress in a sustainable and lasting way in the industry, is through free competition. That is why our commercial strategy aims to provide a value proposition that allows us to differentiate ourselves from our competitors through the quality of our products and services, technical assistance, and proximity to our customers, attributes for which we are recognized as an industry benchmark.

It is important to highlight that our pricing policy is aligned with maximizing the value of the company, taking into account our commercial strategy, the increase in our costs and the sustainability of our business.

Finally, I would like to remind you that Loma Negra does not allow under any circumstances any violation of the Code of Business Conduct and its ethical and integrity values, or its standards of relationship with the competition and compliance.

Having said that, let me open it for Q&A now so that we can clear any of your concerns. Thanks a lot.

QUESTIONS AND ANSWERS

Operator

Thank you. We will now begin the question and answer session. To ask a question, you may press star then one on your touchtone phone. If you are using a speakerphone, please pick up your handset before pressing the keys. To withdraw your question, please press star then two. In order to allow listeners to participate please limit yourself to one question and one follow-up. At this time, we will pause momentarily to assemble our roster.

The first question comes from Daniel Sasson from Itau BBA. Please go ahead.

Daniel Sasson

Hi, Sergio. Thanks for the presentation. My question is related to your pricing policy. Does anything change following the alleged investigation on the price collusion? When do you expect to be able to recover the negative impacts from the US dollar appreciation in your prices? That will be my first question. Thanks.

Sergio Faifman

[Spanish]

Interpreter

Hello, Daniel. Thank you very much for your question.

Sergio Faifman

[Spanish]

Interpreter

First of all, in connection with our pricing policy, let me say that we allow no impact of rumors in our pricing policy.

Sergio Faifman

[Spanish]

Interpreter

Our pricing policy will in no way be tied or influenced by any news in connection with any investigation of anti-trust authorities.

Sergio Faifman

[Spanish]

Interpreter

In terms of the profitability in connection with our pricing policy, let me tell you that it is that profitability remains basically in very similar to the one prior to the devaluation over the last month.

Daniel Sasson

Thank you. And my follow-up question, are there any impacts on your expected expansion at L´Amalí? Are there any risks that includes postponed project, or are you already at a point of no return? Thank you.

Sergio Faifman

[Spanish]

Interpreter

For the first point, the impact of the devaluation on the L´Amalí project, let me remind you that 50% of that investment is in Argentinian pesos.

Sergio Faifman

[Spanish]

Interpreter

In terms of the project, let me reassure you that it's in line with our plans for the project and that not only does it bring great improvement in capacity expansions, but also enhancement in our core structure and competitiveness.

Sergio Faifman

[Spanish]

Interpreter

The only way that I would see that project being halted or delayed is if there were substantial drop in the market.

Sergio Faifman

[Spanish]

Interpreter

And, as I said earlier, our growth forecast for the Argentinian market remains unchanged.

Daniel Sasson

Thank you. Gracias, Sergio.

Sergio Faifman

[Spanish]

Operator

The next question comes from Daniel McGoey from Citigroup. Please go ahead.

Daniel McGoey

Morning, gentlemen. My question is pretty basic, just on some of the terminology we're using about this news. The prospectus outlines a number of inquiries from the competition commission going back to 2013, some of which are still open. Some of them originated as a result of complaints from the industry, and then the one from August 2017 which is—it doesn't seem to have originated from a complaint. So, I guess my first question is whether or not it is irrelevant when you consider whether this is an accusation of wrongdoing which you've stated clearly that it's not, whether it originates from a complaint, and whether or not this inquiry is—if it's fair to say that what was reported in the press is an inquiry regarding market structure rather than an allegation. Thank you.

Sergio Faifman

Thank you, Dan, for your question. [Spanish]

Interpreter

The notice we received shortly ago is in connection with the inquiry that was commenced by the CNDC by the Anti-Trust Commission in 2017.

Sergio Faifman

[Spanish]

Interpreter

That inquiry was one that was duly disclosed to the market and it's an inquiry into market structure at large, and as far as we are concerned it is an investigation that goes over ten different industries in Argentina.

Sergio Faifman

[Spanish]

Interpreter

Basically what they are requesting now is an update of the information that we provided in 2017 that is [indiscernible] around volume, sales, cost structure, and the like.

Sergio Faifman

[Spanish]

Interpreter

We would like to be very clear in making a distinction between a general inquiry into market structure from one based on an alleged violation.

Sergio Faifman

[Spanish]

Interpreter

In this regards, in late April this year we received a resolution in the course of the same inquiry stating that the purpose of such inquiry is to analyze the competition's conditions of the cement market in order to ensure proper competitive recommendations. And, it states further that it does not relate to the inquiry of any anti-competitive conduct.

Daniel McGoey

Got it. Thank you very much.

Sergio Faifman

Thank you.

Operator

The next question comes from Nikolaj Lippmann from Morgan Stanley. Please go ahead.

Nikolaj Lippmann

Thank you, gentlemen. Thanks for taking my question. Just a follow-up there on Dan's question. The previous Argentine government used a range of unconventional tools to try to manage inflation. When you look at the business government and interaction that you have had with different agencies, do you feel that any sort of sign, signals that have been sent from them, from different entities towards you to try to do something similar in terms of managing the price of your products? That is my question. Thank you very much.

Sergio Faifman

Thank you, Nikolaj. [Spanish]

Interpreter

Thank you for your question. The truth is that, first of all, we have absolutely seen no signs that there is any government influence behind this news that we've had. And, second of all, as far as we know from different comments and everything, the government favors free prices and would refrain from any form setting prices.

Sergio Faifman

[Spanish]

Interpreter

Let me add to that out of the meetings we've had with the authorities we've been able to infer that the government is ideologically against any price caps redeemed, and furthermore, they believe that when they were applied in the past these sort of redeems have failed both to control prices and to curb inflation.

Nikolaj Lippmann

Thank you, and good luck.

Sergio Faifman

Thank you, Nikolaj.

Operator

The next question comes from Dan Altman from Bradesco. Please go ahead.

Dan Altman

Quick question on the demand side. You mentioned weather issues over the past month. I'm just curious how much visibility you have now in your order book. Will the volumes that you've lost due to rain, will they be recovered later this year or could you face a weaker demand than the, say, 6% that we were thinking earlier? Thanks.

Sergio Faifman

Thank you. [Spanish]

Interpreter

As I said earlier, until April we were seeing a 13% increase in demand. In May this was clearly affected

by the rain, but after the rain ceased over the last few days we've seen levels recover to pre-May levels.

Sergio Faifman

[Spanish]

Interpreter

Moreover, I would like to make a conservative comment in connection with the future of public work. Although to date we have seen no reduction in the volume of public work, we believe that we could expect future work to be either delayed or to progress more slowly.

Sergio Faifman

[Spanish]

Interpreter

And, if we take into consideration that this infrastructure work would account for 30% of the demand in the cement industry, we believe that a 10% reduction in infrastructure work could translate into a 2% or 3% decrease in the total demand.

Sergio Faifman

[Spanish]

Interpreter

A positive sign we've seen is that the government is progressing very quickly with public/private partnership. Particularly, we're seeing material progress in road works that are being deployed for the second semester of this year so that we believe that we will see that translating to increasing demand in the cement industry by the end of the year.

Sergio Faifman

[Spanish]

Interpreter

That added to the volume of private work in our view would translate into volume slightly higher than 2017.

Dan Altman

Okay, so just to clarify, the 6% forecast for growth this year is being revised to slightly up. Am I understanding correctly?

Sergio Faifman

[Spanish]

Interpreter

No. Actually with all the outlook that I was describing we expect that 6% to be adjusted to a level slightly higher than 2017; that would be between 0% and 3% higher.

Dan Altman

Okay. Thank you. Gracias.

Operator

The next question comes from Carlos Peyrelongue from Bank of America. Please go ahead.

Carlos Peyrelongue

Thank you. Thank you, gentlemen, for the call. Two questions if I may. First one is are there—can you comment if there are any anti-trust cases open against the company? I believe there was something from 2013 or 2014. Are those still open?

And the second is can you comment—you mentioned that 50% of L'Amalí's capex is in dollars. Can you comment what is the proportion of your cash that is held in dollars? Are you covered in terms of that capex having that amount of money in dollars? Thank you.

Sergio Faifman

[Spanish]

Interpreter

As for 2013, 2014 these are just general market inquiries. They remain open but we've received no notice and no charges have been brought in the course of those investigations. And, as for L'Amalí, as I said, while 50% is in pesos, 50% is in dollars and payments are made in those currencies pro rata that structure.

Sergio Faifman

[Spanish]

Interpreter

The plans for that we hold them, 50% in pesos and 50% in dollars.

Carlos Peyrelongue

Perfect. So, just to clarify, there is no open investigation related to alleged wrongdoing on competitive issues. All the investigations are open even those from '13 and '14 are industry-wide investigations. Is that correct?

Sergio Faifman

Yes. It's correct.

Carlos Peyrelongue

[Spanish]

Operator

The next question comes from Mauricio Serna from UBS. Please go ahead.

Mauricio Serna

Hi. Good morning. Thanks for taking my question. Thanks for hosting the call. Just a couple follow-ups. Going over the pricing policy, just trying to make sure the purpose of your pricing policy is to cover FX depreciation or the inflation of the market, or just to cover the cost exposure in US dollars.

Sergio Faifman

Thank you for your question. [Spanish]

Interpreter

Thank you for your question. Our pricing policy is basically determined based on all of the factors you mentioned, foreign exchange, cost increases. Naturally, we need to take into account import parity as well.

Mauricio Serna

Thanks. And just a quick follow-up. If maybe you can mention throughout this quarter, April and May, what level of pricing have you done just because actually that same article from last week mentioned a 13% price increase, now which seems—I mean, it might be to cover the recent FX depreciation, but I just want to make sure if it's actually more in line with the monthly inflation levels that we have been seeing.

And just very quickly, also, on the volumes that you mentioned, you mentioned a 0% to 3% growth for this year, I guess that's down from the 6% to 7% that we heard on the conference call, just trying to reconcile that given that you still were mentioning that, overall, infrastructure is still looking like it's going to grow for the rest of this year. So, I just want to understand where this more cautious approach for yearly volumes comes from. Thanks.

Sergio Faifman

[Spanish]

Interpreter

In terms of specific prices you know we are not in the habit of communicating specific prices in our conference calls. In terms of the profitability I can reiterate what I said earlier that our profitability remains at levels similar or equal to those prior to the devaluation.

Sergio Faifman

[Spanish]

Interpreter

Every one of our prices increases was communicated on specific dates and effective as of specific dates. None of them was at all delayed or retracted.

Sergio Faifman

[Spanish]

Interpreter

In terms of volumes, well, I can only go back to what I said earlier in this regard. Although I believe that it might be too soon to evaluate the market we can say that after the rain ceased, our shipments are back to levels that are equal or similar to those of April. We are seeing no signs that there may be a drop in activity, let alone a significant drop in activity.

Mauricio Serna

Got it. Thank you very much.

Operator

The next question comes from Christine Rowley from Sloane Robinson. Please go ahead.

Christine Rowley

Thank you for taking the time to do the call. It's very much appreciated. I just wanted to follow-up on the comment that you mentioned earlier regarding profitability remaining similar to levels prior to the devaluation. When you say profitability, do you mean profitability in pesos per ton at the EBITDA level or in US dollars per ton at the EBITDA level, or in percentage terms off of a much lower Argentine revenue base? It would be helpful to gain some additional insights there because I'm not quite sure what you mean when you say profitability remains at similar levels.

Sergio Faifman

Thank you for the question. [Spanish]

Interpreter

When I said that our profitability remains at similar levels what I mean is that our marginal contribution, that is prices minus variable costs in dollars remain at levels similar to those prior to the devaluation.

Christine Rowley

Okay. So, suggesting that you've been able to fully pass through the impact of the peso devaluation through pricing and cost to retain the marginal contribution the same in US dollar terms. Is that correct?

Sergio Faifman

[Spanish]

Interpreter

Actually, we pass through part of our cost structure to prices because part of our costs are peso denominated, too. So, they were also affected by the devaluation. So, that is why we say that our levels remain similar to those in terms of our marginal contribution.

Christine Rowley

When you talk about a marginal contribution you're talking about the costs of going out and buying certain raw materials which might be priced in US dollars at the current exchange rates. You don't have any legacy inventory benefits which was purchased when the peso was relatively stronger or are you taking those benefits into account when you talk about the marginal contribution?

Sergio Faifman

[Spanish]

Interpreter

Although it is true that we may derive difference from previous inventories that will not be significant. When I say that our marginal contribution remains the same I'm talking about the real situation today and not about one-off inventory gain that we may have at this point.

Christine Rowley

Thank you. May I just ask one additional question? On the LAmali expansion, I think at the time of your IPO you talked about that additional plant capacity costing approximately \$350 million. I wondered if you have a revised estimate of that cost and if you could also inform us perhaps how much you have spent already on that project in US dollars millions through to the end of the first quarter of the current year.

Sergio Faifman

[Spanish]

Interpreter

To date we have spent between US\$30 million and US\$35 million. We can expect that if the peso remains at levels and progresses hand in hand with inflation in the future, out of the 300 remaining we would derive between US\$20 million and US\$25 million in savings.

Operator

The next question comes from Petr Grishchenko from Barclays. Please go ahead.

Petr Grishchenko

Good morning, gentlemen. Thanks a lot for taking my question. I wanted to follow-up a little bit more on the—obviously, the most important topic was the FX move. I want to understand if your contracts have provisions that incorporate the moves in FX, and also if the contracts have—can you give some color on the length of the contracts? In other words do you sign them for 30 days, 60 days, several months? Because, I'm struggling to understand how you managed to raise prices 25% over last month because that's basically how best to devalue it [ph].

Sergio Faifman

Thank you for the question. [Spanish]

Interpreter

Our sales are in pesos. We have no long-term contracts other than for some specific concrete projects where there are adjustment clauses that are basically adjusted based on raw material prices. But for cement, we have no long-term or medium-term contracts and prices are set at the time of every sale.

Petr Grishchenko

Okay, that's helpful. And I guess my follow-up, I wanted to get some more clarity in your—what you described as your unchanged view on public/private partnerships. I think clearly the growth story in Argentina really hinges on DVPs and I wanted to understand a little better what leads us to believe that the country can still issue, I think, it was like \$26 billion in the initial plan. So, any view would be really helpful.

Sergio Faifman

[Spanish]

Interpreter

The information available to us is that the government was very satisfied at the economic base that it has for those six or seven road work projects that it launched and it was very pleased at the interest and financing costs of those bids. That is why we hear that the government is willing to progress quickly and is currently at the stage of awarding and implementing those projects.

Sergio Faifman

[Spanish]

Interpreter

Now it is due to the inherent nature of this project, these types of projects in terms of the way they are awarded and implemented that we expect to see the impact on cement demand in the next six months, approximately.

Petr Grishchenko

Got it. Thank you very much, and best of luck.

Operator

The next question is a follow-up from Mauricio Serna from UBS. Please go ahead.

Mauricio Serna

Hi. Thanks for taking the follow-up question. Just very briefly if you could remind us of your dollarized cost exposure for your Argentina cement business. Thanks.

Sergio Faifman

Approximately 44%.

Mauricio Serna

Thank you.

Operator

The next question comes from Tony Christ from Capital Securities. Please go ahead.

Tony Christ

[Spanish] I'm Greek and I'm an investor and analyst in Washington D.C. in the suburbs, Falls Church, and since I'm a little older now my math is slipping so I want to ask a question about the psychology of the company. The company, if I understand it correctly, is priced right now at about—and this may not be correct because I haven't really read disclosure documents, I'm going on the internet without disclosure documents—about 1x sales. I'm assuming that's about correct.

I want to know what the manager, the gentlemen speaking, owns in the company, the percentage, the percentage owned by insiders in the company, and I also would like to know what their view is. In other words, I understand fully that there are many institutions on this call and they're investors in the company, what is their view? Do they find it attractive? If they have a window opening up do they plan, do you, the people running the company plan to buy shares with us?

I mean, it's an exciting period. Argentina's struggling through 50 years of bad government. In 1974 Argentina was equal to the United States and it still is in riches and in resources, and it's a pretty exciting period for the institutions too, I think, as they look at Argentina. But, on a personal level for Loma, what are your plans?

Also, I'd like to leave my address to get a copy of the offering circular. I've been unable to get one. I'm a recent shareholder and I have investors in the company.

Interpreter

Excuse me. Could you summarize your question? Rephrase it in a simpler way please.

Tony Christ

Yes. How much do the insiders intend to buy stock at this time when the appropriate window is open for them to do it now that the price has come down 30%, 40%, and how much—as a corollary, how much stock do they presently own, and if they've been selling how much has been sold in the last few weeks?

Sergio Faifman

[Spanish]

Interpreter

The percentage of ownership of the stock by management and employees of the company is under 1% of the company's share of capital. As to what are the prospective for future moves of that less than 1%, we cannot say whether they will expand, maintain, or reduce their current shareholding.

Tony Christ

I'm referring to the managers, the decision makers in the company, not the employees. And also, I would like to leave my address to get a copy of the offering circular. I've been unable to get one, if you can mail it to me.

Sergio Faifman

[Spanish]

Interpreter

The board of directors is actually included in that 1% I mentioned; totaling board of directors, management, and employees, their shareholder is less than 1% of the company's total share capital.

Tony Christ

Okay. Just to rephrase it, do any of the decision makers, including the ones speaking, intend to purchase their own stock in the next 90 days?

Sergio Faifman

It's a personal decision.

Gaston Pinnel

For the other document that you were requesting you can send an e-mail to investorrelations@lomanegra.com, please. Thank you.

Tony Christ

Thank you.

CONCLUSION

Operator

Seeing that there are no further questions, this concludes our question and answer session. I would now like to turn the conference back to management for any concluding remarks.

Gaston Pinnel

Thank you for joining us today. We appreciate your interest in our company and we look forward to meeting more of you over the coming months and providing financial and business updates. In the interim the team remains available to answer any questions that you may have. Thank you and enjoy the rest of your day.

Operator

The conference is now concluded. Thank you for attending today's presentation. You all may now disconnect.