HeidelbergCement

2012 Trading Statement – Slides for analysts call

07 February 2013

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Cirebon Plant, Indonesia

HEIDELBERGCEMENT

Group

- **Significant year-over-year increase in Revenues and Operating EBITDA.**
- **Higher Operating EBITDA margin on Group level** driven by clear margin improvement in Asia, Africa and North America (*)
- **Margins continue to improve in core business lines cement and aggregates (*)**
- **"FOX 2013" saving targets overachieved** (384m€ savings versus target of 200m€)

Group Overview	January - December				L-f-L	October - December				L-f-L
	2011	2012	variance			2011	2012	variance		
Volumes										
Cement volume ('000 t)	87,784	88,974	1,190	1.4 %	1.4 %	22,401	21,936	-464	-2.1 %	-2.1 %
Aggregates volume ('000 t)	254,108	243,049	-11,059	-4.4 %	-5.1 %	62,986	60,152	-2,834	-4.5 %	-5.7 %
Ready mix volume ('000 m^3)	39,086	39,101	15	0.0 %	0.0 %	9,894	10,070	176	1.8 %	2.4 %
Asphalt volume ('000 t)	9,543	8,604	-939	-9.8 %	-9.8 %	2,347	2,075	-273	-11.6 %	-11.6 %
Operational result (EURm)										
Revenue	12,902	14,020	1,118	8.7 %	4.2 %	3,282	3,495	213	6.5 %	3.4 %
Operating EBITDA (**)	2,321	2,477	156	6.7 %	2.8 %	639	691	53	8.2 %	4.2 %
in % of revenue (**)	*18.0 %*	*17.7 %*				*19.5 %*	*19.8 %*			
Operating income	1,474	1,613	140	9.5 %	5.6 %	410	455	45	10.9 %	6.1 %
Revenue (EURm)										
Cement	6,211	6,819	609	9.8 %		1,585	1,694	110	6.9 %	
Aggregates	2,553	2,692	138	5.4 %		641	660	19	3.0 %	
Building Products	1,195	1,233	38	3.2 %		284	295	10	3.6 %	
Opr. EBITDA margin (%) (**)										
Cement	26.3 %	25.8 %				29.2 %	30.6 %			
Aggregates	22.9 %	23.6 %				23.0 %	21.6 %			
Building Products	9.9 %	8.7 %				7.7 %	8.8 %			

(*) Excluding / (**) Including:

1. Gain upon curtailment in pension plan: 132m€ (2011), 42m€ (Q4 2011)
2. Gain from exhausted quarry sales: 70m€ (2012)
3. CO_2 gains: 64m€ (2012), 61m€ (2011), 66m€ (Q4 2012), 60m€ (Q4 2011)

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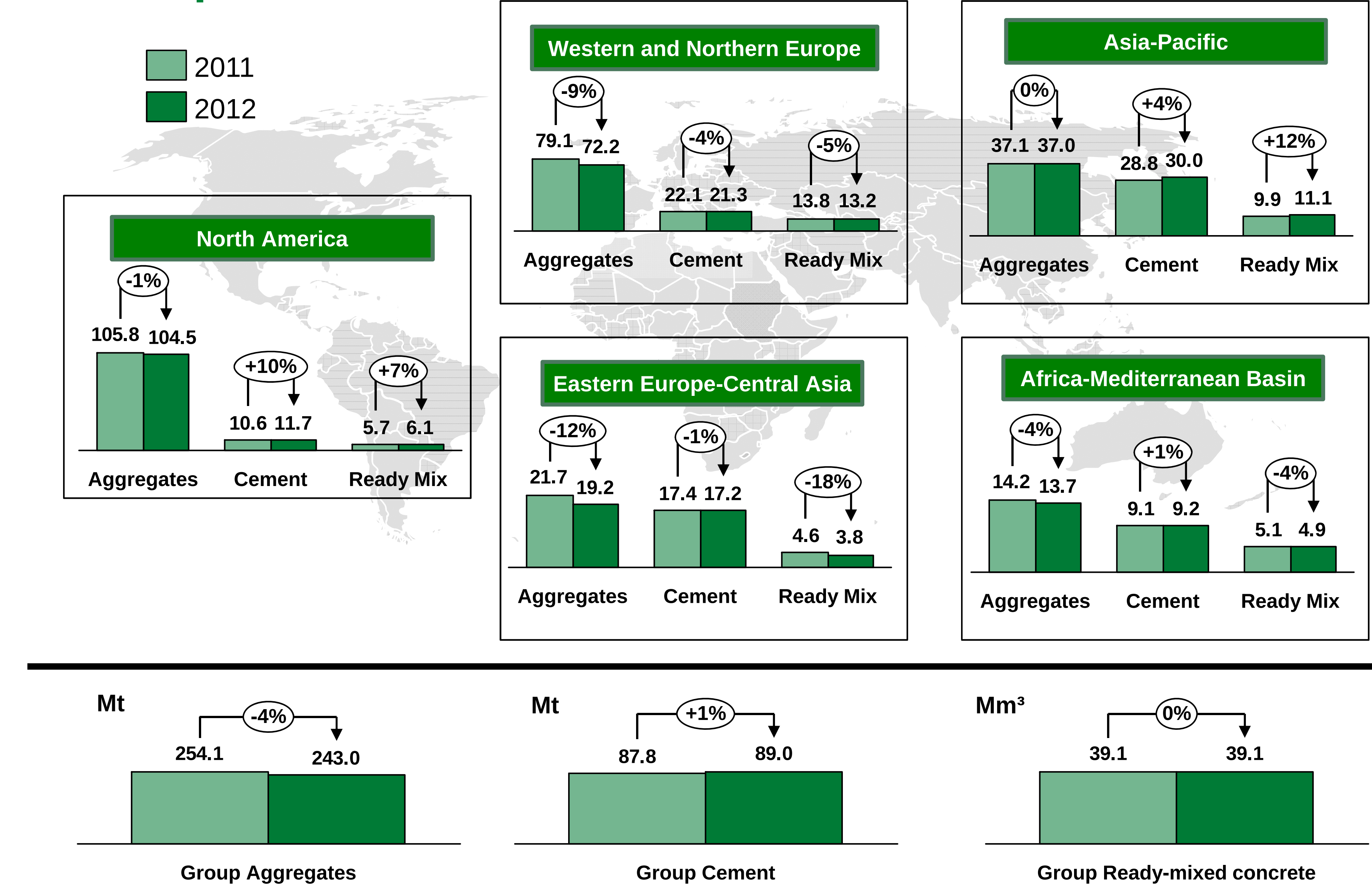
Group Sales Volumes – Full Year



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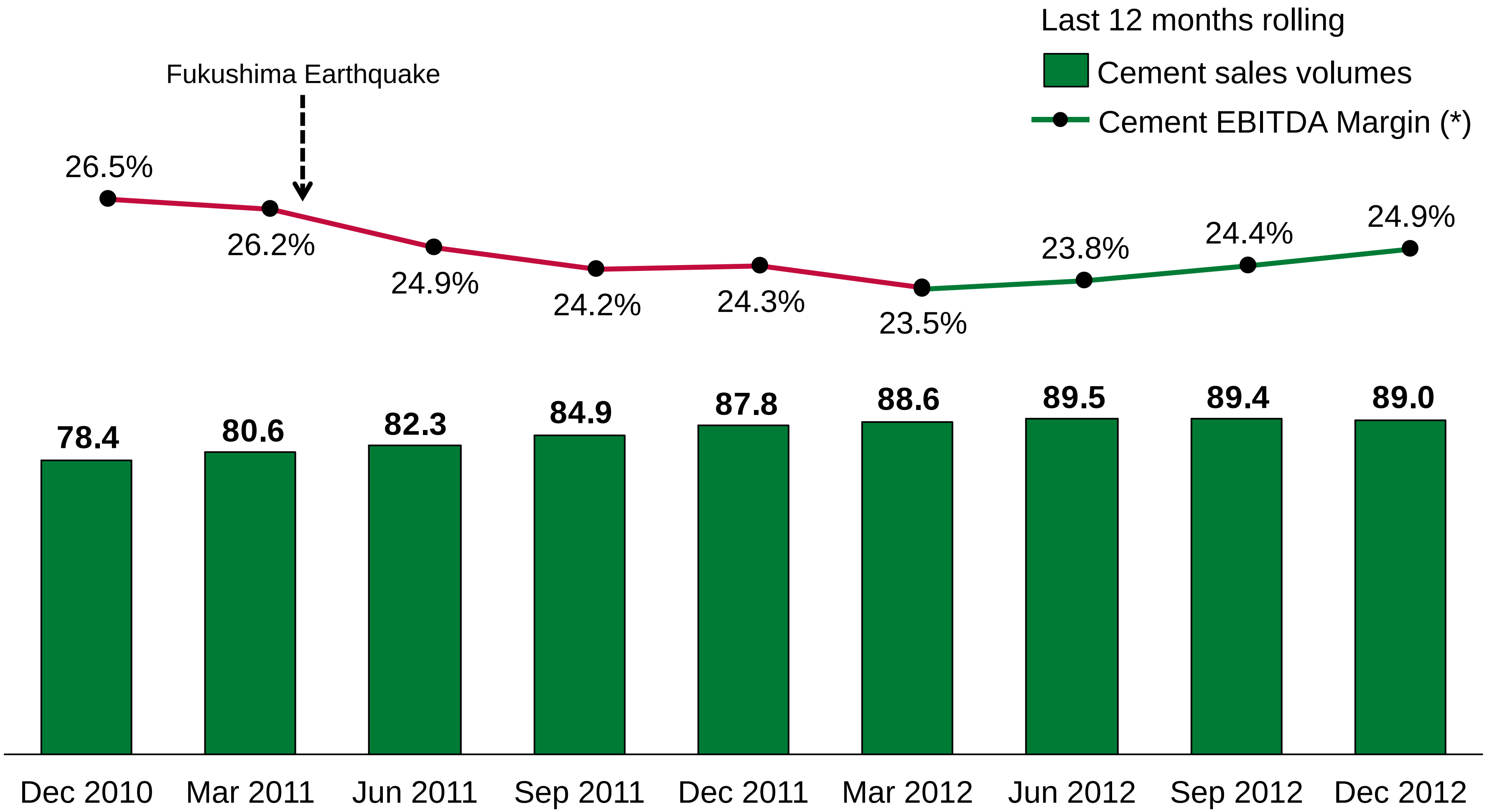
Cement margins continue to recover



Positive trend is expected to continue

(*) Excluding CO_2 and gain upon curtailment in pension plan

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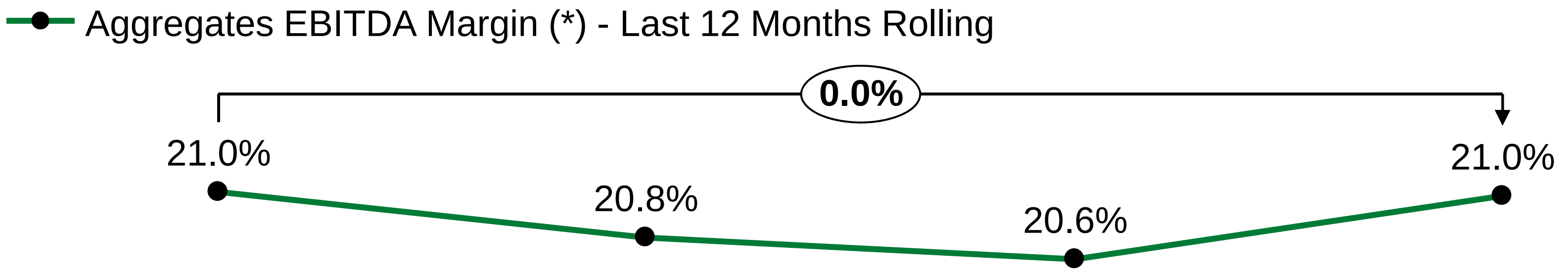
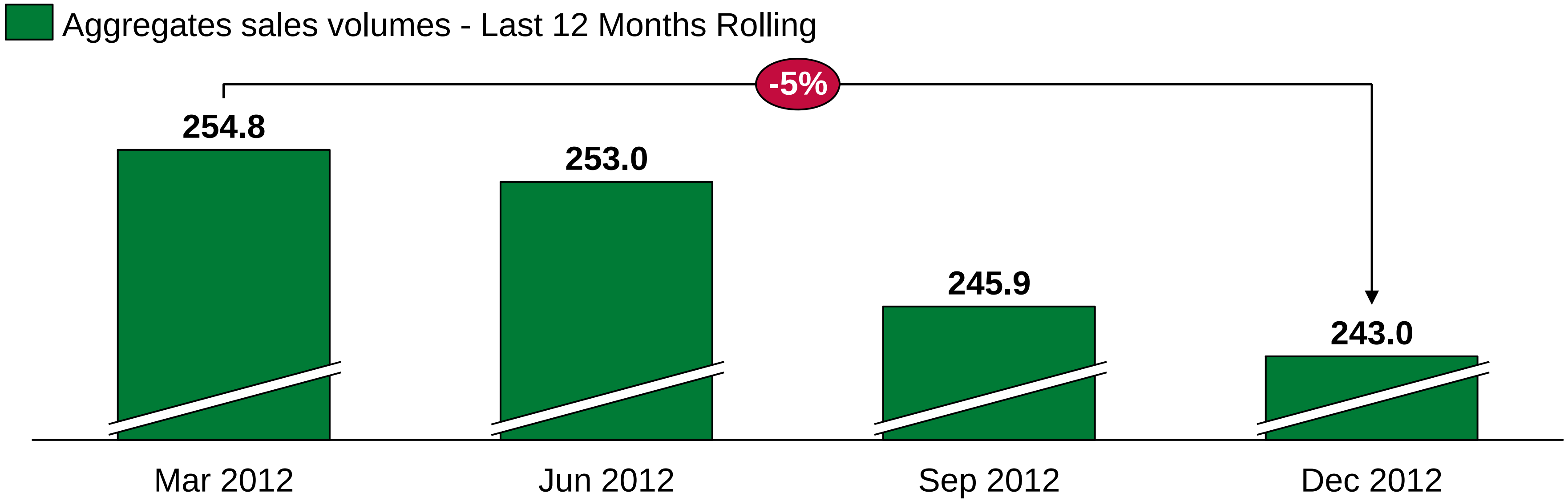
Stable aggregates margin despite declining volumes



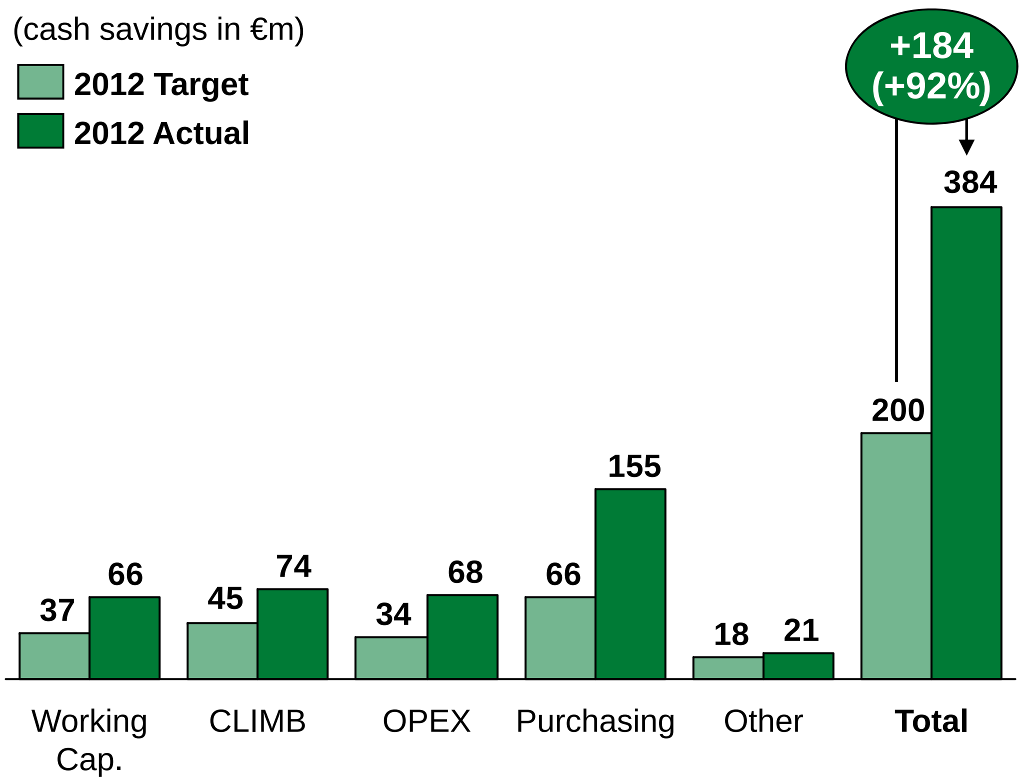


CLIMB project clearly pays off.
HeidelbergCement still has the highest aggregates margin level in the sector.

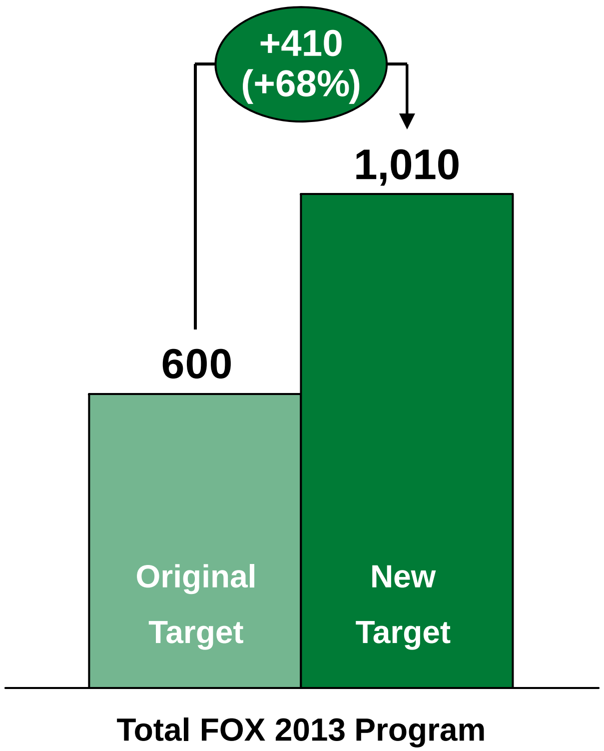
(*) Excluding gain from exhausted quarry sales and gain upon curtailment in pension plan

FOX 2013

2012 targets overachieved



New target 1,010 m€



767m€ savings realized in 2 years.
243m€ additional savings target is set for 2013.

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Western and Northern Europe

- **Germany:** Strong demand throughout the year in cement, primarily driven by residential construction. Overall solid result.
- **UK:** Lower volumes in all core business lines compared with 2011 due to recession, government austerity measures and bad weather. Resilient pricing.
- **Benelux:** Low construction activity, particularly in the Netherlands, lead to reduced deliveries in 2012. Price erosion slowed down in Q4.
- **Northern Europe**: Resilient domestic markets; solid results and pricing

Western & Northern Eur.	January - December				L-f-L	October - December				L-f-L
	2011	2012	variance			2011	2012	variance		
Volumes										
Cement ('000 t)	22,149	21,288	-860	-3.9 %	-3.9 %	5,463	5,218	-244	-4.5 %	-4.5 %
Aggregates ('000 t)	79,084	72,207	-6,877	-8.7 %	-10.4 %	19,244	16,918	-2,325	-12.1 %	-14.0 %
Ready mix ('000 m³)	13,827	13,197	-630	-4.6 %	-4.6 %	3,426	3,361	-65	-1.9 %	-1.9 %
Asphalt ('000 t)	3,648	2,765	-883	-24.2 %	-24.2 %	818	602	-216	-26.4 %	-26.4 %
Operational result (EURm)										
Revenue	4,318	4,201	-117	-2.7 %	-4.8 %	1,056	1,038	-17	-1.6 %	-4.2 %
Operating EBITDA (*)	734	577	-157	-21.4 %	-23.5 %	183	195	11	6.2 %	2.6 %
in % of revenue (*)	*17.0 %*	*13.7 %*				*17.4 %*	*18.7 %*			
Operating income	427	290	-137	-32.1 %	-34.1 %	94	113	19	20.0 %	14.4 %

Revenue (EURm)	2011	2012	variance		2011 (Oct-Dec)	2012 (Oct-Dec)	variance	
Cement	1,796	1,731	-65	-3.6 %	437	436	-1	-0.3 %
Aggregates	870	858	-13	-1.5 %	206	196	-10	-4.9 %
Building Products	464	484	20	4.3 %	111	113	3	2.3 %

Opr. EBITDA margin (%) (*)	2011	2012	2011 (Oct-Dec)	2012 (Oct-Dec)
Cement	26.7 %	22.2 %	31.7 %	32.2 %
Aggregates	18.3 %	14.7 %	14.9 %	14.2 %
Building Products	11.0 %	11.5 %	4.5 %	13.9 %

(*) Including:

1. Gain upon curtailment in pension plan : 90m€ (2011)
2. CO_2 gains: 42m€ (2012), 26m€ (2011), 43m€ (Q4 2012), 28m€ (Q4 2011)

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Eastern Europe-Central Asia

- **Russia:** Strong market demand and sales from our new plant near Moscow drive volume and result increase
- **Georgia & Kazakhstan**: Volume recovery expected post elections in Georgia. Strong pricing.
- **Ukraine:** Significant price improvement more than compensates volume decline.
- **Poland & Czech Republic:** Volumes and profitability below prior year mainly because of sluggish demand from infrastructure segment and a strong comparison base
- **Romania**: Successful focus on gross margin improvement to counter low construction activity

Eastern Eur. - Cent. Asia	January - December				L-f-L	October - December				L-f-L
	2011	2012	variance			2011	2012	variance		
Volumes										
Cement ('000 t)	17,359	17,187	-171	-1.0 %	-1.0 %	3,971	3,778	-193	-4.9 %	-4.9 %
Aggregates ('000 t)	21,670	19,168	-2,502	-11.5 %	-11.5 %	5,640	4,999	-641	-11.4 %	-11.4 %
Ready mix ('000 m^3)	4,581	3,778	-803	-17.5 %	-17.5 %	1,198	972	-226	-18.9 %	-18.9 %
Operational result (EURm)										
Revenue	1,392	1,435	43	3.1 %	2.8 %	323	320	-3	-0.9 %	-4.2 %
Operating EBITDA (*)	327	317	-10	-3.1 %	-2.1 %	81	81	0	-0.2 %	-3.3 %
in % of revenue (*)	*23.5 %*	*22.1 %*				*25.0 %*	*25.2 %*			
Operating income	217	193	-25	-11.5 %	-10.2 %	49	41	-8	-16.9 %	-20.2 %
Revenue (EURm)										
Cement	1,083	1,171	88	8.1 %		243	252	9	3.5 %	
Aggregates	135	123	-12	-9.1 %		35	32	-4	-10.8 %	
Opr. EBITDA margin (%) (*)										
Cement	27.0 %	25.0 %				31.7 %	30.0 %			
Aggregates	10.8 %	11.9 %				1.0 %	9.4 %			

(*) Including:

1. CO_2 gains: 27m€ (2012), 35m€ (2011), 27m€ (Q4 2012), 31m€ (Q4 2011)

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North America

- **USA:** Market recovery continues in H2, but at a slower pace than in H1 because of a tougher comparison base and pull-forward of demand into H1 due to good weather. Positive price trend continued in Q4.
- **Canada:** Solid cement volume development in 2012 driven by demand from commodity industry

North America	January - December 2011	2012	variance		L-f-L	October - December 2011	2012	variance		L-f-L
Volumes										
Cement ('000 t)	10,639	11,711	1,071	10.1 %	10.1 %	2,711	2,853	143	5.3 %	5.3 %
Aggregates ('000 t)	105,775	104,494	-1,280	-1.2 %	-1.2 %	26,306	25,945	-361	-1.4 %	-1.4 %
Ready mix ('000 m^3)	5,704	6,100	396	6.9 %	6.7 %	1,361	1,428	67	4.9 %	10.4 %
Asphalt ('000 t)	3,500	3,432	-68	-1.9 %	-1.9 %	889	824	-65	-7.3 %	-7.3 %
Operational result (EURm)										
Revenue	3,035	3,441	406	13.4 %	4.5 %	774	836	62	8.0 %	4.8 %
Operating EBITDA (*)	473	577	104	21.9 %	11.4 %	160	125	-36	-22.2 %	-28.0 %
in % of revenue (*)	*15.6 %*	*16.8 %*				*20.7 %*	*14.9 %*			
Operating income	230	327	97	42.0 %	28.1 %	100	63	-36	-36.6 %	-43.3 %

Revenue (EURm)	January - December 2011	2012	variance		October - December 2011	2012	variance	
Cement	886	1,078	192	21.7 %	231	257	26	11.1 %
Aggregates	937	1,032	95	10.2 %	242	256	14	6.0 %
Building Products	693	723	30	4.4 %	166	176	10	6.1 %

Opr. EBITDA margin (%) (*)	January - December 2011	2012	October - December 2011	2012
Cement	21.1 %	20.5 %	30.5 %	20.3 %
Aggregates	25.4 %	30.7 %	30.9 %	25.9 %
Building Products	9.7 %	7.3 %	10.1 %	5.7 %

(*) Including:
1. Gain upon curtailment in pension plan : 42m€ (2011), 42m€ (Q4 2011)
2. Gain from exhausted quarry sales: 70m€ (2012)

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Asia-Pacific

- **Indonesia:** Continued volume growth and increased pricing lead to materially improved result and EBITDA-Margin
- **China:** Volume decline is overcompensated by strong focus on pricing
- **India:** Temporarily weaker market demand in Q4 negatively affected volume development
- **Bangladesh:** Good market demand and sales from new cement mill lead to increased volumes
- **Australia:** Good demand in Western Australia; softer markets in Eastern Australia; cost control initiatives and good pricing lead to resilient 2012 result

Asia - Pacific	January - December				L-f-L	October - December				L-f-L
	2011	2012	variance			2011	2012	variance		
Volumes										
Cement ('000 t)	28,832	29,967	1,135	3.9 %	3.9 %	8,128	7,893	-235	-2.9 %	-2.9 %
Aggregates ('000 t)	37,143	36,961	-182	-0.5 %	-1.7 %	9,358	9,844	486	5.2 %	0.9 %
Ready mix ('000 m³)	9,860	11,092	1,232	12.5 %	12.5 %	2,653	3,105	452	17.0 %	17.0 %
Asphalt ('000 t)	1,860	1,863	3	0.2 %	0.2 %	490	526	36	7.3 %	7.3 %
Operational result (EURm)										
Revenue	2,957	3,477	520	17.6 %	12.3 %	824	929	105	12.8 %	9.4 %
Operating EBITDA	711	887	175	24.7 %	20.2 %	193	259	66	34.3 %	32.0 %
in % of revenue	*24.0 %*	*25.5 %*				*23.4 %*	*27.9 %*			
Operating income	568	732	164	28.9 %	24.8 %	157	220	62	39.7 %	38.4 %

Revenue (EURm)	2011	2012	variance		2011	2012	variance	
Cement	1,732	2,029	296	17.1 %	494	540	45	9.2 %
Aggregates	524	592	68	13.0 %	138	156	19	13.5 %
Building Products	38	26	-12	-31.5 %	8	6	-2	-29.2 %

Opr. EBITDA margin (%)	2011	2012	2011	2012
Cement	30.3 %	33.3 %	29.5 %	36.5 %
Aggregates	30.5 %	27.8 %	28.0 %	28.1 %
Building Products	0.1 %	-3.9 %	3.2 %	0.5 %

Africa-Mediterranean Basin

- **Africa:** Volume growth driven by Tanzania and new grinding mill in Ghana and positive price development lead to clearly improved result
- **Turkey**: Stable demand and higher prices lead to solid earnings development
- **Israel:** Improved profitability in 2012 due to moderate volume improvement and price increases
- **Spain:** Continued market deterioration in 2012 driven by austerity measures

Africa - Med. Basin	January - December				L-f-L	October - December				L-f-L
	2011	2012	variance			2011	2012	variance		
Volumes										
Cement ('000 t)	9,142	9,221	79	0.9 %	0.9 %	2,229	2,306	77	3.5 %	3.5 %
Aggregates ('000 t)	14,229	13,721	-508	-3.6 %	-3.6 %	3,421	3,187	-234	-6.8 %	-6.8 %
Ready mix ('000 m³)	5,114	4,934	-180	-3.5 %	-3.5 %	1,255	1,204	-52	-4.1 %	-4.1 %
Asphalt ('000 t)	535	544	9	1.7 %	1.7 %	150	122	-28	-18.7 %	-18.7 %
Operational result (EURm)										
Revenue	1,023	1,135	112	11.0 %	10.1 %	255	289	35	13.7 %	13.1 %
Operating EBITDA	164	203	40	24.1 %	24.3 %	34	57	23	66.1 %	69.0 %
in % of revenue	*16.0 %*	*17.9 %*				*13.4 %*	*19.6 %*			
Operating income	128	166	37	29.0 %	29.9 %	25	46	20	81.3 %	87.4 %

Revenue (EURm)	2011	2012	variance		2011	2012	variance	
Cement	726	825	99	13.6 %	181	213	32	17.5 %
Aggregates	87	87	0	0.2 %	20	21	0	0.9 %

Opr. EBITDA margin (%)	2011	2012	2011	2012
Cement	20.4 %	22.2 %	16.8 %	24.7 %
Aggregates	16.6 %	14.4 %	14.1 %	8.9 %

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Group Services

- 28% increase in international sales volumes
- Well balanced import/export portfolio efficiently places the Group's exportable surplus in Europe and the Mediterranean Basin
- Coal and petroleum coke prices have bottomed out in Q4 2012. However, overall consensus is that coal price increases can be limited
- Freight rates for bulk carriers have dropped in 2012. Any immediate recovery of freight rates in the near future seems very unlikely

Group Services	January - December				L-f-L	October - December				L-f-L
	2011	2012	variance			2011	2012	variance		
Operational result (EURm)										
Revenue	652	828	176	27.1 %	17.4 %	182	214	32	17.3 %	12.4 %
Operating EBITDA	11	22	11	95.2 %	77.5 %	2	6	4	212.7 %	190.3 %
in % of revenue	*1.7 %*	*2.6 %*				*1.1 %*	*2.9 %*			
Operating income	11	22	11	100.2 %	82.0 %	2	6	4	223.0 %	199.2 %

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Overall positive pricing trend in cement and aggregates

CEMENT (Gray Domestic)		
2012 vs. 2011	**Volume**	**Price**
US	↗	↗
Canada	↗	↗
Indonesia	↗	↗
Bangladesh	↗	↗
India	→	↗
China North	↘	↗
China South	↘	↘
Germany	→	→
Belgium	↘	↘
Netherlands	↘	↘
United Kingdom	↘	→
Norway	↗	→
Sweden	↘	↗
Czech Republic	↘	↘
Hungary	↘	↗
Poland	↘	↘
Romania	↘	↗
Russia	↗	↗
Ukraine	↘	↗
Kazakhstan	↘	↗
Georgia	↘	↗
Ghana	↗	↗
Tanzania	↗	↗
Turkey	↘	↗

AGGREGATES		
2012 vs. 2011	**Volume**	**Price**
US	→	↗
Canada	↘	↗
Australia	↘	↗
Hong Kong	↗	↗
Indonesia	↗	↗
Malaysia	↗	↗
Germany	↗	↗
Belgium	↘	→
Netherlands	↘	↘
United Kingdom	↘	→
Norway	→	↗
Sweden	↘	↗
Czech Republic	↘	↗
Poland	↘	→
Israel	↗	↗
Spain	↘	↘

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Management Focus on margin improvement in 2013

Cement: PERFORM

- Strong focus on cement price and margin
- Bonus schemes already changed from volume to margin oriented
- Specific and transparent account treatment
- Strict follow-up from senior management
- Rollout in US and Europe underway. Price increases announced in all core markets

Aggregates: CLIMB COMMERCIAL

- Focus on price improvement in aggregates
- Focus on unprofitable/small customers
- Pricing according to product costing

Operational Excellence: FOX 2013

- Total program target increased to 1,010m€ (original target was 600m€)
- Continuous focus on aggregates quarry optimization
- Focus on energy efficiency improvement in cement

Contact information and event calendar

Event calendar

14 March 2013	2012 annual results
08 May 2013	2013 first quarter results
08 May 2013	2013 AGM
31 July 2013	2013 half year results
07 November 2013	2013 third quarter results

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Unless otherwise indicated, the financial information provided herein has been prepared under International Financial Reporting Standards (IFRS).

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By their very nature, forward-looking statements and information are subject to certain risks and uncertainties. A variety of factors, many of which are beyond HeidelbergCements' control, could cause actual results to defer materially from those that may be expressed or implied by such forward-looking statement or information. For HeidelbergCement particular uncertainties arise, among others, from changes in general economic and business conditions in Germany, in Europe, in the United States and elsewhere from which we derive a substantial portion of our revenues and in which we hold a substantial portion of our assets; the possibility that prices will decline as result of continued adverse market conditions to a greater extent than currently anticipated by HeidelbergCements' management; developments in the financial markets, including fluctuations in interest and exchange rates, commodity and equity prices, debt prices (credit spreads) and financial assets generally; continued volatility and a further deterioration of capital markets; a worsening in the conditions of the credit business and, in particular, additional uncertainties arising out of the subprime, financial market and liquidity crises; the outcome of pending investigations and legal proceedings and actions resulting from the findings of these investigations; as well as various other factors. More detailed information about certain of the risk factors affecting HeidelbergCement is contained throughout this presentation and in HeidelbergCements' financial reports, which are available on the HeidelbergCement website, www.heidelbergcement.com. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the relevant forward-looking statement or information as expected, anticipated, intended, planned, believed, sought, estimated or projected.