

# Q3 2025

Heidelberg Materials







# Content

1. About Heidelberg Materials
2. Making a Material Difference: Strategy 2030
3. Current trading update
4. Heidelberg Materials as an attractive investment

# 1

## About Heidelberg Materials

# Heidelberg Materials is one of the world's largest building materials companies



# 51,000

employees on 5 continents



# 3,000

locations worldwide



Leading positions in cement,  
aggregates, and ready-mixed  
concrete





# Concrete is essential for building a sustainable society



- > Second most used material after water
- > Locally produced and sold
- > 100% recyclable
- > Durable
- > Sound absorbent
- > Designable
- > Flexible





# From the ground to the skyline

## **Tour Triangle – Place de la Porte de Versailles, Paris**

70,000 m<sup>3</sup> of Ready-mix concrete  
and 10,000 m<sup>3</sup> of our low carbon  
product, evoBuild





A wide-angle photograph of the Frederick Douglass Memorial Bridge in Washington, D.C. The bridge features a series of large, white, arch-like structures supported by concrete piers. It spans a wide river, and the surrounding area includes greenery and urban buildings in the background. The sky is blue with scattered white clouds. A green text box is overlaid on the right side of the image.

# Building lasting connections

## **Frederick Douglass Memorial Bridge – Washington DC, USA**

This 440-meter-long structure is the largest infrastructure project in the history of Washington, D.C.



# Powering the future from the ground up

## Hinkley Point C – Somerset, South West England

2.3mt of cement and aggregates  
laid the foundation for Hinkley  
nuclear power station







**We see challenges  
as opportunities to  
discover new  
solutions**

**3D-printed House –  
Beckum**

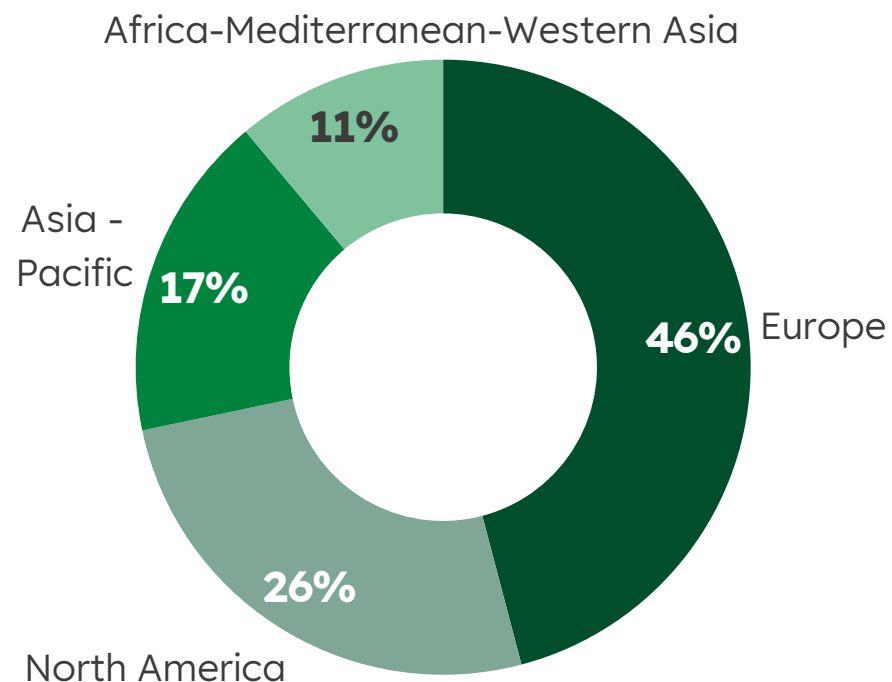
Less material, lower CO<sub>2</sub> footprint  
— thanks to Heidelberg Materials.



# A global and balanced geographic footprint in heavy building materials

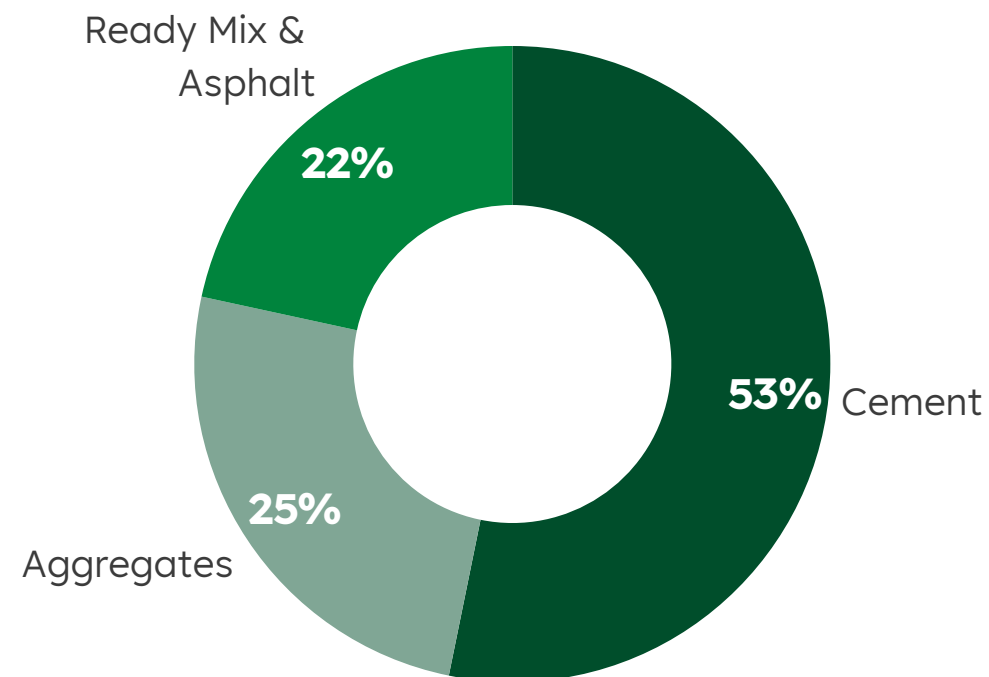
## Revenue by Group areas

(FY 2024)



## Revenue by business lines

(FY 2024)

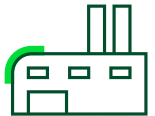





Revenue before intercompany eliminations and trading activities





## Solid asset base which provides strong growth potential

		North America	Europe	Asia-Pacific	Africa-Med.-Western Asia	Total
	<b>Cement capacity</b>	16 mt	62 mt	54 mt	37 mt	<b>165 mt</b>
	<b>Aggregates reserves &amp; resources</b>	12 bn tonnes	4 bn tonnes	3 bn tonnes	0.1 bn tonnes	<b>20 bn tonnes</b>
	<b>Ready mix plants</b>	155	783	308	64	<b>1,310</b>
	<b>Asphalt plants</b>	25	35	22	2	<b>84</b>

As of December 2024





# 2

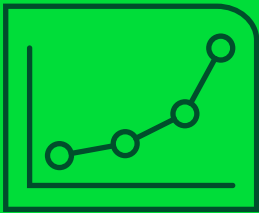
Strategy 2030

## Making a Material Difference





# Material Impact



**Proven track  
record of  
profitable growth**



## Successful development in all KPIs

**8%**

**RCO growth p.a.**

**10%**

**ROIC**

**~50%**

**Cash conversion rate**

**>€2bn**

**Free cash flow**

**>€1bn**

**Shareholder return**

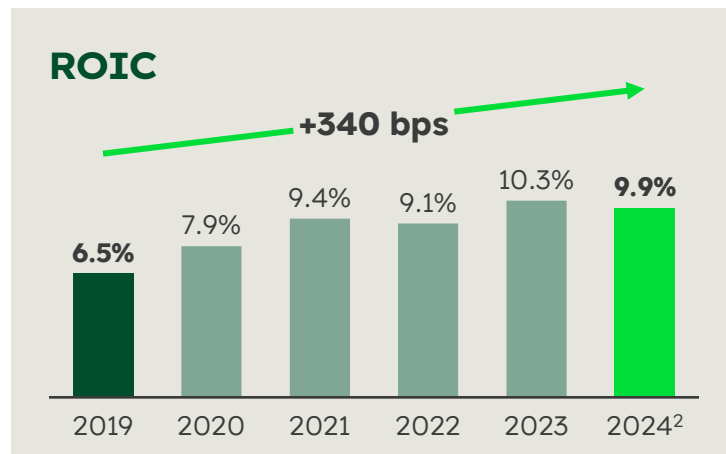
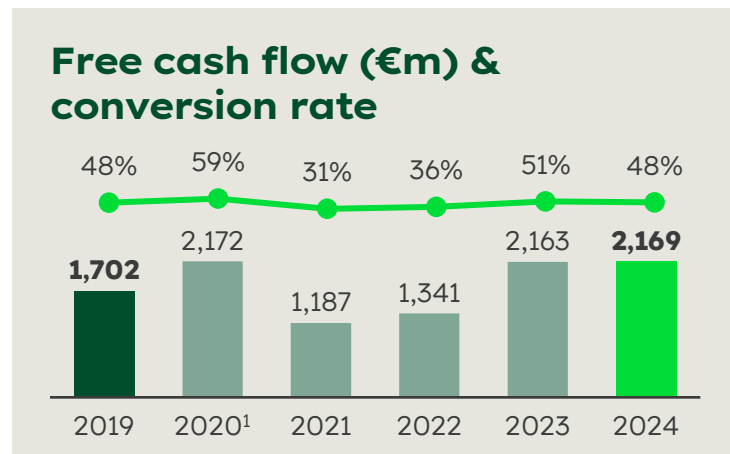
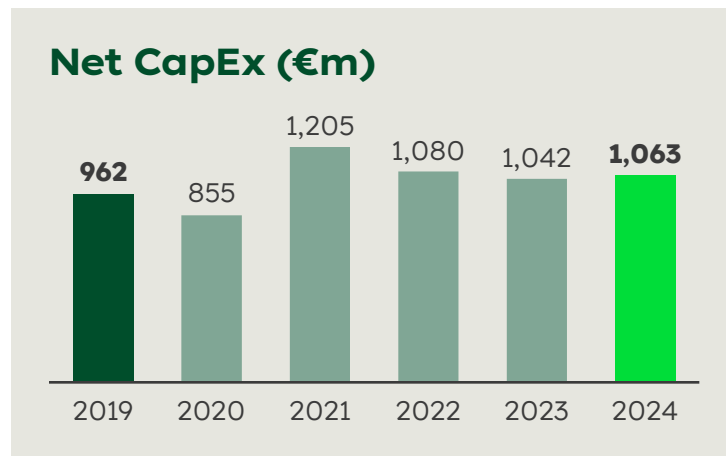
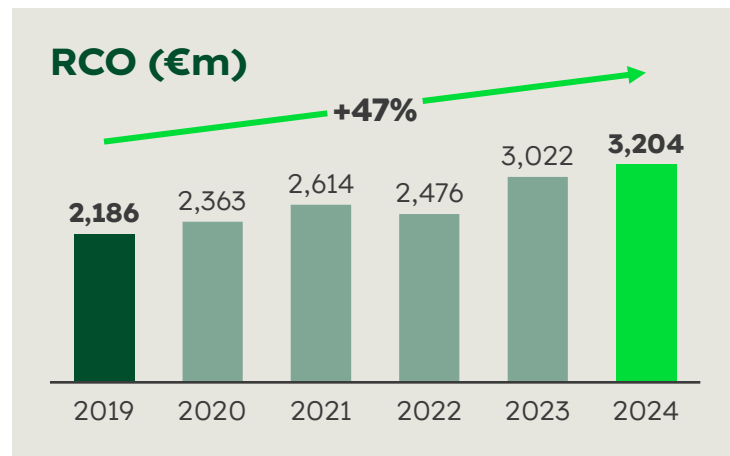
**Solid foundation set  
for accelerated  
growth**

RCO growth is average growth rate from 2019 until 2024. ROIC as of December 2024. FCF, cash conversion rate, and shareholder return based on 2024 full year figures.





# Reliable and profitable performance across all financial KPIs








- > Continuous result improvement
- > Disciplined and sustainable CapEx
- > Over €2bn cash generation
- > Significant increase in ROIC

<sup>1</sup> Includes €1.3bn cash savings from “COPE Programme” | <sup>2</sup> 2024 ROIC is negatively impacted by currency (-0.2%)



## We have over-delivered a year early

	Old mid-term targets for 2025
 <b>EBITDA margin</b>	20% to 22%
 <b>ROIC</b>	above 10%
 <b>Leverage</b>	1.5x to 2.0x
 <b>Cash conversion</b>	above 45%
 <b>Net CapEx</b>	€1.1bn p.a.

### 2024

**21.3%**



**10%**



**1.2x**



**48%**



**€1.1bn p.a.**

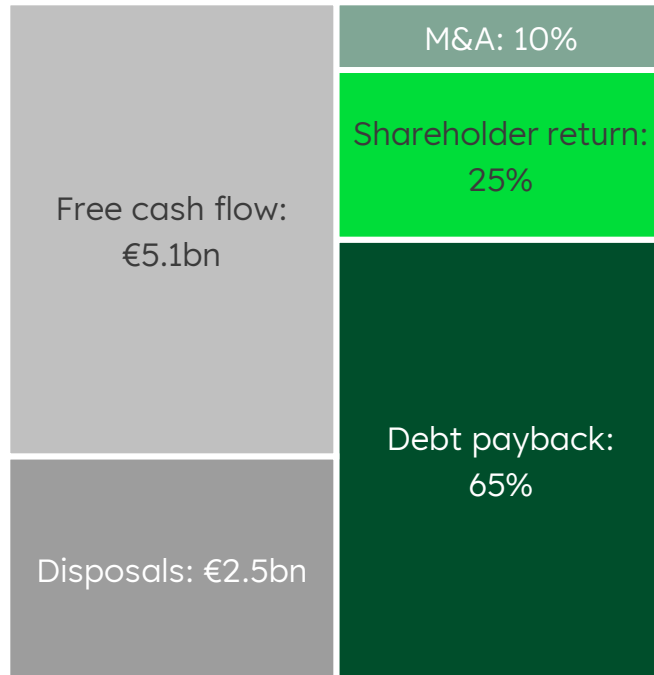




# Capital allocation: clear shift towards shareholder return and growth

## Allocation of deployed capital

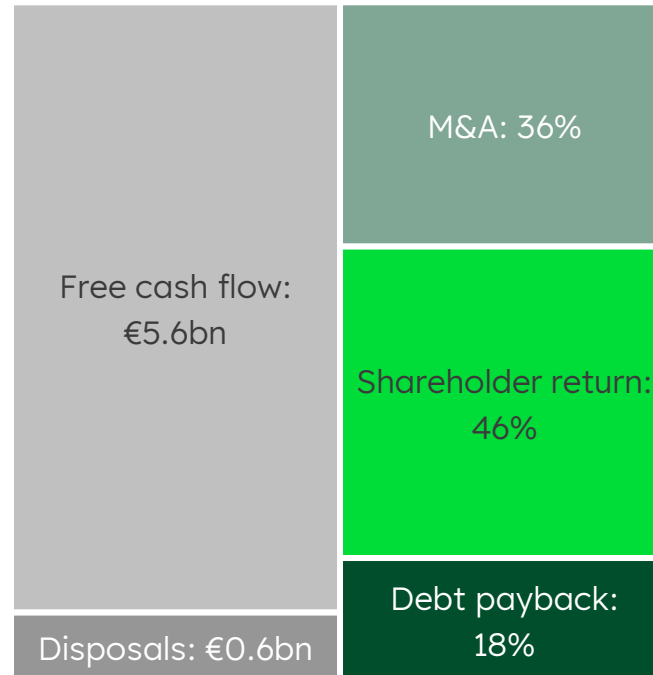
### 2019 – 2021



Deployed  
capital

Capital  
allocation

### 2022 – 2024



Deployed  
capital

Capital  
allocation

> Solid capital deployment

> Disciplined M&A  
through bolt-on deals

> Progressive dividend +  
accelerated share  
buyback programmes

> Leverage at 1.2x

2021 FCF includes €1.3bn cash savings from “COPE Programme”



# Unique Positioning





# Strong megatrends

**Propelling  
growth**

**Energy transition**

**Advanced infrastructure**

**Housing and urbanisation**

**Defence revamping**

**Digitalisation**





# Radical Focus



**“The heavy ones”  
Cement, aggregates,  
ready-mixed concrete,  
and asphalt**





A background image of the Earth as seen from space, showing the Americas and surrounding oceans, with a starry space background.

# **Strengthen core markets**

## **31 acquisitions**

## **12 disposals**



# M&A: disciplined growth with high returns in attractive markets

## Key acquisitions over the last 3 years

Target	Business Line	Rationale
Giant Cement	US CEM	<b>Improve our US footprint through bolt-on deals</b>
Highway Materials	US AGG/HMA	
Corliss Resources	US AGG/RMC	
PT Semen Grobogan	Indonesia CEM	<b>Grow our core business in attractive markets</b>
BGC Cementitious	Australia CEM/AGG/RMC	
Tanga Cement	Tanzania CEM	
Asment de Témara	Morocco CEM/RMC	
The SEFA Group	US SCM	<b>Focus on sustainable and profitable growth</b>
Mick George	UK Recycling	
ACE Group	Malaysia SCM	

> More than €2bn spent for M&A over the last 3 years

> ROIC at least on Group target level and above local WACC after full integration

> Immediate contribution to net income and reach 50% cash conversion

> After synergy realisation on/below our own multiple





# Europe

**Demand rebound**

**Further redesign of clinker asset base**

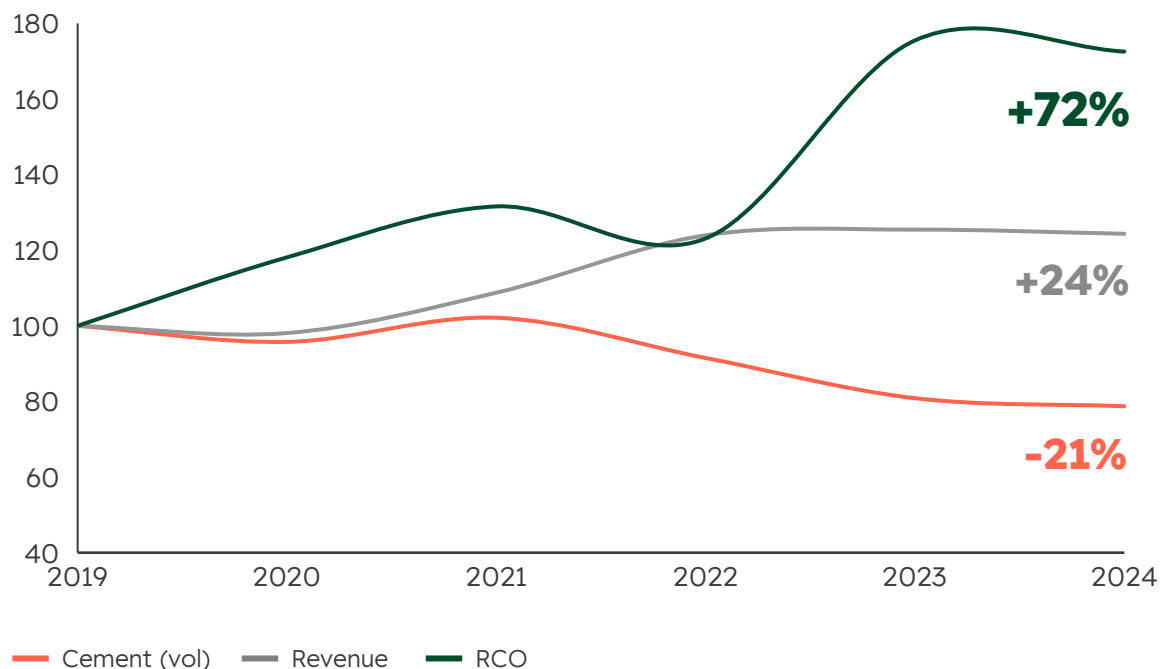
**Upward swing in profitability**



# Material Impact – delivering strong results in a subdued market

**We achieved excellent performance despite a challenging environment**

**Volume development and revenue, RCO Europe (indexed)**



## Development 2019 vs 2024

<b>Revenue</b> (CAGR)	<b>RCO</b> (CAGR)	<b>EBITDA margin</b> (improvement)
+6%	+12%	17.9% vs 19.9% <b>+200bps</b>
<b>Volume</b> (decline)	<b>Price/cost</b> (improvement)	<b>EBITDA</b> (improvement)
-€530m	+€1,050m	+€520m

2019 based on unaudited restated numbers.





# Reducing clinker asset base and expanding materials capacities

## Wave 1

### Transformation Accelerator – improve asset structure

5 plant closures

#### France

Beffes, Villiers

7 → 5

#### Germany

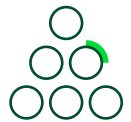
Leimen, Hanover

7 → 5

#### Spain

Anorga

2 → 1



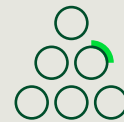
**~13%**

Reduction of clinker  
capacity (base 2021)

## Wave 2

### European Masterplan – preparing the next phase

- Extensive analysis work completed
- Focus on efficient clinker plants linked to network of grinding plants and distribution terminals



**12-17%**

Additional reduction of  
clinker capacity (base 2021)

2022 – 2025

2026 – 2030



# North America

**Pent-up demand**

**Over-proportional growth through digital and AI-based solutions**

**Prepared for short-term volatility**





# Economic outlook supportive of robust long-term growth

## Reshoring of US-based manufacturing & AI infrastructure drive positive demand outlook



● Selected projects >\$1.5bn in negotiation, bidding and/or construction phases (e.g. post design/schematic phases) | Project data obtained via Dodge Construction Network Pipeline.

### Infrastructure

Robust federal and state investments

Positive short-term outlook with additional IIJA spending

### Residential

Housing fundamentals remain in-tact, long-term outlook positive

Short-term pressure as affordability challenges remain noticeable

### Commercial

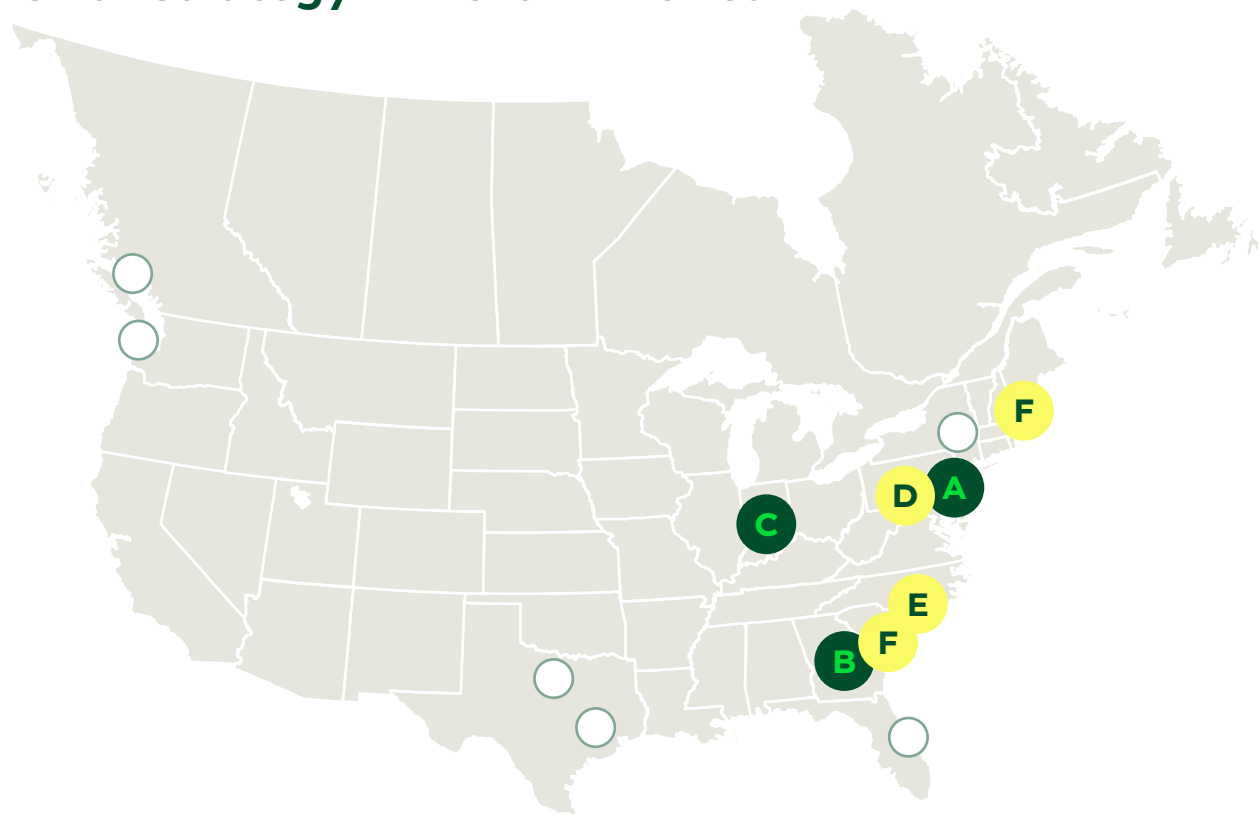
Significant investments in reshoring and AI related infrastructure

Strong demand momentum to continue in 2025 and beyond






# Strong growth with value accretive investment strategy

## Continuation of value-creating pure-play growth strategy in North America



○ Other major investment (incl. Carver Sand & Gravel, Victory Rock, Houston Slag)

### Incremental capacity (examples)

<b>A Northeast</b> Pennsylvania	<b>Philadelphia (AGG)</b> <b>+0.5mt</b>	
<b>B Southeast</b> Georgia	<b>Atlanta (AGG)</b> <b>+0.5mt</b>	
<b>C Midwest</b> Indiana	<b>Mitchell (CEM)</b> <b>+0.8mt</b>	

### M&A (examples)

<b>D Northeast</b> Pennsylvania	<b>Highway Materials</b> (AGG & HMA)	
<b>E Southeast</b> N/S Carolina	<b>The SEFA Group</b> (Reclaimed fly ash)	
<b>F Southeast</b> (+ Northeast)	<b>Giant Cement</b> (CEM & alternative fuels)	



# Emerging markets

**Structural growth dynamics**

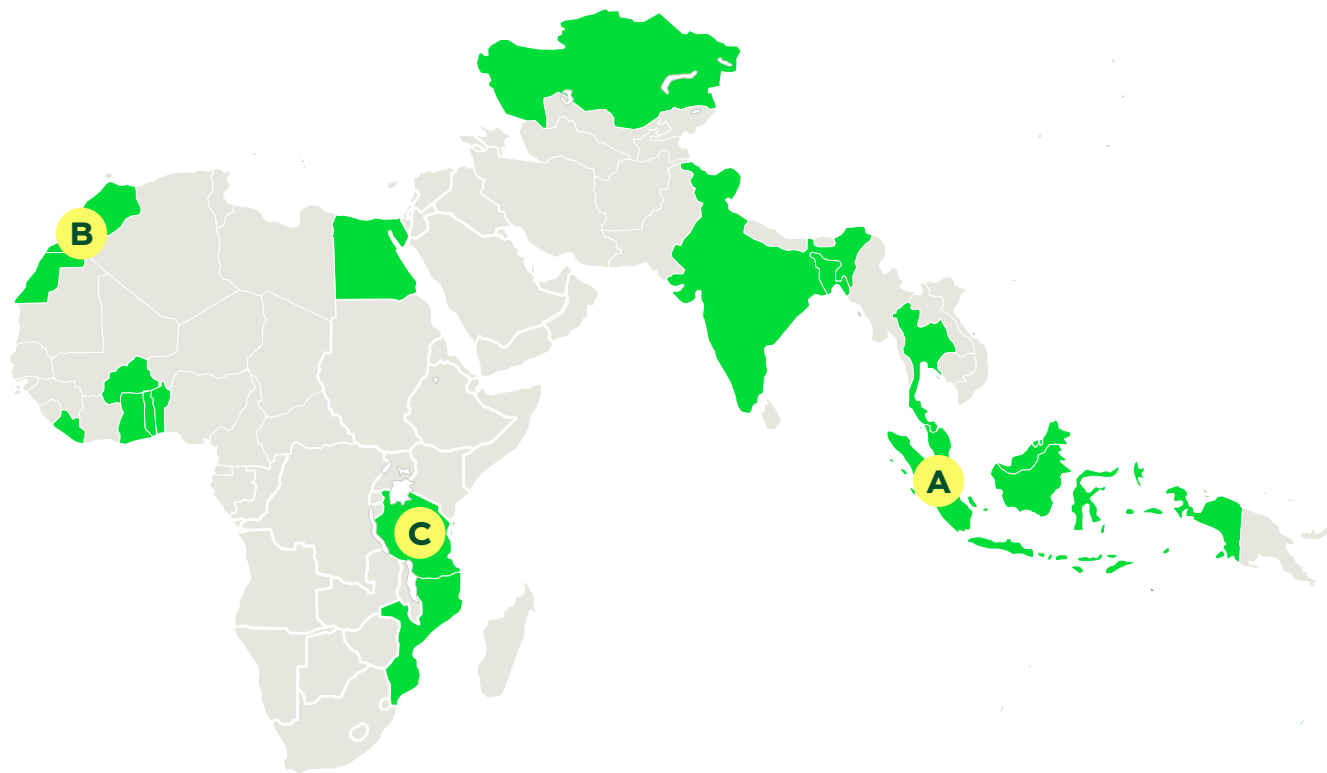
**Superior asset light model**

**Over-proportional return on invested capital**



# Emerging Markets offer structural growth potential

Presence in over 15 Emerging Markets across Asia and Africa



Highlighted countries and estimates refer to Heidelberg Material's Emerging markets with consolidated operations. | Source: United Nations, internal estimates

Urban population  
growth ('24-'35)

**+2.2%**

Cement demand  
growth ('24-'30)

**+5.0%**

## M&A (examples)

**A** APAC Region  
Indonesia

Grobogan  
(CEM)

**B** AMWA Region  
Morocco

Asment Témara  
(CEM, AGG & RMC)

**C** AMWA Region  
Tanzania

Tanga Cement  
(CEM)





# Global Advantage

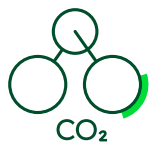


# Sustainability



## Delivering material impact – with the industry’s most ambitious targets

### By 2030



Specific net CO<sub>2</sub>/t of cementitious material (scope 1)



Share of revenue from sustainable products

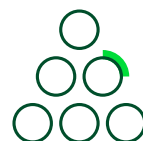
**<400**kg

**>50**%



**Alternative  
fuel rate**

**>50**%  
prev. 45%



**Clinker  
incorporation  
rate**

**64**%  
prev. 68%

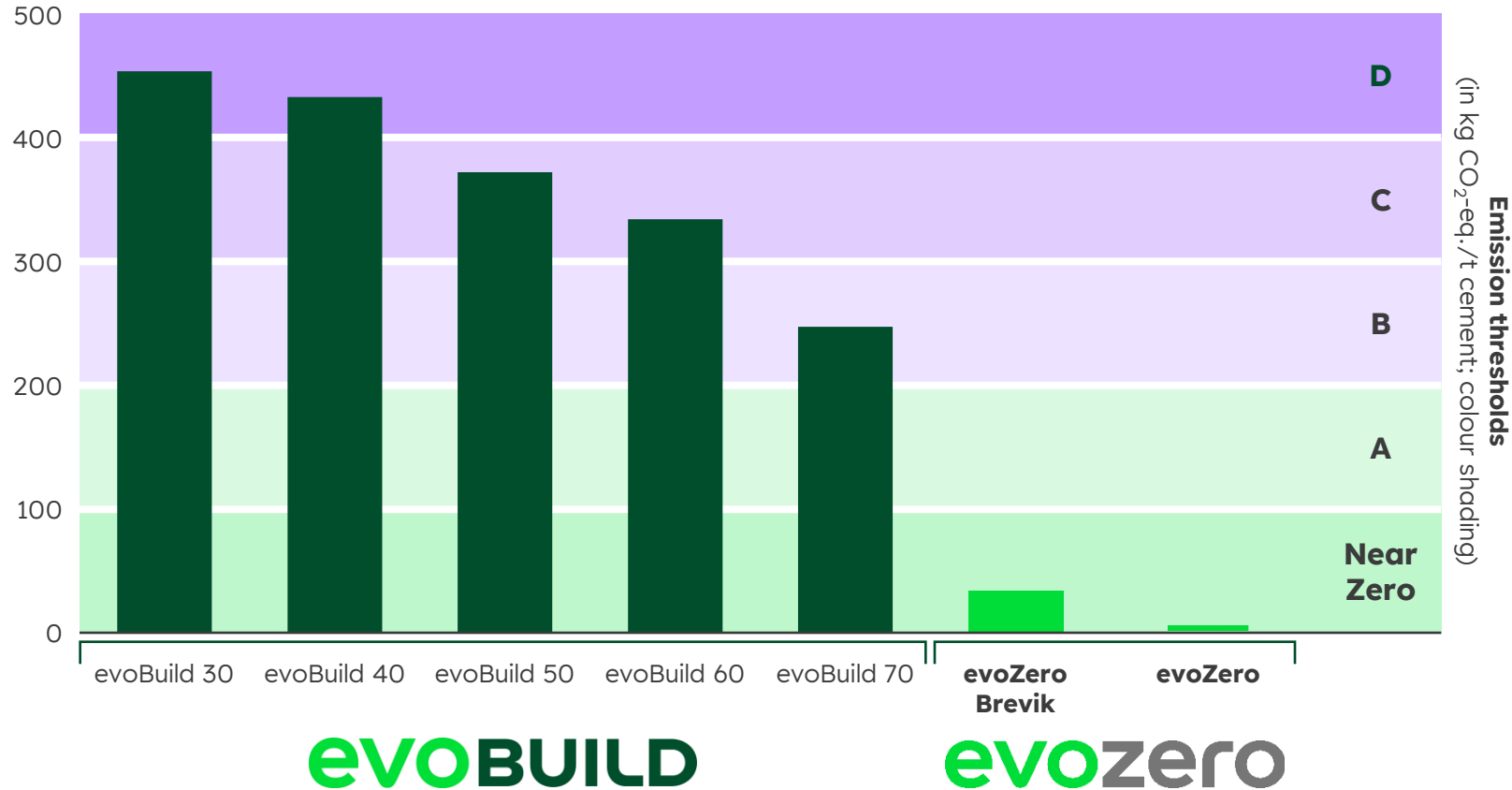
2030 target as well as our 2050 Net Zero target validated by Science Based Targets initiative (SBTi).





# The most comprehensive low-carbon product portfolio

## Classification within the concept of lead markets for low-carbon cements



> Based on an initial concept by International Energy Agency (IEA)

> Entry low-emission production at 500 kg CO<sub>2</sub>-equivalent per tonne of cement

> Rating system as developed by GCCA and VDZ



# The world's first and only industrial-scale carbon capture unit in a cement plant



**Technology  
leadership & data**



**Partnerships  
& people**



**Financials  
& funding**

**Pioneering the technology, making the business case,  
and scaling across the Group**





## Decarbonisation – evoZero: a global approach with a strong focus on Europe

### evozero Targeted sales approach

People and  
organisation



Dedicated HQ & country team

Customer  
archetypes



Traditional & new customers,  
private & public asset owners,  
development & project companies

Enabling  
stakeholders



Governments, associations, NGOs,  
architects, investors & financiers

2025 orders  
from 11 countries



Physical: **60%**  
Virtual: **40%**

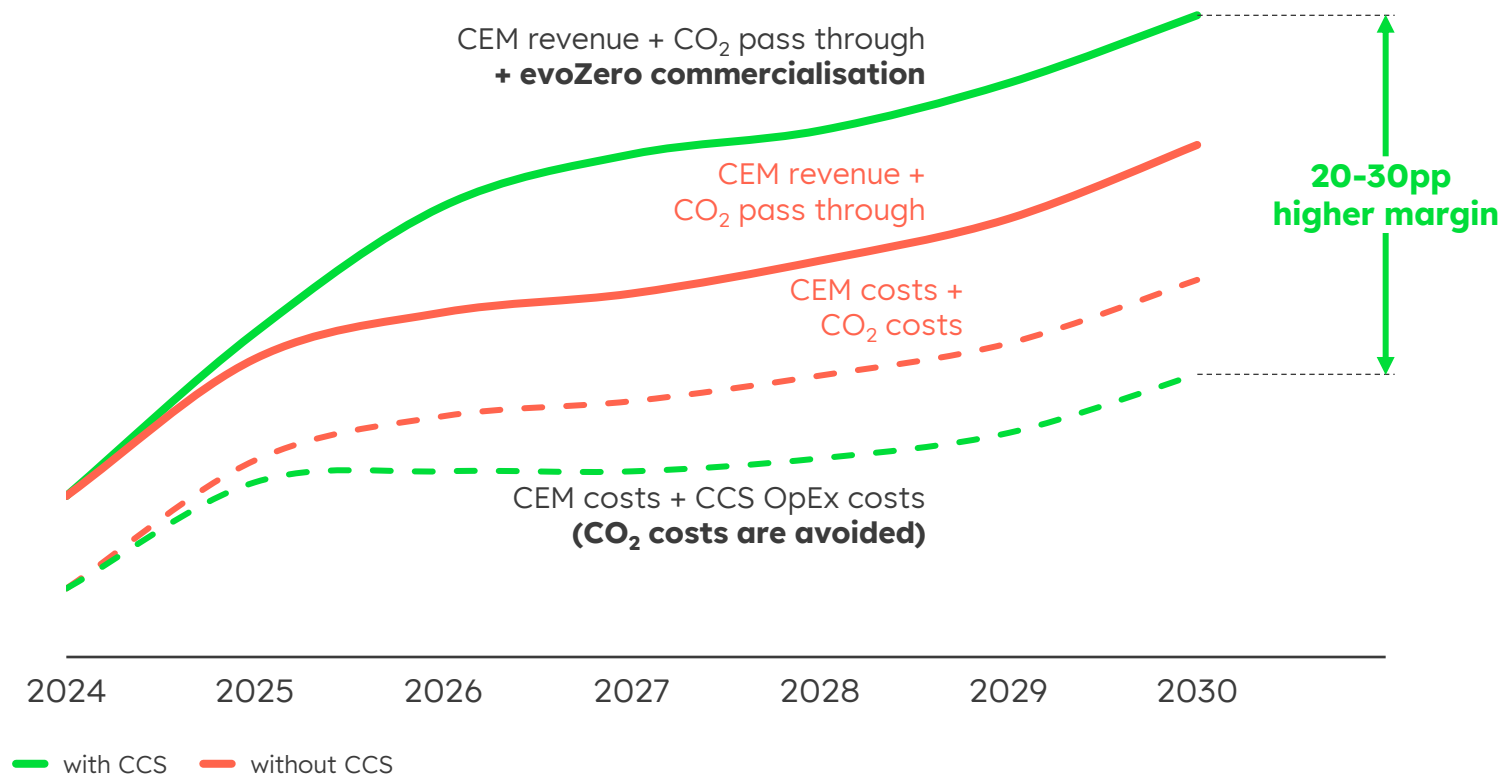
### TOP 3 countries

Scandinavia, UK, Germany  
...but also Bulgaria and Romania



# CCS Brevik: a clear business case with high returns

## Brevik EBITDA margin development



CO<sub>2</sub> allowance cost assumption: €80 in 2025/2026 with linear increase to €100 by 2030. Chart represents entire Brevik plant performance, based on 50% CO<sub>2</sub> capture rate.

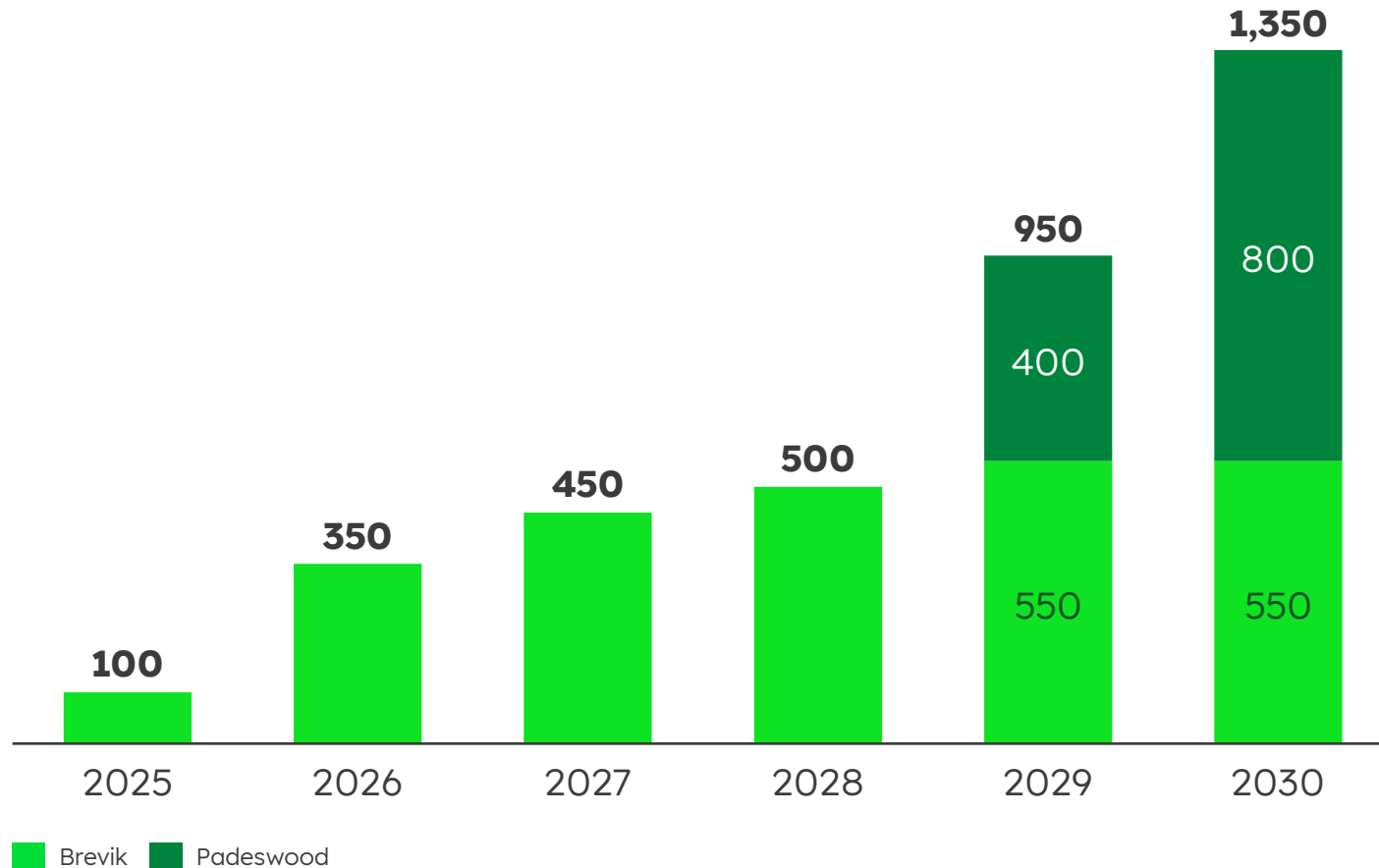
- > evoZero comes with a new price point
- > Competitive advantage due to avoided CO<sub>2</sub> costs
- > CCS OpEx largely covered by grants





## evoZero: a game changer for us and the industry

Expected evoZero cement production volume (in kt)  
of fully approved projects



# evozero

> Near zero CO<sub>2</sub> footprint

> Proven performance and quality

> No limitations in application



# We have the most advanced CCUS project portfolio – driving global advantage

## Operational



**Brevik, Norway**  
400kt CO<sub>2</sub> p.a.



**Lengfurt, Germany**  
CCU, 70kt CO<sub>2</sub> p.a.

## FID<sup>1</sup> taken



**Padeswood, UK**  
800kt CO<sub>2</sub> p.a.

## Close to FID<sup>1</sup> stage



**Edmonton, Canada**  
1,100kt CO<sub>2</sub> p.a.

## Advanced development



**Devnya, Bulgaria**  
800kt CO<sub>2</sub> p.a.



**Geseke, Germany**  
700kt CO<sub>2</sub> p.a.



**Slite, Sweden**  
1,800kt CO<sub>2</sub> p.a.



**Antoing, Belgium**  
800kt CO<sub>2</sub> p.a.



**Airvault, France**  
1,000kt CO<sub>2</sub> p.a.



**Mitchell, USA**  
2,000kt CO<sub>2</sub> p.a.



**Rezzato, Italy**  
1,000kt CO<sub>2</sub> p.a.

## Large-scale pilot projects on capture or storage



**Ennigerloh, Germany**  
LEILAC 2, 100kt CO<sub>2</sub>



**Mergelstetten, Germany**  
Oxyfuel, 100kt CO<sub>2</sub>



**Devnya, Bulgaria**  
OxyCal, 50kt CO<sub>2</sub>



**Gorazdze, Poland**  
CO<sub>2</sub> Transport + Storage

<sup>1</sup> Final investment decision

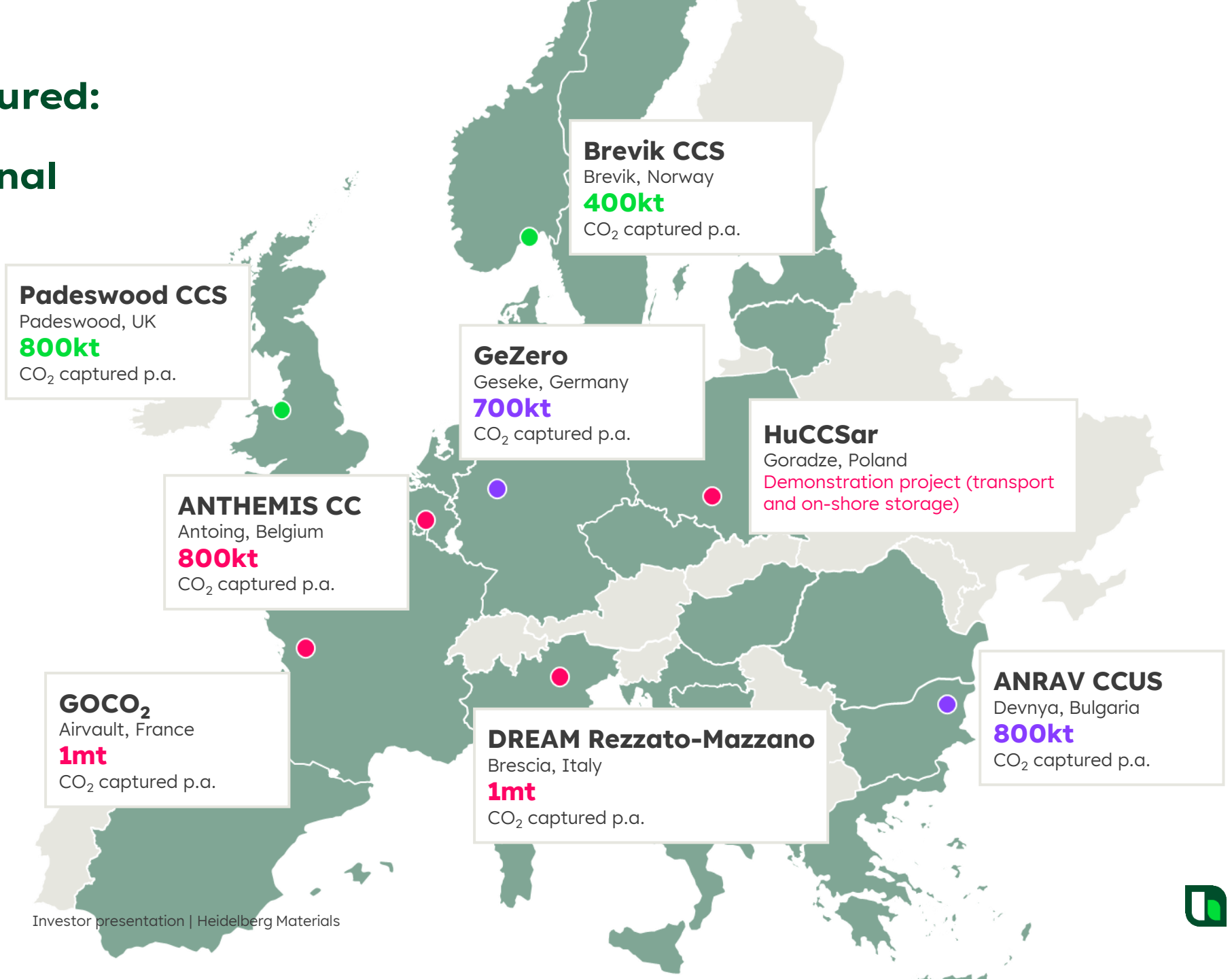




## Further funding secured: EU Innovation Fund grants for 4 additional CCS projects

### Funding:

- EU Innovation Fund grants (2025)
- EU Innovation Fund grants (2022/23)
- Local government funding



# Global Advantage



## Digital/AI





## Digital and AI-based solutions to drive efficient and reliable operations



Lake Bridgeport, TX

Equipment automation

**Autonomous  
Trucks**



Dallas, TX

Data-driven operating model

**HROC**



Atlanta, GA

Digital platform

**Command  
Cloud**

**Deeply imbedded digital solutions drive margin growth and scalable value creation**



# Global Advantage



# Technical Excellence





# Transformation Accelerator – achieving efficient and sustainable cost structure



## Operating models

Blueprints and technological advancement

## Multiplier

Leveraging automation and digitalisation as well as cost-effective OpEx savings across all business lines

## Speed

Analysis to global rollout in 2 months, worldwide execution in 2 years

## Scale

Central approach, worldwide application in all countries and all business lines



Global efficiency programme



Benchmarking on productivity and cost across all business lines



Leveraging technology and AI to automate and standardise processes








**€500m of recurring savings through scalable technology by end of 2026**

# Value Creation



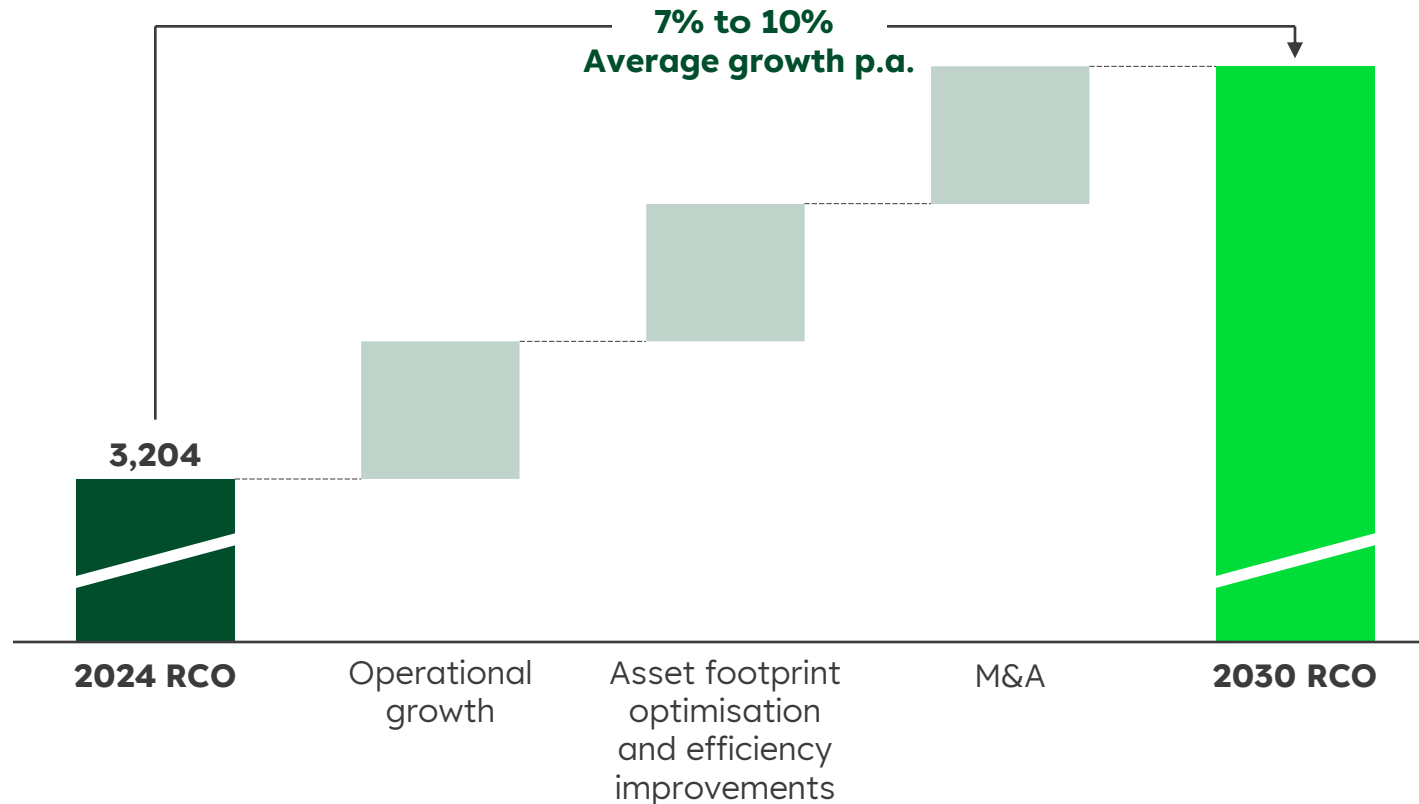


## Stepping up our ambition for 2030

	2025 targets	2030 targets
 <b>RCO growth</b> (average p.a.)		<b>7% to 10%</b>
 <b>ROIC</b>	Above 10%	<b>Around 12%</b>
 <b>Cash conversion rate</b>	Above 45%	<b>Around 50%</b>
 <b>Net CapEx</b> (average p.a.)	Around €1.1bn	<b>€1.3bn</b>
 <b>Leverage</b>	1.5x to 2.0x	<b>Around 1.5x</b>

## RCO: accelerating both organic and inorganic growth

### RCO bridge (€m)



> Continuous focus on price over cost

> Clinker capacity optimisation

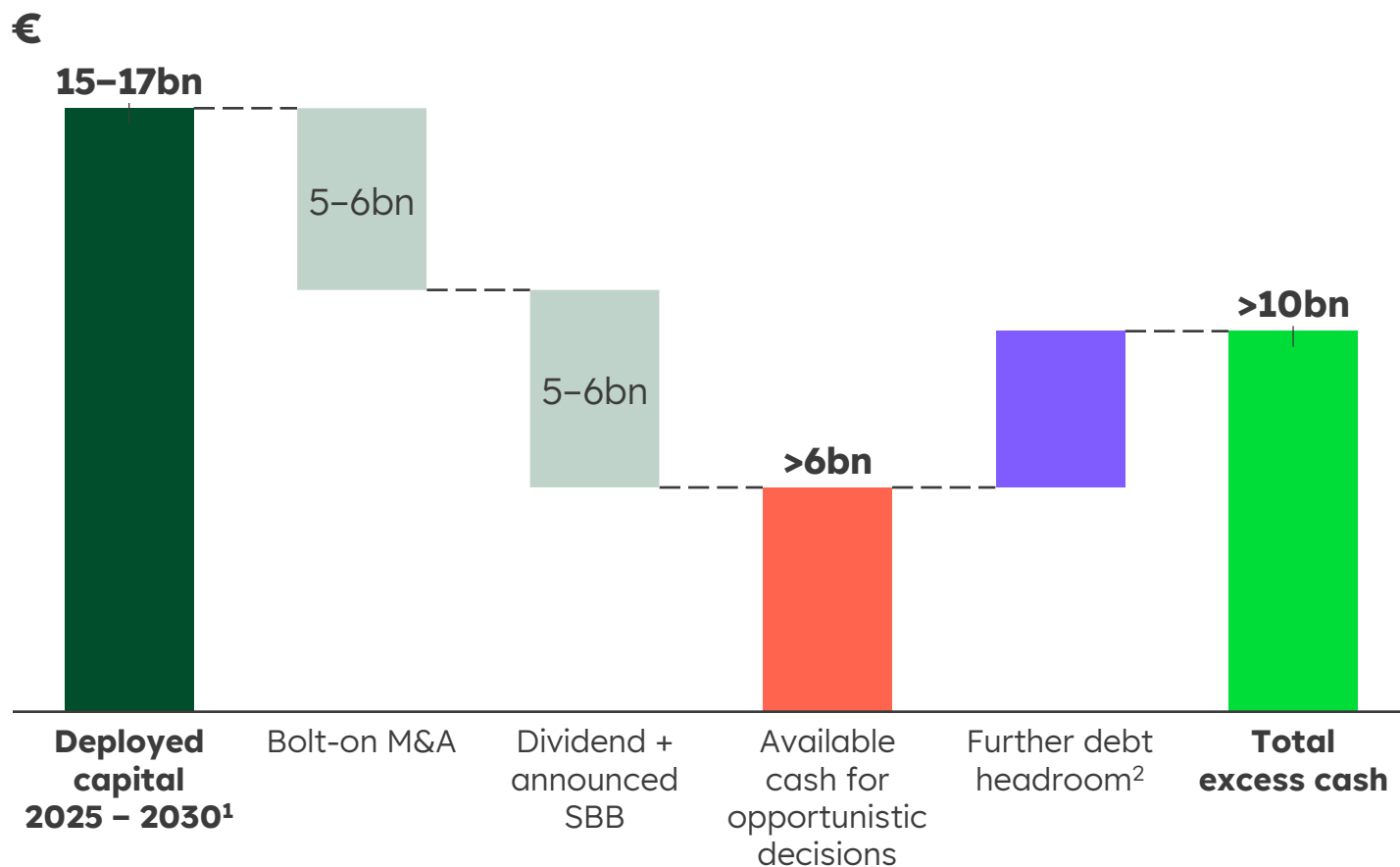
> Operational excellence and digitalisation

> Growth through disciplined M&A





## Significant cash potential to maximise shareholder returns



More than  
**€10bn**  
excess cash

for increase of  
organic investments,  
further M&A and  
opportunistic  
share buyback

<sup>1</sup> Free cashflow generation + disposal proceeds from 2025 to 2030 | <sup>2</sup> Based on assumed leverage of 1.5x

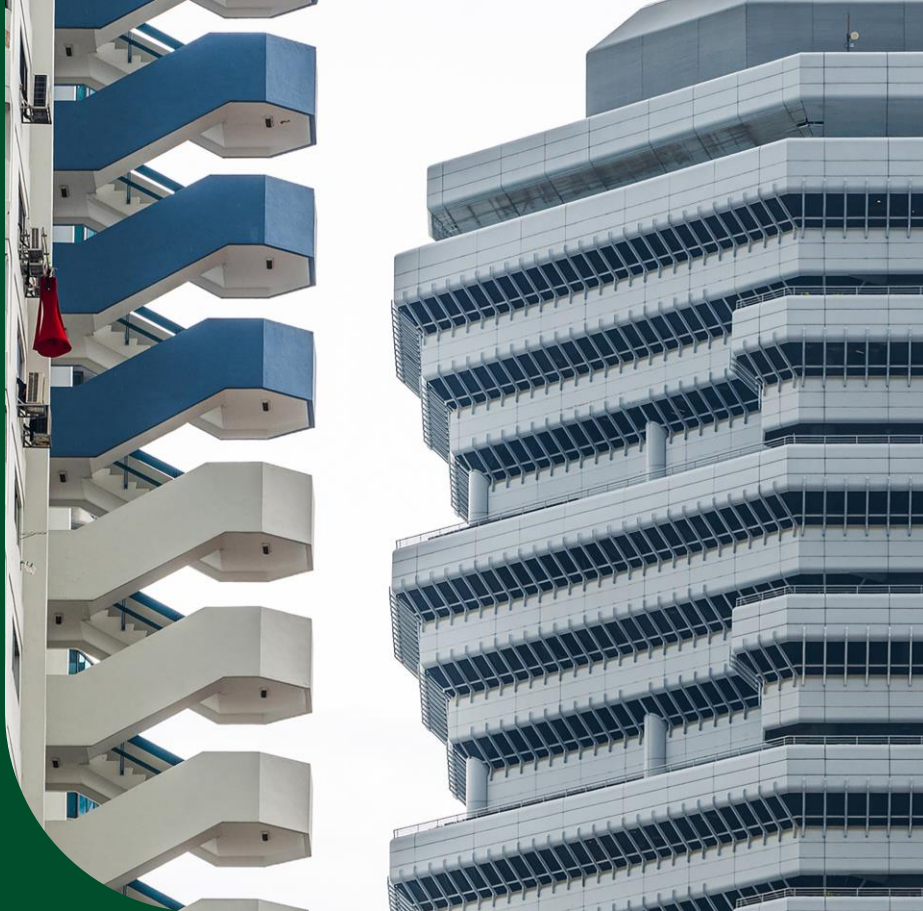


# 3

## Current trading update



# Delivering consistent growth



## **Good operational performance** in the quarter:

- Revenue +1% YoY (+4% *excluding currency impact*)
- RCO +5% YoY (+7% *excluding currency impact*)
- Operating EBITDA margin +65 bps YoY

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**Transformation Accelerator** fully on track, around 250 €m savings already secured as of September 2025

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**Second tranche of 1.2 €bn share buyback program on track**, to be finalized by mid December

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**Final Investment Decision for Padeswood CCS project taken.** Construction will start this year

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**evoZero® hits the market.** World's first carbon captured near-zero cement delivered to customers across Europe

## **2025 Outlook:**

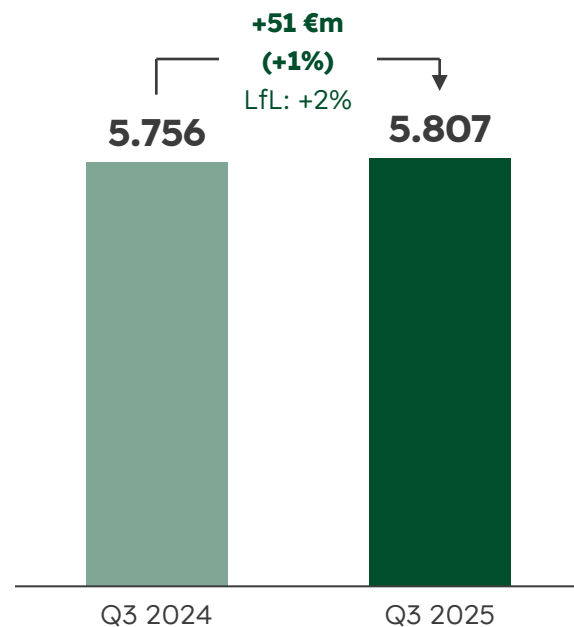
- RCO at 3.30-3.50 €bn (*vs. 3.25-3.55 €bn*)
- ROIC at around 10%
- CO<sub>2</sub> emissions: Slight reduction <sup>1</sup>

<sup>1</sup> Based on kg CO<sub>2</sub>/t cementitious material

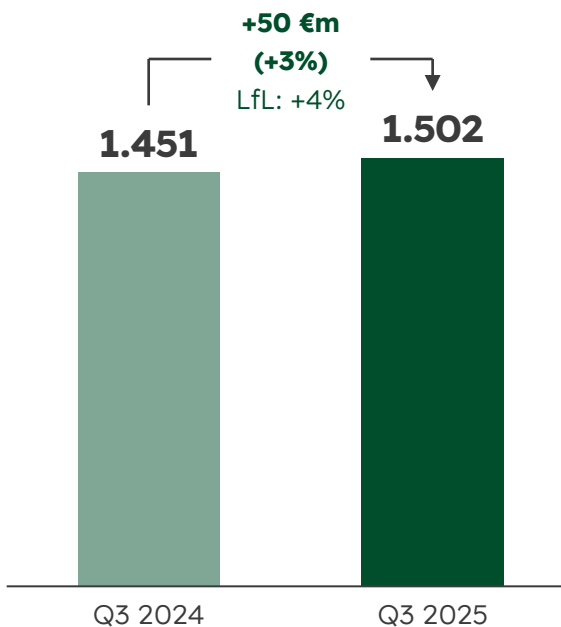


## Q3 2025 operational result

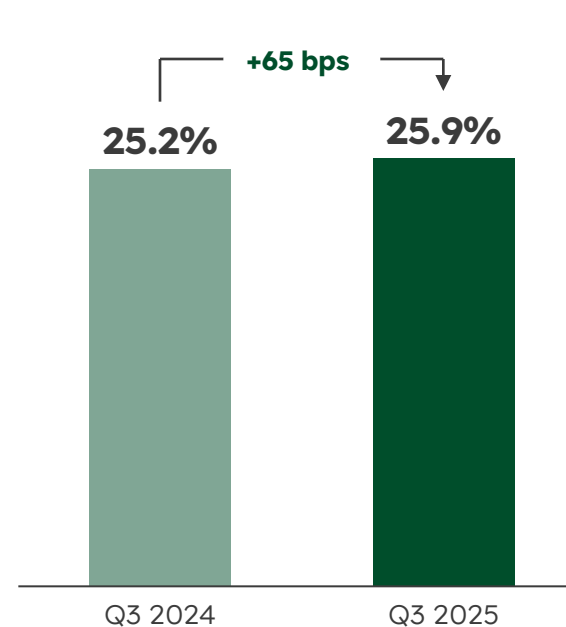
### Revenue [€m]



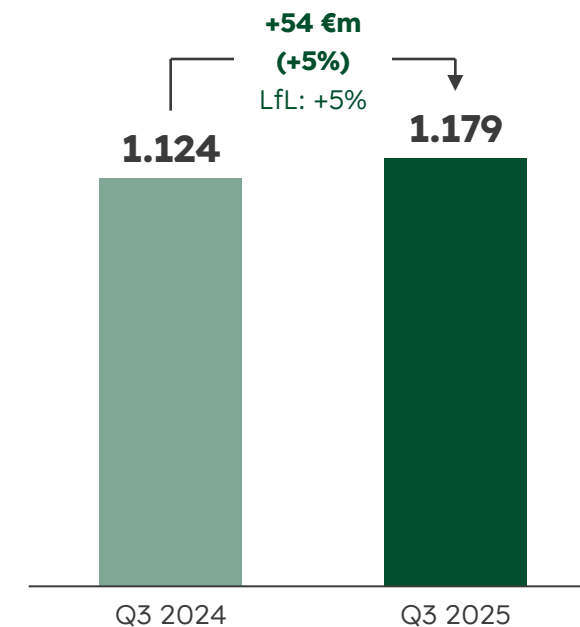
### Operating EBITDA [€m]



### Operating EBITDA Margin

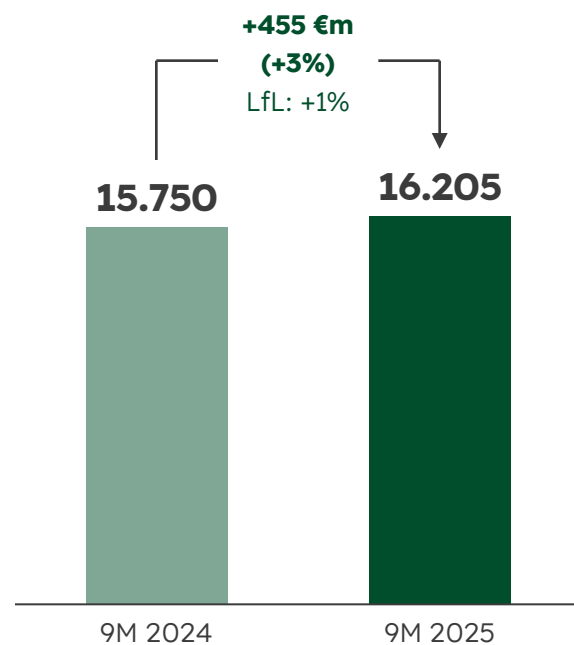


### Operating EBIT (RCO) [€m]

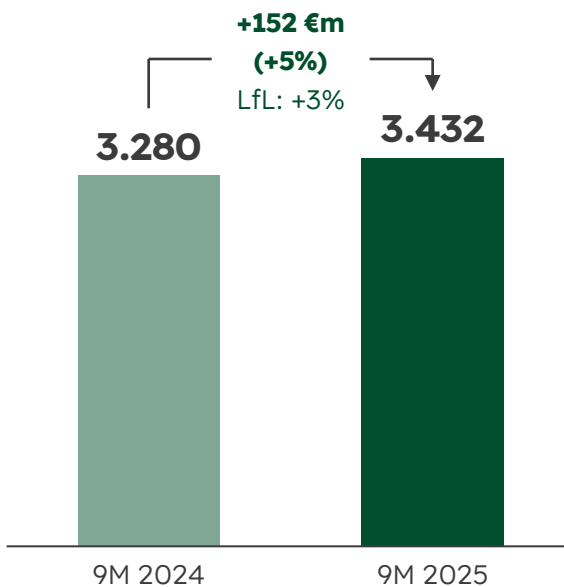


## 9M 2025 operational result

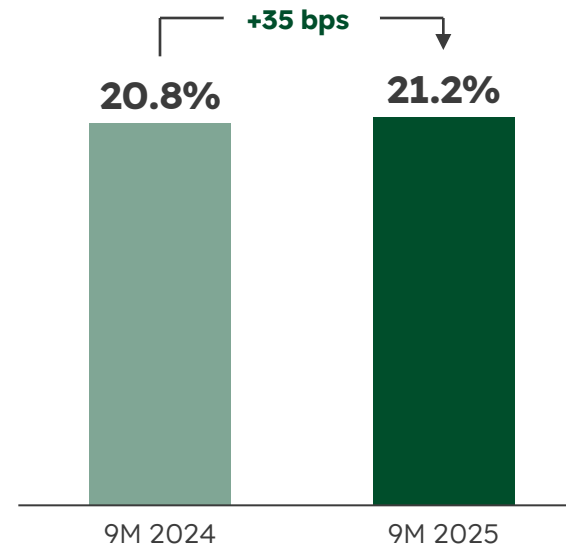
### Revenue [€m]



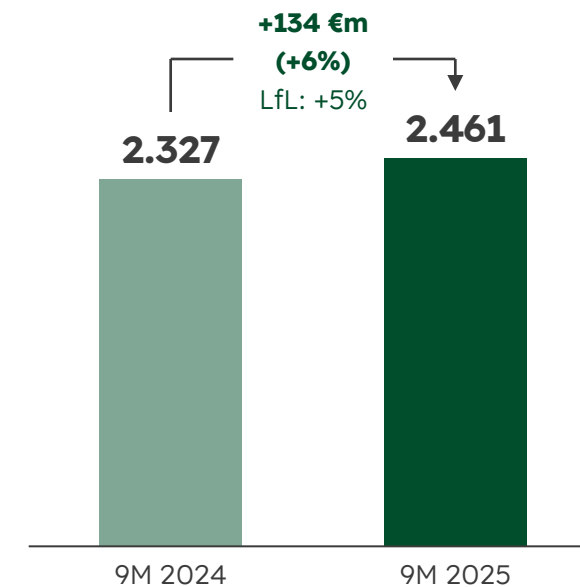
### Operating EBITDA [€m]



### Operating EBITDA Margin

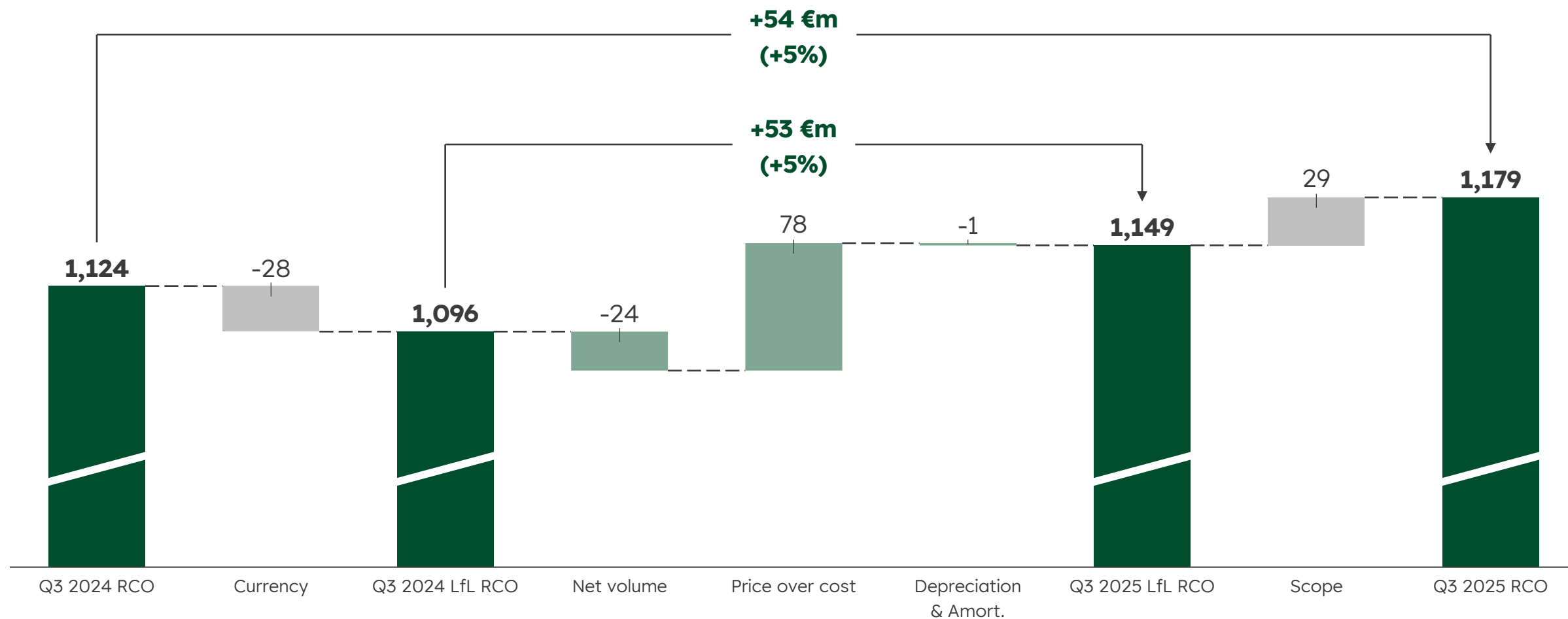


### Operating EBIT (RCO) [€m]

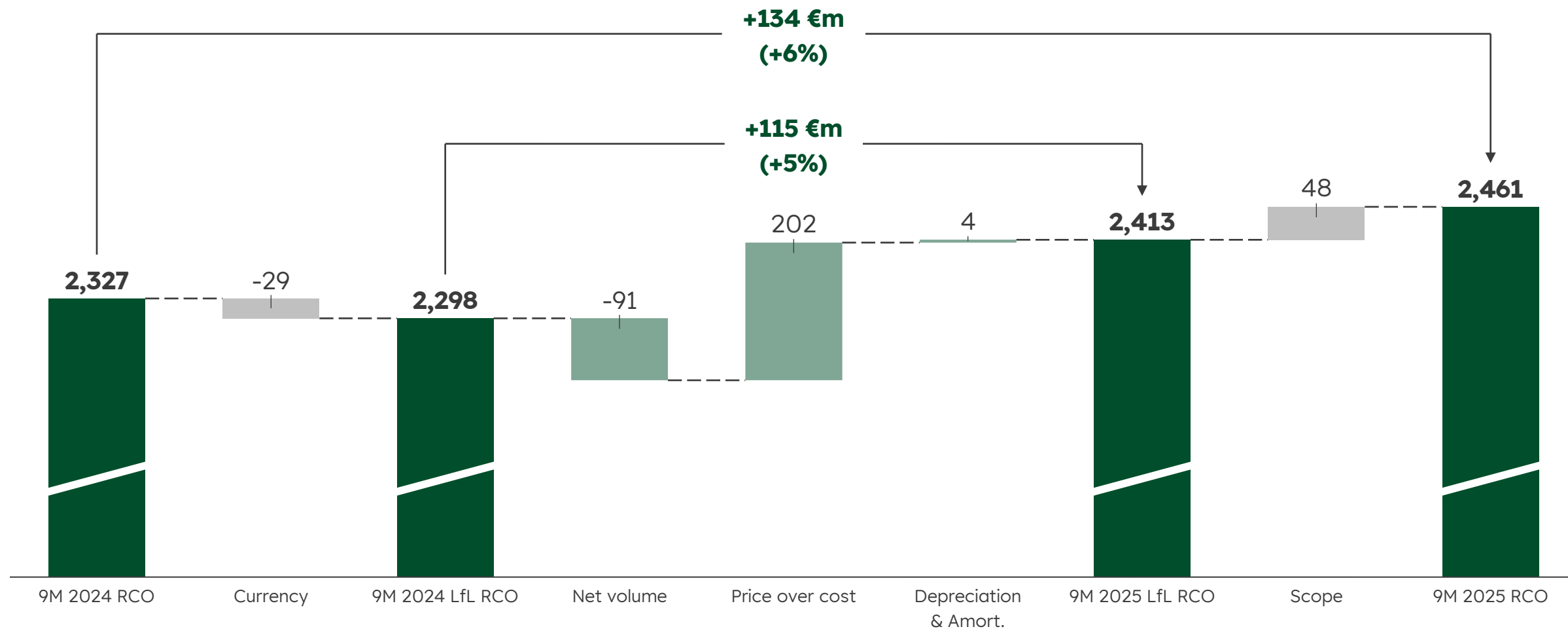




## Q3 2025: Operating EBIT (RCO) bridge [€m]



## 9M 2025: Operating EBIT (RCO) bridge [€m]



## Transformation Accelerator Initiative (TAI) fully on track

**Programme successfully continues based on defined roadmap**

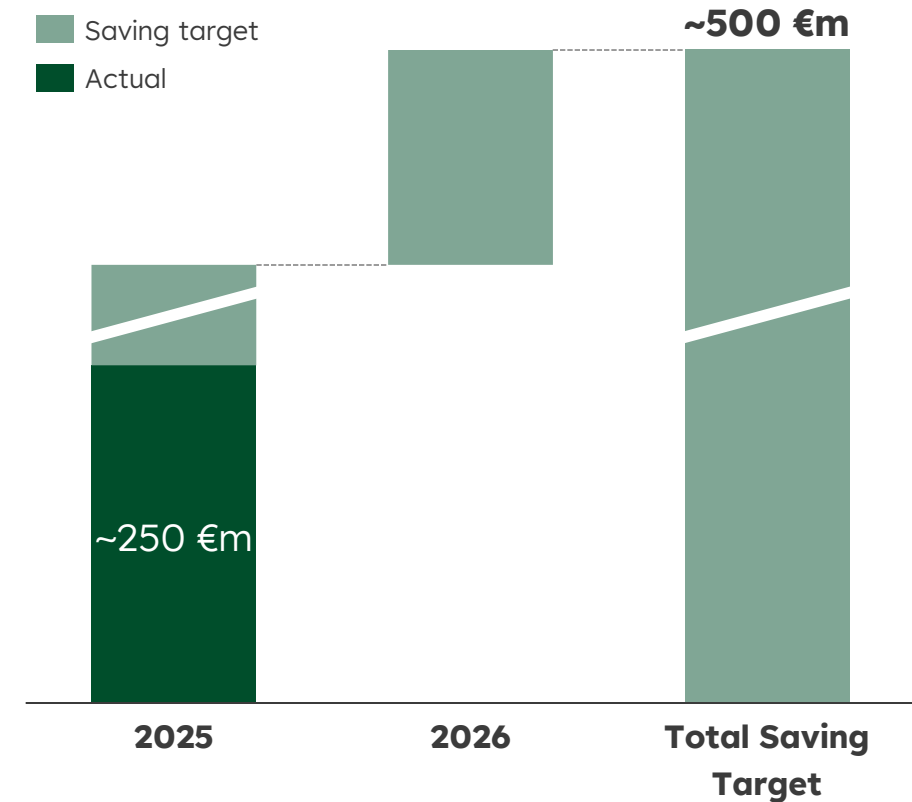
**Contribution from almost all countries** based on defined and agreed action plan

Transparent approach all over the globe, enabling all levels to contribute with **innovative ideas**

Productivity and cost benchmarking prove to be important pillars of using our **global advantages** to further optimize overall cost structure in all business lines

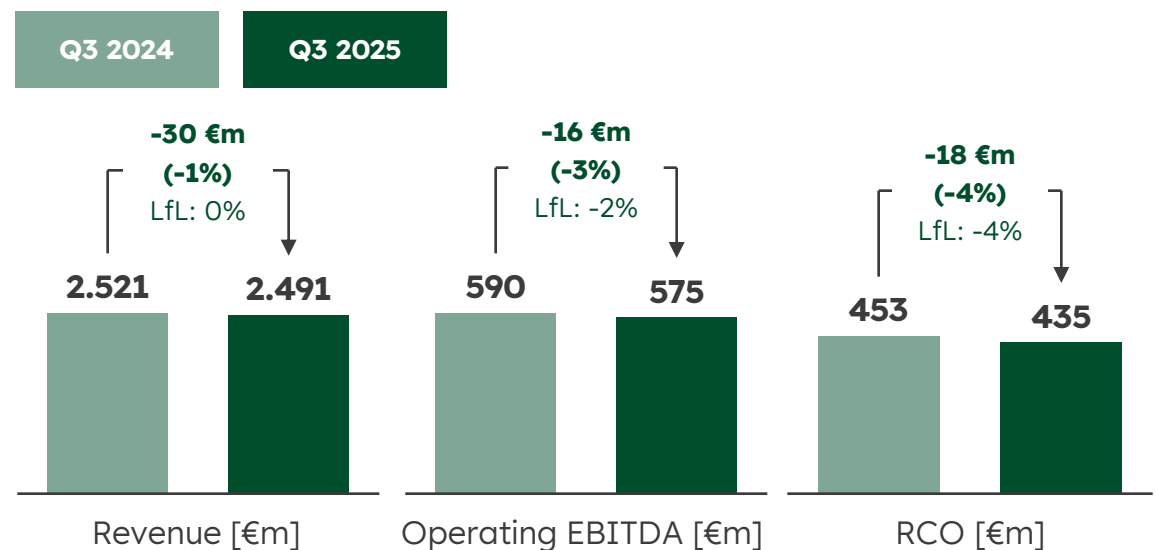
Clear focus on **innovation, efficiency, and execution**

**Secured sustainable savings as of September 2025**

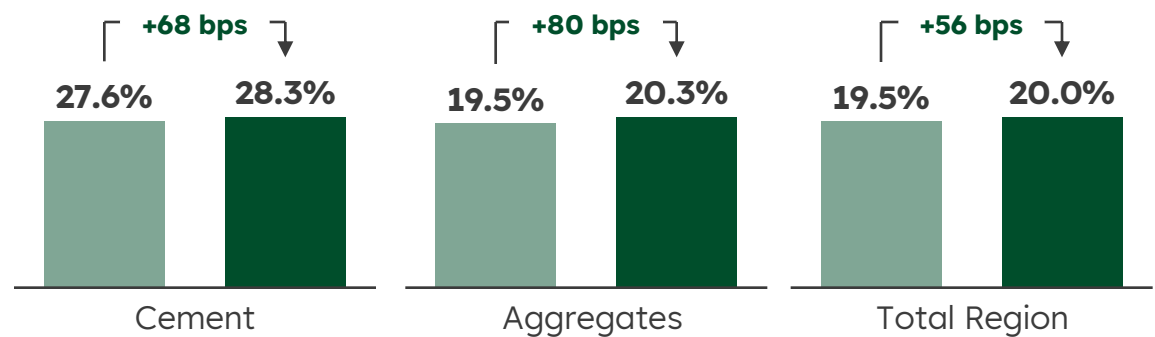




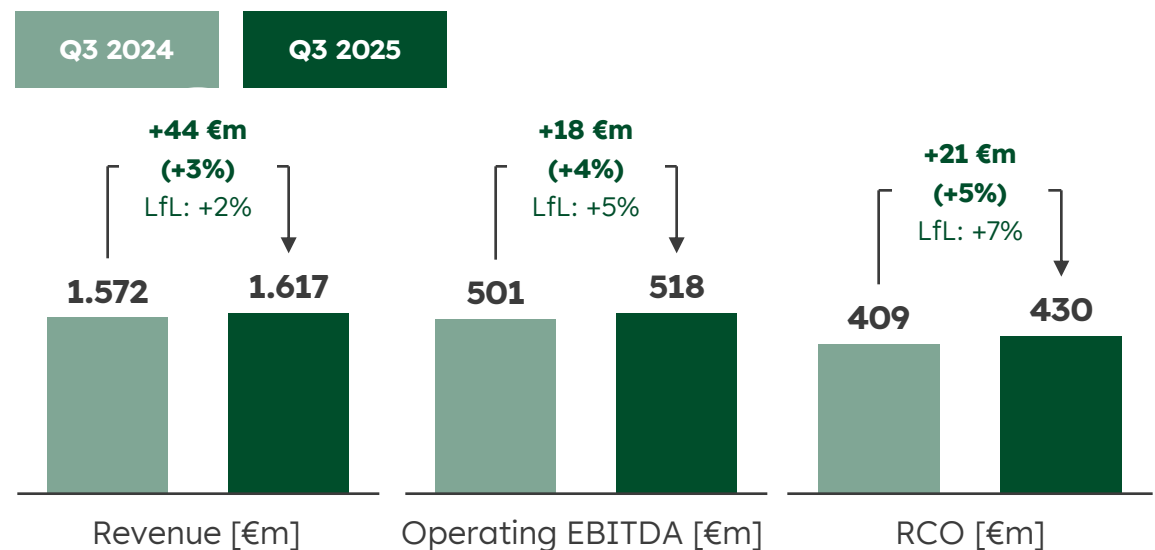
# Europe



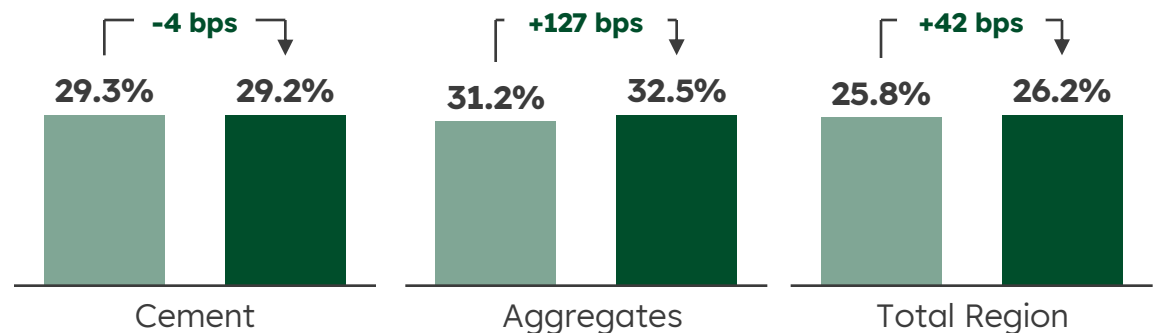
## EBITDA margins (LTM rolling)



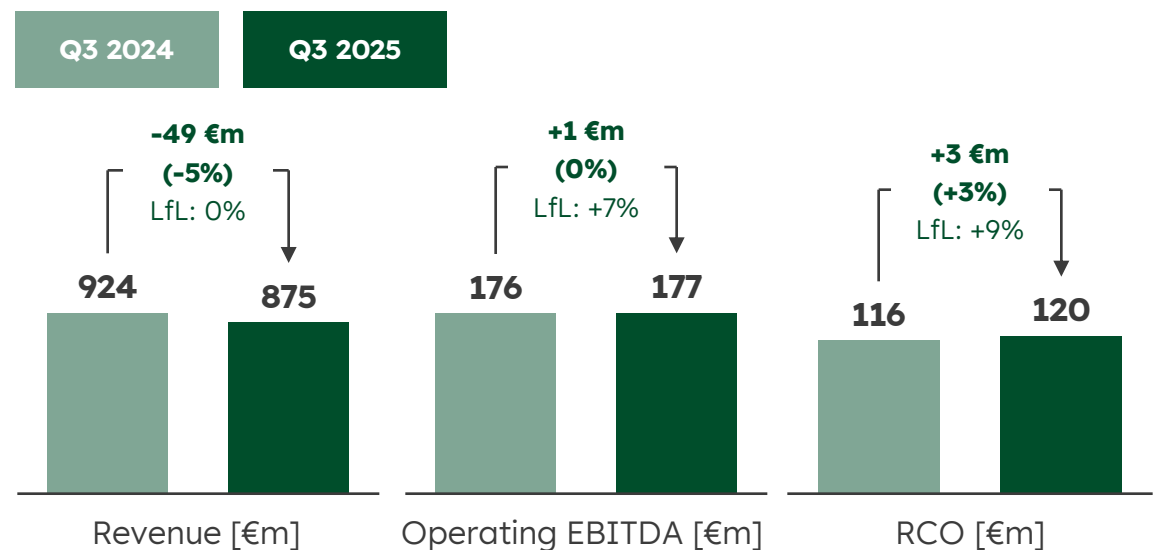
# North America



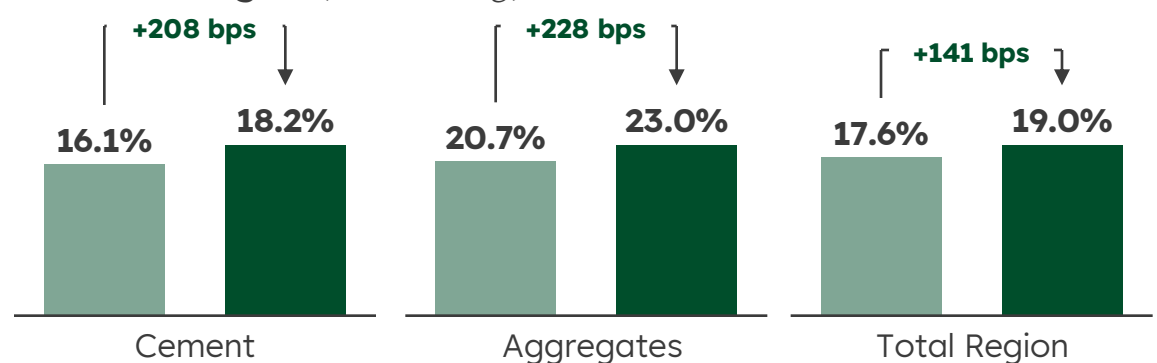
## EBITDA margins (LTM rolling)



# Asia – Pacific

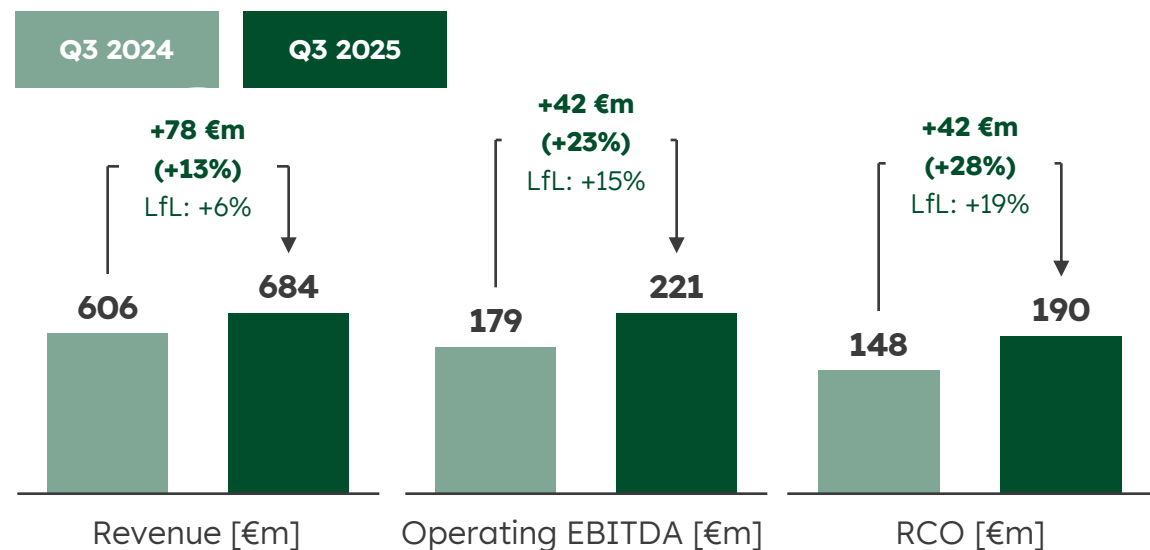


## EBITDA margins (LTM rolling)

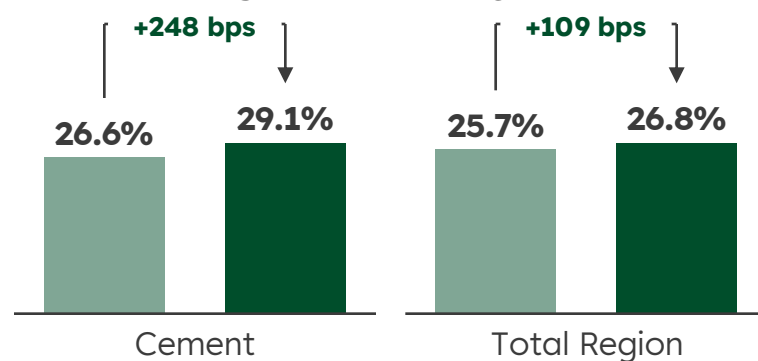




## Africa – Mediterranean – Western Asia



### EBITDA margins (LTM rolling)



## Sustainability: Two major steps in decarbonisation

### evoZero® hits the market



**Delivery of world's first carbon captured near-zero cement evoZero** to customers across Europe has started

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**Carbon reduction digitally traceable** and come with a full third-party assurance

---

evoZero is already being used for the construction of the **new underground Skøyen Station** in Oslo, built by Skanska

---

**3D-Printing DREIHAUS Project** in Heidelberg, will be using evoZero and already using evoBuild®

---

### Final Investment Decision for Padeswood



**Set to be the world's first fully decarbonised cement production**

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**~800,000 t of CO<sub>2</sub> will be captured p.a.**, as integral part of HyNet project

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**Construction will start this year** and be operational in 2029

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Brevik and Padeswood CCS projects combined will enable us to offer **around 1.4 mt evoZero p.a. by 2030**

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# Financial highlights

**Adjusted EPS increases by 4% to 8.7 €<sup>1</sup>**

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Last 12 months **free cash flow at 2.3 €bn<sup>2</sup>**

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**Leverage at 1.5x**, impacted by seasonality

---

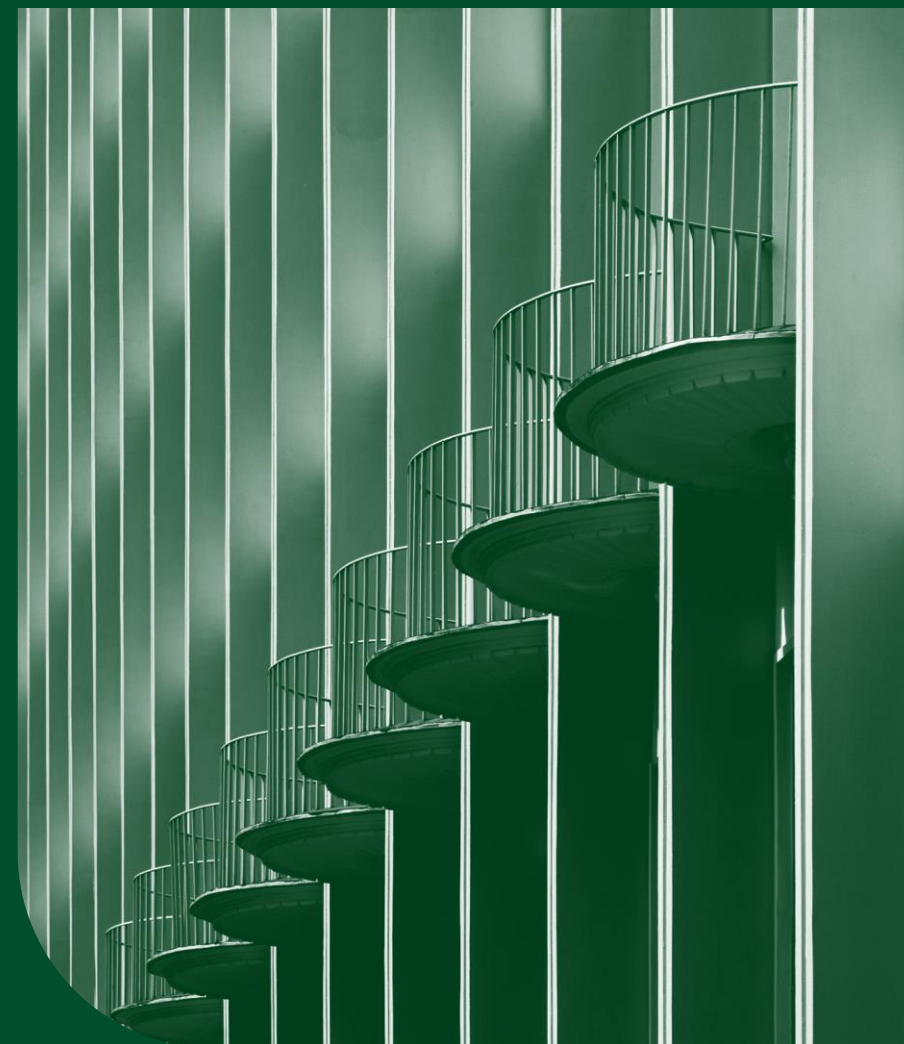
**Asment de Témara (Morocco) and Buckeridge Group of Companies (Australia)** deals are closed

---

**Second tranche of 1.2 €bn share buyback program** with an amount of up to 450 €m is about to be finalised

<sup>1</sup> 9M 2025 vs. 9M 2024

<sup>2</sup> Based on last 12 months rolling figures





# 2025 Outlook

## Key steering KPIs

## 2025 targets

**RCO****3.30 to 3.50 €bn**  
*(previous: 3.25 to 3.55 €bn)***ROIC****Above 10%****CO<sub>2</sub> emission****Slight reduction**

## Other

**Net CapEx****Around 1.2 €bn****Leverage**In line with mid-term target:  
**Around 1.5x**

# 4

## **Heidelberg Materials as an attractive investment**

# Heidelberg Materials as an attractive investment



**01**

**The only  
global one**



**02**

**The deepest  
decarbonising  
one**



**03**

**The tech one**



**04**

**The fastest  
growing one**



**05**

**The trusted  
one**



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