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Very good start to 2025 financial year

- Revenue rises to €4,715 million (previous year: 4,488)
- Result¹ increases to €235 million (previous year: 232)
- Focus on productivity improvement and efficiency: Transformation Accelerator initiative launched successfully
- Portfolio optimisation continued – further expansion of presence in the US and Australia
- Decarbonisation progresses – world's largest calcined clay plant commissioned; first CO₂ captured and temporarily stored at the CCS project in Brevik
- Strong shareholder return – further dividend increase of 10% to €3.30 per share planned; next tranche of share buyback programme to start in the second quarter
- Optimistic outlook – forecast for the full year 2025 confirmed

Heidelberg Materials has made a very good start to the 2025 financial year. The company increased its revenue by 5% to €4,715 million (previous year: 4,488) in the first quarter. The result from current operations (RCO) rose by €3 million to €235 million (previous year: 232). The RCOBD margin was 11.8% (previous year: 12.1%).

“Despite the political and economic uncertainties as well as difficult weather conditions in some regions, we got off to a very good start to the 2025 financial year,” said Dr Dominik von Achten, Chairman of the Managing Board of Heidelberg Materials. “In particular, we benefited from significant growth in the Africa-Mediterranean-Western Asia Group area.”

“In the first three months, we continued to set the course for our sustainable transformation. Final preparations for our CCS lighthouse project in Brevik, Norway, are currently well underway. We started capturing, liquefying, and temporarily storing CO₂ a few days ago as part of the plant's ramp-up. We are particularly proud of this historic milestone for our industry and look forward to the grand opening of the world's first large-scale industrial carbon capture facility at a cement plant in June.”

“We are optimistic about the remainder of the year and anticipate a sustained stabilisation of demand in our core markets. At the same time, we will continue to implement price adjustments and strict cost management. Against this backdrop, we confirm our forecast for the full year 2025.”

1) Result from current operations = RCO

Focus on productivity improvement and efficiency

The Transformation Accelerator initiative announced in November has already contributed to company results in the first three months of 2025 with significant savings. The focus of the initiative lies on the optimisation of the production network, cross-functional efficiency enhancements and technical initiatives on a global scale. Particular emphasis is being placed on optimising the clinker and cement network in Western Europe. Thanks to the transparent approach all over the globe with a clear focus on innovation and efficiency, all Group countries and company levels are making a contribution.

Based on the positive experiences in the first quarter, Heidelberg Materials is confident that it will achieve the targeted annual savings of €500 million by the end of 2026.

Portfolio optimisation continued successfully

Heidelberg Materials continued its ongoing portfolio optimisation over the course of the year and signed an agreement in January 2025 on the sale of its majority stake of 91% in Cimenterie de Lukala SA in the Democratic Republic of the Congo. The transaction includes an integrated cement plant in Lukala, near the capital city of Kinshasa.

In April 2025, Heidelberg Materials completed the acquisition of Giant Cement Holding Inc. and its subsidiaries Giant Cement Company, Dragon Products Company, and Giant Resource Recovery on schedule. Giant Cement Holding Inc. is a cement producer on the US East Coast with a strong focus on using waste-derived alternative fuels.

Furthermore, Heidelberg Materials concluded a purchase agreement in April to acquire the ready-mixed concrete business of the Australian family-owned company Midway Concrete. The company operates four concrete plants in the Melbourne and Geelong metropolitan areas. The transaction is expected to be completed by mid-2025.

Decarbonisation is progressing

Heidelberg Materials continues to drive forward efforts to reduce the carbon footprint of its products. For example, the company is focusing on reducing the proportion of clinker in cement and using supplementary cementitious materials (SCMs). In Ghana, the company commissioned the world's largest calcined clay plant, with a capacity of more than 400,000 tonnes per year, in April. Calcined clay makes it possible to largely replace the CO₂-intensive clinker in cement.

Heidelberg Materials' CO₂ reduction targets for 2050 have been validated as being in line with the SBTi Corporate Net Zero Standard and a 1.5°C target pathway. The company was also included in the Dow

Jones Sustainability Index (DJSI) Europe, one of the most prestigious indices in the field of sustainability, for the first time.

Strong shareholder return

The second of three tranches of the ongoing share buyback programme is scheduled to start in the second quarter. The company has already successfully completed the first tranche on 25 November 2024 and repurchased a total of around 3.6 million shares at a total price of around €350 million. All treasury shares from the first tranche were cancelled with a reduction in the subscribed share capital on 24 February 2025. The second share buyback programme has a maximum term of three years and a volume of €1.2 billion.

With the ongoing share buyback programme and a 10% increase in the proposed dividend to €3.30 per share (previous year: €3.00), Heidelberg Materials is once again underlining its focus on shareholder return.

Optimistic outlook

Heidelberg Materials continues to expect demand in the construction sector to increasingly stabilise at a low level. Against this backdrop, the company confirms its outlook for the 2025 financial year. Heidelberg Materials expects a result from current operations (RCO) in a corridor of €3.25 billion to €3.55 billion. ROIC is expected to be around 10%. The Managing Board anticipates a further slight reduction in specific net CO₂ emissions.

The Quarterly Statement January to March 2025 with an overview of our financial figures for the first quarter of 2025 can be found on our website www.heidelbergmaterials.com under Investor Relations/Reports and Presentations.

About Heidelberg Materials

Heidelberg Materials is one of the world's largest integrated manufacturers of building materials and solutions with leading market positions in cement, aggregates, and ready-mixed concrete. We are represented in around 50 countries with around 51,000 employees at almost 3,000 locations. At the centre of our actions lies the responsibility for the environment. As the front runner on the path to carbon neutrality and circular economy in the building materials industry, we are working on sustainable building materials and solutions for the future. We enable new opportunities for our customers through digitalisation.

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