Content

1. HeidelbergCement reached important targets in 2013

2. HeidelbergCement performed well when compared with its competitors

3. The performance of HeidelbergCement is reflected by a positive development on capital markets

4. HeidelbergCement is well prepared for the future

5. The positive development continued in Q1 2014

6. Outlook for 2014: continued growth in revenue and results
HeidelbergCement reached important targets in 2013 …

- Increase in cement sales volumes
  - 91 mt +3%

- Increase in operating income despite strong negative exchange rate effects
  - €bn 1.6 +0.2% / l-f-l +5%

- Significant improvement of Group share of profit and earnings per share
  - €m 945 (+79%) €3.98 (+162%)

- “FOX 2013” programme exceeds expectations
  - €m 391

- Reduction of material and personnel costs
  - -2.4% / -1.2%

- Decrease in financing costs
  - €m -79

- Expansion of cement capacity is basis for new growth
  - >5 mt

… but we were not able to further reduce net debt due to higher investments, the payment of the cartel fine, and negative currency effects.
Review of economy in 2013

- Slowdown of economic growth worldwide to 3.0% (2012: 3.1%)
  - Impacts of fiscal and budgetary insecurities in the USA
  - Slowdown of growth in Asia due to lower domestic demand
- Long winter and flooding in Europe
- Central Bank policy results in unexpected strong euro
  - Announcement of tapering by US Federal Reserve leads to capital outflow from emerging markets
  - Devaluation of currencies in Indonesia and India as well as Canada, Australia, and Scandinavia
- Signs of robust recovery at the end of the year
  - Accelerated growth in the USA, UK, and in Germany
Sales volumes up in cement and ready-mixed concrete

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cement (mt)</strong></td>
<td>78</td>
<td>88</td>
<td>89</td>
<td>91</td>
</tr>
<tr>
<td><strong>Aggregates (mt)</strong></td>
<td>240</td>
<td>254</td>
<td>243</td>
<td>241</td>
</tr>
<tr>
<td><strong>Ready-mixed concrete (mm³)</strong></td>
<td>35</td>
<td>39</td>
<td>39</td>
<td>40</td>
</tr>
<tr>
<td><strong>Asphalt (mt)</strong></td>
<td>9</td>
<td>10</td>
<td>9</td>
<td>9</td>
</tr>
</tbody>
</table>

Cement benefits from growth in Asia, North America and the UK
Financial key figures 2013

<table>
<thead>
<tr>
<th>Consolidated income statement (short version)</th>
<th>2012 1)</th>
<th>2013</th>
<th>Variance in %</th>
<th>like for like 2) in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>14,020</td>
<td>13,936</td>
<td>-1 %</td>
<td>3 %</td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>2,477</td>
<td>2,424</td>
<td>-2 %</td>
<td>2 %</td>
</tr>
<tr>
<td>Operating income</td>
<td>1,604</td>
<td>1,607</td>
<td>0 %</td>
<td>5 %</td>
</tr>
<tr>
<td>as % of revenue</td>
<td>11.4%</td>
<td>11.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit for the financial year</td>
<td>529</td>
<td>945</td>
<td>79 %</td>
<td></td>
</tr>
<tr>
<td>Group share of profit</td>
<td>285</td>
<td>745</td>
<td>162 %</td>
<td></td>
</tr>
<tr>
<td>Earnings per share in € 3)</td>
<td>1.52</td>
<td>3.98</td>
<td>162 %</td>
<td></td>
</tr>
</tbody>
</table>

1) Amounts were restated due to the retrospective application of IAS 19R and IFRIC 20
2) At constant consolidation scope and exchange rates
3) Attributable to parent entity

Significant increase in earnings per share
### Impact of negative currency effects on revenue and income

<table>
<thead>
<tr>
<th></th>
<th>Variance 2012/2013 in %</th>
<th>Variance without currency and consolidation effects in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>-0.6%</td>
<td>+3.4%</td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>-2.1%</td>
<td>+2.0%</td>
</tr>
<tr>
<td>Operating income</td>
<td>+0.2%</td>
<td>+5.2%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Thereof negative currency effects in €m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>-664</td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>-148</td>
</tr>
<tr>
<td>Operating income</td>
<td>-115</td>
</tr>
</tbody>
</table>
Revenue fell only due to negative currency effects... 

...but it rose operationally by 3.4% compared to the previous year.
Operating income improved on a comparable basis

€m

1,604

115

1,489

+5%

77

41

1,607

2012 operating income
Currency
2012 operating income on comparable basis
Operating
Consolidation
2013 operating income

Operating income on a comparable basis is up by +5%; underlying operational performance up by +10%\(^1\)

1) Underlying operational performance excluding:
- Gain from exhausted quarry sale: €m 25 (2013); €m 70 (2012)
- CO\(_2\) gains: €m 26 (2012)
Margin improvement in all business lines\(^1\)

First impacts of margin improvement programmes clearly visible

<table>
<thead>
<tr>
<th>Business Line</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cement</td>
<td>24.5%</td>
<td>24.9%</td>
</tr>
<tr>
<td>Aggregates</td>
<td>20.8%</td>
<td>22.3%</td>
</tr>
<tr>
<td>Building products</td>
<td>8.8%</td>
<td>10.7%</td>
</tr>
<tr>
<td>Group</td>
<td>16.5%</td>
<td>17.1%</td>
</tr>
</tbody>
</table>

\(^1\) Operating EBITDA margin: Based on underlying operational performance excluding currency and consolidation effects as well as gains from CO\(_2\) and exhausted quarry sales
“FOX 2013” programme exceeds expectations

2013 targets overachieved

Cash savings in €m

- 2013 target
- 2013 achieved

<table>
<thead>
<tr>
<th>Category</th>
<th>2013 Target</th>
<th>2013 Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Capital</td>
<td>0</td>
<td>30</td>
</tr>
<tr>
<td>&quot;CLIMB&quot;</td>
<td>111</td>
<td>135</td>
</tr>
<tr>
<td>&quot;OPEX&quot;</td>
<td>44</td>
<td>66</td>
</tr>
<tr>
<td>Purchasing</td>
<td>66</td>
<td>138</td>
</tr>
<tr>
<td>Other</td>
<td>22</td>
<td>26</td>
</tr>
<tr>
<td>Total</td>
<td>243</td>
<td>391</td>
</tr>
</tbody>
</table>

3-year-period: €m 1,158

- Original target: €600
- Achieved target: €1,158

€1,158 savings achieved in 3 years; original target almost doubled
“LEO” – project to optimise logistics

Integrated approach across all business lines

1. Centralised dispatching system
2. Integrated replenishment
3. Online ordering portal
4. Fleet optimisation and telematic-controlled route optimisation
5. Bundling and sourcing of trucks

Promising start in pilot country Poland in Q1 2014; aim to achieve cost savings of €m 150
Sales excellence programmes well on track

“PERFORM”
(Focus on cement in Europe & USA)

- Consistent pricing policy
- Energy, transport and service surcharges
- Innovative products
- Intensive and regularly trainings of sales staff
- Sales enhancing measures

€m 230 margin improvement$^{1)}$
in cement until 2015

“CLIMB Commercial”
(Focus on aggregates worldwide)

- Focus on price niches in aggregates
- Focus on unprofitable/small customers
- Comprehensive market research
- Pricing according to product costing

€m 120 margin improvement$^{1)}$
in aggregates until 2015

In 2013, price increases contributed €m 250 to improvement of operating income

1) Gross margin
Declining energy costs

Total energy costs in €m

Energy costs declined despite increasing sales volumes; stable energy costs when taking into account exchange rate effects
Group share of profit 2013

Group share of profit significantly increased in 2013

Group share of profit of 2012: €285m
Increase of operating income: €3m
Elimination of negative effects from addit. ordin. result: €411m
Financial result: €79m
Decline of minorities: €44m
Taxes and other: €75m
Group share of profit of 2013: €745m

Increase of operating income by 162%
Additional ordinary result improved by €m 411 compared to 2012

Additional ordinary result determined by unwinding of an obsolete Hanson corporate structure in the UK in Q3 and asset and goodwill impairment in Q4
Financial result 2013 and financing structure improved

<table>
<thead>
<tr>
<th></th>
<th>€m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial result 2012</td>
<td>-648</td>
</tr>
<tr>
<td>Improvement of interest income</td>
<td>57</td>
</tr>
<tr>
<td>Other</td>
<td>21</td>
</tr>
<tr>
<td>Financial result 2013</td>
<td>-569</td>
</tr>
</tbody>
</table>

Improvement of financing structure and reduction of interest costs by:

- Repayment of bond and debt certificates with high margins
- Placement of bonds with low coupons
- Improvement of credit conditions and extension of Commercial Paper Programme
Successful refinancing measures

Positive impact on future interest costs and maturity profile

1. Refinancing of €bn 3 syndicated credit line with improved conditions
   - Extension of maturity from December 2015 until February 2019
   - Significantly lower credit margins and utilisation fee
   - Removal of all securities and upstream guarantees

2. Successful placement of three bonds at attractive conditions

<table>
<thead>
<tr>
<th>€m 300 Eurobond (October 2013)</th>
<th>€m 500 Eurobond (December 2013)</th>
<th>€m 500 Eurobond (March 2014)</th>
</tr>
</thead>
<tbody>
<tr>
<td>7 year bond (October 2020)</td>
<td>8 year bond (October 2021)</td>
<td>5 year bond (March 2019)</td>
</tr>
<tr>
<td>Fixed coupon 3.25%</td>
<td>Fixed coupon 3.25%</td>
<td>Fixed coupon 2.25%</td>
</tr>
<tr>
<td>Yield to maturity 3.375%</td>
<td>Yield to maturity 3.375%</td>
<td>Yield to maturity 2.50%</td>
</tr>
</tbody>
</table>
## Balance sheet (short version)

**Exchange rate effects lead to balance sheet contraction and increase in gearing**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>€m</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intangible assets and property, plant and equipment</td>
<td>21,708</td>
<td>20,553</td>
<td>77 %</td>
</tr>
<tr>
<td>Financial assets</td>
<td>538</td>
<td>581</td>
<td>2 %</td>
</tr>
<tr>
<td>Other non-current assets</td>
<td>733</td>
<td>958</td>
<td>4 %</td>
</tr>
<tr>
<td>Current assets</td>
<td>5,014</td>
<td>4,743</td>
<td>17 %</td>
</tr>
<tr>
<td>Disposal groups held for sale</td>
<td>16</td>
<td>31</td>
<td>0 %</td>
</tr>
<tr>
<td>Shareholders’ equity and non-controlling interests</td>
<td>13,708</td>
<td>12,582</td>
<td>47 %</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>10,046</td>
<td>9,142</td>
<td>34 %</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>4,254</td>
<td>5,135</td>
<td>19 %</td>
</tr>
<tr>
<td>Liabilities in disposal groups</td>
<td>8</td>
<td>0</td>
<td>0 %</td>
</tr>
<tr>
<td>Balance sheet total</td>
<td>28,008</td>
<td>26,866</td>
<td>100 %</td>
</tr>
</tbody>
</table>

- **Shareholders’ equity/total capital**: 49.1% 47.0%
- **Net debt (€m)**: 7,047 7,523
- **Gearing (net debt/shareholders’ equity)**: 51.3% 59.7%

---

1) Figures have been restated due to the retrospective application of IAS 19R and IFRIC 20
Free cash flow\(^1\) used for value-enhancing investments

<table>
<thead>
<tr>
<th>Year</th>
<th>Net debt</th>
<th>Debt payback</th>
<th>Accounting &amp; currency effects</th>
<th>Net debt</th>
<th>Debt payback</th>
<th>Accounting &amp; currency effects</th>
<th>Net debt</th>
<th>Debt payback</th>
<th>Accounting &amp; currency effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>8,146</td>
<td>365</td>
<td>-11</td>
<td>7,770</td>
<td>702</td>
<td>-21</td>
<td>7,047</td>
<td>351</td>
<td>36(^2)</td>
</tr>
<tr>
<td>2012</td>
<td>924(^2)</td>
<td>706</td>
<td>36(^2)</td>
<td>7,523</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Repayment target of €m 300–500 remains unchanged

1) Before growth CapEx, disposals, and currency effects (swaps)
2) Before cartel fine payment
Opportunistic, value creating acquisitions

- **Cement Australia**: Acquisition of additional 25% of Cement Australia to balance the respective interests of Holcim and HeidelbergCement
- **CJSC “Construction Materials”, Sterlitamak**: Increase of stake in the Russian cement company CJSC “Construction Materials” from 51% to 100%
- **Midland Quarry Products (MQP)**: Exercising contractual pre-emption right to take full ownership of the British aggregates and asphalt producer

**~ €m 400**

Bolt-on acquisitions fulfill our investment criteria; no change in overall disciplined investment policy
Organic growth in attractive markets

- **India**
  - New cement capacities at the Damoh (Madhya Pradesh) and Jhansi (Uttar Pradesh) locations
    - Expansion of clinker capacity by 1.9 mt and of cement capacity by 2.9 mt
    - Total cement capacity in India increases to 5.6 mt

- **Liberia**
  - Commissioning of new cement mill with a capacity of 0.5 mt

- **Indonesia**
  - Test runs at new cement grinding facility with a capacity of 1.9 mt

HeidelbergCement increases cement capacity to more than 128 mt
Proposal to increase dividend by 28% to € 0.60

- Continuous increase in dividend payment
- Medium-term increase in payout ratio to a level of 30%–35% of Group share of profit planned, in line with industry standards
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5. The positive development continued in Q1 2014
6. Outlook for 2014: continued growth in revenue and results
Comparison with competitors: HeidelbergCement with best revenue development since 2011

Revenue (€m)

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>HEIDELBERGCEMENT</td>
<td>12,902</td>
<td>14,020</td>
<td>13,936</td>
</tr>
<tr>
<td>Competitor 1</td>
<td>10,846</td>
<td>11,613</td>
<td>11,437</td>
</tr>
<tr>
<td>Competitor 2</td>
<td>15,284</td>
<td>15,816</td>
<td>15,198</td>
</tr>
<tr>
<td>Competitor 3</td>
<td>16,729</td>
<td>17,805</td>
<td>16,032</td>
</tr>
</tbody>
</table>

1) Exchange rate: €1 = USD 1.33. Applies also to the following slide.
2) Exchange rate: €1 = SFR 1.23. Adjusted to IFRS 10/11/12. Applies also to the following slide.
Operating EBITDA: HeidelbergCement develops better than European competitors

- Operating EBITDA (€m) for HeidelbergCement, Competitor 1, Competitor 2, and Competitor 3 for the years 2011, 2012, and 2013.

- HeidelbergCement shows a 4% increase from 2011 to 2013.
- Competitor 1 shows a 2% decrease from 2011 to 2013.
- Competitor 2 shows a 9% decrease from 2011 to 2013.
- Competitor 3 shows a 4% decrease from 2011 to 2013.

- HeidelbergCement's EBITDA in 2013 is higher than all competitors in 2013.
EBITDA margin: comparison with European competitors

Cement

<table>
<thead>
<tr>
<th>Year</th>
<th>HeidelbergCement</th>
<th>Competitor 2</th>
<th>Competitor 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>29.0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>27.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>26.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>25.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>25.1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Aggregates

<table>
<thead>
<tr>
<th>Year</th>
<th>HeidelbergCement</th>
<th>Competitor 2</th>
<th>Competitor 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>21.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>19.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>14.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>18.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>11.5</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Cement EBITDA margin: HeidelbergCement at the same level as competitors despite different geographical footprint
- Aggregates EBITDA margin: HeidelbergCement leads\(^1\)

\(^1\) Excluding gains from CO\(_2\) and exhausted quarry sales as well as pensions
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Share price development since beginning of 2013 compared to DAX and MSCI World Construction Materials Index

Since the beginning of 2013, the HeidelbergCement share price developed better than important benchmark indices.
HeidelbergCement share price developed significantly better than that of competitors since announcement of the capital increase.
Shareholder structure of HeidelbergCement

Geographical distribution of shareholders (as of Dec. 2013)

- 25.11% Ludwig Merckle
- 5.12% Arnhold and S. Bleichroeder Holdings, Inc., New York/USA (via First Eagle Investment Management, LLC, New York/USA)
- 5.12% BlackRock, Inc., New York/USA

Shareholder structure (latest notification)

- 26% Europe (excl. UK + Germany)
- 13% Rest of the world, retail investors
- 13% Germany
- 15% North America
- 33% UK + Republic of Ireland

Shareholder structure further enlarged; share of institutional investors in Germany increased
IR work and recommendations by financial analysts

Focus & success of investor relations work

- Geographically enlarged shareholder structure:
  → share of German and British investors increased

- Reduction of share price volatility:
  → share of long-term investors increased

- Institutional Investor Magazine: according to a survey of > 830 investors, HeidelbergCement’s IR work is the best in the European building sector

Average recommendation by analysts (as of 10 April 2014)

Source: Bloomberg
Content

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Mega trends support growth of building materials industry

Fundamental drivers for cement consumption are attractive

Growth of population
(World's population in bn¹)

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2020</th>
<th>2030</th>
<th>2040</th>
<th>2050</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>6.91</td>
<td>7.72</td>
<td>8.42</td>
<td>9.04</td>
<td>9.55</td>
</tr>
</tbody>
</table>

Need for housing and infrastructure

Urbanisation
(Urban population in %¹)

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2020</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>52%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020</td>
<td>56%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2030</td>
<td>60%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Further expansion of urban centres

Growing middle-class
(GDP of emerging countries in USD²)

<table>
<thead>
<tr>
<th>Year</th>
<th>2004</th>
<th>2009</th>
<th>2014</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>4.024</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>5.773</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>7.676</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>10.257</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Rise in living space per capita

Cement-based products are key for industrialisation and development of prosperity

Slide 34

¹) UN (as of 2012)
²) IMF April 2014, economic parity in USD
Excellent positioning in attractive micro markets

- **Strong market position in urban centres** (Frankfurt, Munich, London, San Francisco, Los Angeles, Jakarta, Kuala Lumpur, Hong Kong, Sydney…)
- **Proximity to important raw material markets** (Western Canada, Texas, Norway, Ghana, Tanzania, Australia)
Cement and aggregates form the base of our dual raw materials strategy

**Cement**
- Focus on growth markets
- 128 mt capacity worldwide
- 63% of capacity in emerging markets

Capacity by Group areas:
- 30%
- 26%
- 11%
- 9%
- 24%

**Aggregates**
- Focus on mature markets and industrialisation
- 19 bnt reserves
- 87% of all reserves in mature markets

Reserves by Group areas:
- 69%
- 18%
- 7%
- 5%
- 2%
- 2%

Western and Northern Europe
North America
Eastern Europe-Central Asia
Asia-Pacific
Africa-Mediterranean Basin
Investment in innovation shows results

- Increase in expenditure for research and technology
  
  R&T expenditure (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>64</td>
</tr>
<tr>
<td>2010</td>
<td>68</td>
</tr>
<tr>
<td>2011</td>
<td>79</td>
</tr>
<tr>
<td>2012</td>
<td>92</td>
</tr>
<tr>
<td>2013</td>
<td>104</td>
</tr>
</tbody>
</table>

  Patent publications

<table>
<thead>
<tr>
<th>Year</th>
<th>Publications</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009-2011</td>
<td>2</td>
</tr>
<tr>
<td>2013</td>
<td>8</td>
</tr>
</tbody>
</table>

- Successful development of alternative clinker technology - BCT
  - Discovery of new reactive clinker phase
  - About 30% lower CO₂ emissions and about 10%–15% energy reduction compared with conventional clinker
  - Basis technology protected by patent applications
  - Large-scale industrial test in Germany: 1,500 t of clinker

- Construction of new center for R&T in Leimen
  - 170 workplaces and several modern labs
Long-term commitment for sustainability

The HeidelbergCement Sustainability Ambitions 2020 define 6 key action areas and respective goals:

- Occupational health and safety
- Energy and CO₂ management
- Alternative raw materials and fuels
- Biodiversity management
- Pollutant emissions
- Sustainable construction
Our focus: occupational health and safety and climate protection

- **Occupational health and safety**

<table>
<thead>
<tr>
<th>Accident trends&lt;sup&gt;1)&lt;/sup&gt;</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accident frequency rate&lt;sup&gt;2)&lt;/sup&gt;</td>
<td>4.5</td>
<td>4.3</td>
<td>3.8</td>
<td>3.4</td>
<td>2.6</td>
</tr>
<tr>
<td>Accident severity rate&lt;sup&gt;3)&lt;/sup&gt;</td>
<td>171</td>
<td>146</td>
<td>125</td>
<td>115</td>
<td>94</td>
</tr>
<tr>
<td>Fatality rate&lt;sup&gt;4)&lt;/sup&gt;</td>
<td>1.7</td>
<td>1.1</td>
<td>0.6</td>
<td>0.5</td>
<td>1.1</td>
</tr>
</tbody>
</table>

1) Accident trends in the business areas of cement, ready-mixed concrete, and aggregates in companies where HeidelbergCement is in charge of safety management.
2) Number of accidents (with at least one lost working day) suffered by Group employees per 1,000,000 working hours
3) Number of lost working days resulting from accidents suffered by Group employees per 1,000,000 working hours
4) Number of fatalities of Group employees per 10,000 Group employees

- **CO₂ management/climate protection**

<table>
<thead>
<tr>
<th>Climate protection</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specific net CO₂ emissions (kg CO₂/t cement)</td>
<td>626</td>
<td>614</td>
<td>612</td>
</tr>
<tr>
<td>Alternative fuel rate</td>
<td>20%</td>
<td>20%</td>
<td>21%</td>
</tr>
<tr>
<td>Clinker ratio</td>
<td>76%</td>
<td>76%</td>
<td>75%</td>
</tr>
</tbody>
</table>
Our focus: biodiversity

- Biodiversity management
  - Quarry Life Award 2014
    - International competition for new ideas for conserving and promoting species diversity in quarries in 22 countries worldwide (new: Indonesia, Turkey, USA)
  - Partnership with BirdLife International
    - 12 cooperation projects in seven European countries
Diversity in the workforce as factor for success

Securing the success of our business by including various cultures, talents, and levels of experience

- Local management at the individual production sites
- International workforce at the Group headquarters
- Teams with a wide range of experience and complementary skills
- Balanced age structure
- Composition of the managements reflects the structure of the workforce, e.g. proportion of men and women
Content

1. HeidelbergCement reached important targets in 2013
2. HeidelbergCement performed well when compared with its competitors
3. The performance of HeidelbergCement is reflected by a positive development on capital markets
4. HeidelbergCement is well prepared for the future
5. The positive development continued in Q1 2014
6. Outlook for 2014: continued growth in revenue and results
Market and financial overview Q1 2014

- Very strong start in 2014 driven by solid operating leverage
  - Demand growth and mild winter in key European markets over-compensate negative impacts from adverse weather conditions in North America
  - Double-digit volume growth in all business lines
  - Revenue up 6% to €bn 2.8 (like-for-like\(^1\)) +15%
  - Operating EBITDA up 16% to €m 229 (like-for-like\(^1\)) +45% despite significant currency impact

- Disciplined management of cash flow and working capital
  - Further improvement of days working capital to 43 days
  - Operating cash flow improved by 10%
  - Net debt €m 347 above Q1 2013 (down from €m 504 at the end of 2013 versus 2012)

- Disposal programme on track

- Q1 results strengthen confidence in outlook for 2014

1) At constant consolidation scope and exchange rates
Q1 2014 sales volumes

Cement (mt)
- 2013: 16
- 2014: 17 (10% increase)

Aggregates (mt)
- 2013: 40
- 2014: 44 (11% increase)

Ready-mixed concrete (mm³)
- 2013: 7
- 2014: 8 (11% increase)

Asphalt (mt)
- 2013: 1.2
- 2014: 1.5 (28% increase)

Strong increase in sales volumes in all business lines

1) Figures 2013 have been restated due to the retrospective application of IFRS 10 and 11
## Key financial figures in Q1 2014

<table>
<thead>
<tr>
<th>Key financial figures</th>
<th>January - March</th>
<th>2013</th>
<th>2014</th>
<th>Variance in %</th>
<th>like for like</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>€m</strong></td>
<td></td>
<td>2013</td>
<td>2014</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consolidated income statement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td>2,602</td>
<td>2,750</td>
<td>6</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Result from joint ventures</td>
<td>7</td>
<td>22</td>
<td>205</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating EBITDA</td>
<td>198</td>
<td>229</td>
<td>16</td>
<td>45%</td>
<td></td>
</tr>
<tr>
<td>Operating EBITDA margin in %</td>
<td>7.6%</td>
<td>8.3%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating income</td>
<td>9</td>
<td>50</td>
<td>439</td>
<td>N.A. 5)</td>
<td></td>
</tr>
<tr>
<td>Loss for the period</td>
<td>-187</td>
<td>-108</td>
<td>43</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Group share of loss</td>
<td>-235</td>
<td>-147</td>
<td>38</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Earnings per share in € 3)</td>
<td>-1.25</td>
<td>-0.78</td>
<td>38</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key financial figures</th>
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<th>2013</th>
<th>2014</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>€m</strong></td>
<td></td>
<td>2013</td>
<td>2014</td>
<td></td>
</tr>
<tr>
<td>Consolidated statement of cash flows</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>-350</td>
<td>-317</td>
<td>33</td>
<td></td>
</tr>
<tr>
<td>Total investments</td>
<td>-414</td>
<td>-257</td>
<td>157</td>
<td></td>
</tr>
</tbody>
</table>

| Consolidated balance sheet                |                 |       |      |               |
| Net debt 4)                                | 7,611           | 7,958 | 347  |               |
| Gearing                                   | 55.1%           | 64.0% |      |               |

1) Figures 2013 have been restated due to the retrospective application of IFRS 10 and 11
2) At constant consolidation scope and exchange rates
3) Attributable to the parent entity
4) Excluding non-controlling interests with put options
5) Operating increase by €54 million
Development of net debt

Net debt (€m)
- Net debt / EBITDA (LTM)

Strategic target: 2.8x

(*) Comment: figures of Q4 2012 and 2013 have been restated due to the retrospective application of IFRS 10 and 11
Content

1. HeidelbergCement reached important targets in 2013

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4. HeidelbergCement is well prepared for the future

5. The positive development continued in Q1 2014

6. Outlook for 2014: continued growth in revenue and results
Potential merger of Lafarge und Holcim offers opportunities and risks for HeidelbergCement

Merger of Lafarge and Holcim...

- Announcement of potential merger
  - 4 April 2014: Lafarge and Holcim announce a "merger of equals"
  - Merger to be realised by mid-2015

Merger is subject to certain conditions

- Activities of Lafarge and Holcim overlap in 23 countries; combined market share in some cases >50% (e.g. Ecuador, France, Morocco, Philippines, Romania)
- Significant disposals are to be expected to comply with antitrust regulations

... with opportunities and risks for HC

- LafargeHolcim would be by far the largest player
  - Merged company would be present in around 90 countries in the world
  - But: HeidelbergCement has a critical mass to act in a competitive way; advantageous geographical positioning remains unchanged

Potential opportunities to acquire divested activities

- Divestments offer potential opportunities for attractive investments
- Important: No acquisitions to increase the size only – thorough check if they are strategically important and add to the value of HC

Critical examination of merger by antitrust authorities expected
Economic outlook 2014

Global GDP growth expected to increase from 3.0% to 3.7%
- Recovery in industrial countries of North America and Europe
- Soft landing in China; further growth in developing economies in Asia and Sub-Saharan Africa
- Growth in emerging countries benefits from increasing exports but is slowed down by rising interests, necessary structural reforms, and a higher capital outflow

Downside risks: mainly political
- Relapse into euro crisis due to absence of necessary reforms
- Further devaluation of currencies against the euro due to the tapering of the Federal Reserve
- Political conflicts in the Middle East and Eastern Europe could impact energy supply

In 2014, HeidelbergCement benefits from the economic development in the industrialised countries, esp. in North America, the UK, Germany, and Northern Europe (almost 50% of Group revenue)
US recovery: HeidelbergCement is especially well positioned to benefit from the upswing

- 8% demand growth in cement in 2014
  - PCA forecasts average annual growth rate of 9% in 2014-2017

- Potential to increase production; capacity utilisation of around 80%\(^1\) in North America in 2013

- Extensive network of import terminals with market-leading profitability to take advantage of more long-term recovery

- Aggregates volume recovery potential (volumes still near trough); reserves of 13bn tonnes in North America

- Tax shield in the USA due to losses carried forward; drop through from EBITDA to cash

---

1) Operational capacity based on 80% calendar time utilisation
UK recovery: HeidelbergCement with fully integrated market position

- Very low cement consumption per capita (<200kg) for several years
  - Structural need for rising cement consumption
- Residential demand drives short-term recovery
- Major infrastructure projects drive mid-term growth
  - e.g. Hinkley Point C nuclear power station, Crossrail, HS2 – high speed rail link London-Birmingham-Manchester-Leeds
- HeidelbergCement with fully vertically integrated position in cement, aggregates, ready-mixed concrete, and asphalt (together around 10% of Group revenue)
- Tax shield due to losses carried forward; drop through from EBITDA to cash
Indonesia: demand and supply dynamics

Demand potential intact

- Worldwide 4th largest population (~250 million) → high domestic demand
- GDP CAGR ~6% for 2014-2018 expected
- Significant potential for cement consumption: 223 kg/capita (Vietnam ~500 kg, Singapore >1,000 kg)
- Large infrastructure projects support demand

Short-term supply growth limited

- Significant entry barriers for new players
  - Land ownership, permitting process
  - Resistance from local communities
  - Distribution, brand recognition
- Weak currency makes imports less attractive

6% consumption growth scenario

- Capacity utilisation: 92% in 2012, 92% in 2013e, 91% in 2014e, 89% in 2015e, 80% in 2016e
- Capacity (mt): 60 in 2012, 63 in 2013e, 68 in 2014e, 73 in 2015e, 86 in 2016e

Supply and demand balanced until at least 2016

Source: IMF April 2014, Cement Association Indonesia, competitor announcements, own estimates
Outlook 2014

- Continued strong recovery in the USA and UK
- Demand growth in Asia and Africa
- Germany, Poland, and Russia strong; stabilisation in other European markets, especially in Benelux, the Czech Republic, and Hungary
- Currently no impact on operating business in the Ukraine and in Russia
- Price increases in all markets supported by “PERFORM” and “CLIMB Commercial”
- Target is to keep energy costs flat; slight to moderate increase in raw material and staff costs

Improved operational and financial result

- Volume growth in all Group areas
- Increase in revenue, operating income, and profit for the financial year\(^1\)
- Further decrease in financing costs
- Reduction of net debt

\(^1\) Before currency impacts and one-offs; based on figures restated according to new IFRS 10,11,12 standards
Further focus: disposal projects

Disposal of building products

Geographical presence
(combined revenue: >USD 1 billion)

- USA
- Canada
- UK

Key products

- Bricks
- Pipe & Precast
- Pressure Pipe
- Structural Precast
- Aircrete Blocks

Other disposal projects

- Disposal of cement plant Raigad in India
  - Process completed in January 2014
- Disposal of loss making Gabon plant
  - Process completed in March 2014
- Disposal of non-core assets in Europe
- Further disposal of unused fixed assets
  - Idle and unused items are being checked in all countries
- Disposal of exhausted quarries
  - Valuable land assets

Various disposal options are being considered and evaluated

Optimisation of asset base is a continuing process at HeidelbergCement
Continued growth in most attractive markets of Sub-Saharan Africa

<table>
<thead>
<tr>
<th>Country</th>
<th>Type</th>
<th>Cap.</th>
<th>Date</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberia</td>
<td>Brown Field</td>
<td>0.5 mt</td>
<td>2013</td>
<td>22 €/t</td>
</tr>
<tr>
<td>Ghana</td>
<td>Brown Field</td>
<td>1.0 mt</td>
<td>2013</td>
<td>15 €/t</td>
</tr>
<tr>
<td>Ghana</td>
<td>Brown Field</td>
<td>0.8 mt</td>
<td>2014</td>
<td>31 €/t</td>
</tr>
<tr>
<td>Tanzania</td>
<td>Brown Field</td>
<td>0.7 mt</td>
<td>2014</td>
<td>33 €/t</td>
</tr>
<tr>
<td>Togo (clinker)</td>
<td>Green Field</td>
<td>1.5 mt</td>
<td>2014</td>
<td>115 €/t</td>
</tr>
<tr>
<td>Burkina Faso</td>
<td>Green Field</td>
<td>0.7 mt</td>
<td>2014</td>
<td>59 €/t</td>
</tr>
<tr>
<td>Togo</td>
<td>Green Field</td>
<td>0.25 mt</td>
<td>2016</td>
<td>55 €/t</td>
</tr>
</tbody>
</table>

Over 5 million tonnes capacity at market-leading CapEx values
Expansion in fast growing Asian markets

- **Indonesia**: expansion of market leadership in Java with projects close to the main market

  **Existing capacities**
  - Citeureup: 11.5 mt
  - Cirebon: 4.1 mt
  - Tarjun: 2.6 mt

  **New capacities**
<table>
<thead>
<tr>
<th>Type</th>
<th>Cap.</th>
<th>Date</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Citeureup Brown Field</td>
<td>1.9 mt</td>
<td>2014</td>
<td>48 €/t</td>
</tr>
<tr>
<td>Citeureup Brown Field</td>
<td>4.4 mt</td>
<td>2015</td>
<td>112 €/t</td>
</tr>
<tr>
<td>In Java Green Field</td>
<td>2.5 mt</td>
<td>2017</td>
<td>157 €/t</td>
</tr>
<tr>
<td>Outside Java Green Field</td>
<td>2.5 mt</td>
<td>2017</td>
<td>195 €/t</td>
</tr>
</tbody>
</table>

- **Kazakhstan**: green field project completed in a fast growing market that is driven by oil industry and residential demand

  **New capacities**
<table>
<thead>
<tr>
<th>Type</th>
<th>Cap.</th>
<th>Date</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kazakhstan (Shetpe) Green Field</td>
<td>0.8 mt</td>
<td>2014</td>
<td>165 €/t</td>
</tr>
</tbody>
</table>
Management focus 2014

- Deleveraging with clear goal to reach investment grade metrics
- Solid steps in disposal programme
- Margin improvement driven by announced programmes
- Targeted growth in Africa, Indonesia, and Kazakhstan
Next Annual General Meeting on 7 May 2015