HeidelbergCement

2014 Trading Statement

10 February 2015

Dr. Bernd Scheifele, CEO and Dr. Lorenz Näger, CFO

HEIDELBERGCEMENT

Disclaimer

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

This presentation contains forward-looking statements and information. Forward-looking statements and information are statements that are not historical facts, related to future, not past, events. They include statements about our believes and expectations and the assumptions underlying them. These statements and information are based on plans, estimates, projections as they are currently available to the management of HeidelbergCement. Forward-looking statements and information therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

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 HeidelbergCement's 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 HeidelbergCement's 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 HeidelbergCement's 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.

In the first quarter of 2014 HeidelbergCement applied the new IFRS standards 10 and 11 for the first time. According to the new rules the proportionate consolidation is abolished. Instead, joint ventures are to be accounted for using the equity method. Assets and liabilities as well as income and expenses of joint ventures will no longer be shown proportionately in the relevant balance sheet or income statement items, but will only be shown in a separate line using the equity method: the carrying amount in the balance sheet and the result from joint ventures in the income statement. Among the joint ventures of HeidelbergCement are important operations in Turkey, China, Hungary, Bosnia and the USA (Texas), which have contributed significant results to the operating income in the past. In order to continue with a comprehensive presentation of the operational performance, HeidelbergCement will include the result from joint ventures in operating income before depreciation starting with the first quarter of 2014.

2014: A success story

2013 figures are restated by reclassification of disposed part of Building Products (in accordance with IFRS 5) and reclassification of Cement Australia due to a new interpretation of IFRS 11 based on tentative IFRIC agenda decision in November 2014

- **Solid volume increases in all business lines**
- **On LfL basis: revenue up 8%; operating EBITDA up 9%; operating income up 13%**
- **LfL Operating EBITDA margin improved by +11bps**
- **Disposal of Building Products successfully completed for 1.4 billion USD**
- **Net debt below 7 billion EUR; proceeds from sale of Building Products still to come**
- **Total 5.6mt new capacity commissioned in Africa, Indonesia and Kazakhstan**

Restatement of figures based on tentative IFRIC agenda decision and IFRS 5 for Building Products

Full Year (m€)	2013 reported	JV accounting	2013 restated	BP disposal	Cement Australia	2013 restated	2014 reported
Notes :	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Revenues	**13,936**	-797	**13,138**	-754	-256	**12,128**	**12,614**
Operating EBITDA	**2,424**	-89	**2,335**	-78	-33	**2,224**	**2,288**
Operating Income	**1,607**	-36	**1,571**	-34	-18	**1,519**	**1,595**

Q4 (m€)	Q4 2013 reported	JV accounting	Q4 2013 restated	BP disposal	Cement Australia	Q4 2013 restated	Q4 2014 reported
Notes :	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Revenues	**3,485**	-209	**3,276**	-104	-62	**3,111**	**3,309**
Operating EBITDA	**661**	-23	**638**	-12	-11	**614**	**625**
Operating Income	**463**	-12	**451**	-2	-8	**441**	**442**

(1) Values reported as in Annual Report 2013.
(2) Restatement of Joint Venture result due to the first-time application of IFRS 10 and 11.
(3) Restated values as of January 1st based on IFRS 10 and 11 application.
(4) Reclassification of disposed part of Building Products in accordance with IFRS 5.
(5) Reclassification of Cement Australia due to a new interpretation of IFRS 11 based on tentative IFRIC agenda decision in November 2014.
(6) Restated figures as of December 31st , to be included in 2014 Annual Report.
(7) Reported 2014 figures reflecting all the accounting changes and reclassifications.

HEIDELBERGCEMENT

Group Overview

- Solid volume increases in all business lines
- On LfL basis: revenue up 8%; operating EBITDA up 9%; operating income up 13%
- LfL Operating EBITDA margin improved by +11bps
- Building Products disposal project successfully completed

Group Overview	Full Year					Q4				
	2013	2014	variance		L-f-L	2013	2014	variance		L-f-L
Volumes										
Cement volume ('000 t)	78,146	81,847	3,700	4.7 %	5.5 %	20,079	20,597	518	2.6 %	3.1 %
Aggregates volume ('000 t)	230,615	243,604	12,990	5.6 %	4.8 %	58,279	62,849	4,570	7.8 %	7.1 %
Ready mix volume ('000 m^3)	34,927	36,591	1,664	4.8 %	4.1 %	9,088	9,546	457	5.0 %	1.5 %
Asphalt volume ('000 t)	8,353	9,309	956	11.4 %	7.4 %	2,253	2,360	107	4.7 %	4.7 %
Operational result (EURm)										
Revenue	12,128	12,614	486	4.0 %	8.4 %	3,111	3,309	198	6.4 %	3.8 %
Operating EBITDA	2,224	2,288	64	2.9 %	9.1 %	614	625	11	1.7 %	0.9 %
in % of revenue	*18.3 %*	*18.1 %*			*+11 bps*	*19.7 %*	*18.9 %*			*-53 bps*
Operating income	1,519	1,595	76	5.0 %	12.9 %	441	442	0	0.1 %	-0.2 %

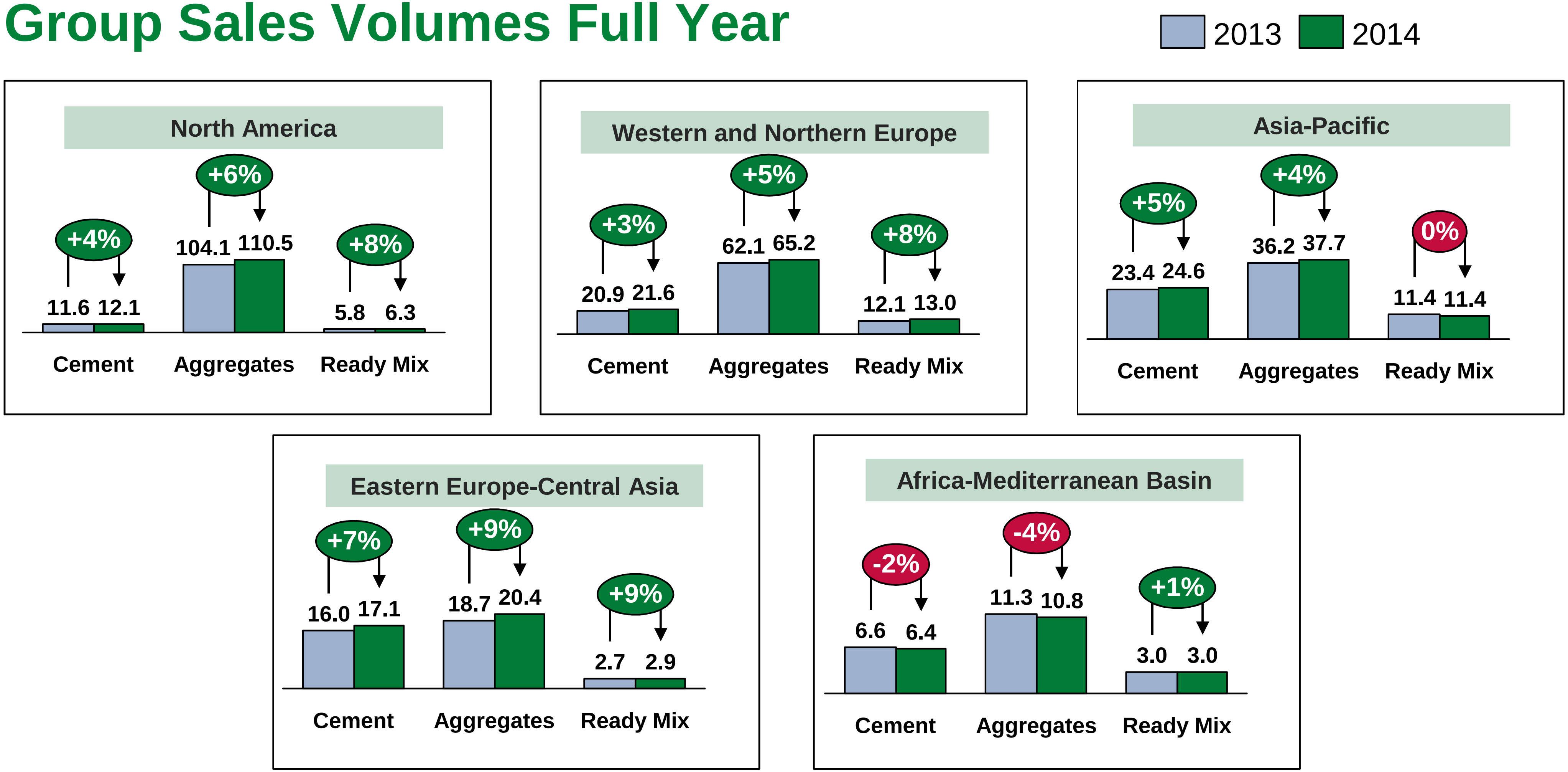
Revenue (EURm)	2013	2014	variance		Q4 2013	Q4 2014	variance	
Cement	5,971	5,957	-14	-0.2 %	1,434	1,507	72	5.0 %
Aggregates	2,548	2,713	166	6.5 %	615	714	98	16.0 %
RMC + Asphalt	3,651	3,887	236	6.5 %	928	1,036	108	11.6 %

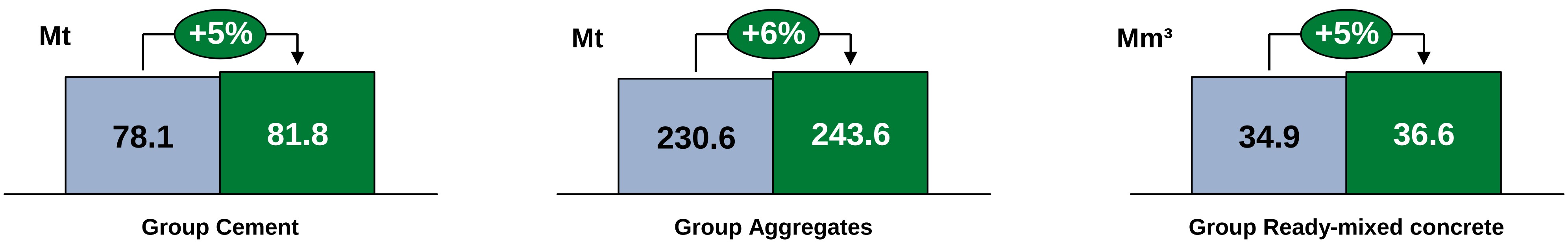
Opr. EBITDA margin (%)	2013	2014	Q4 2013	Q4 2014
Cement	24.9 %	23.9 %	28.3 %	26.0 %
Aggregates	23.5 %	23.1 %	25.2 %	22.8 %
RMC + Asphalt	1.0 %	2.7 %	2.4 %	3.5 %

Full year and Q4 2013 figures include gain from exhausted quarry sale of 25 million EUR.
2013 values are restated due to the first-time application of IFRS 10 and 11 and reclassification of Building Products in accordance with IFRS 5.
LfL: Organic development excluding currency and change in scope. Details are included in appendix

HEIDELBERGCEMENT

Group Sales Volumes Full Year

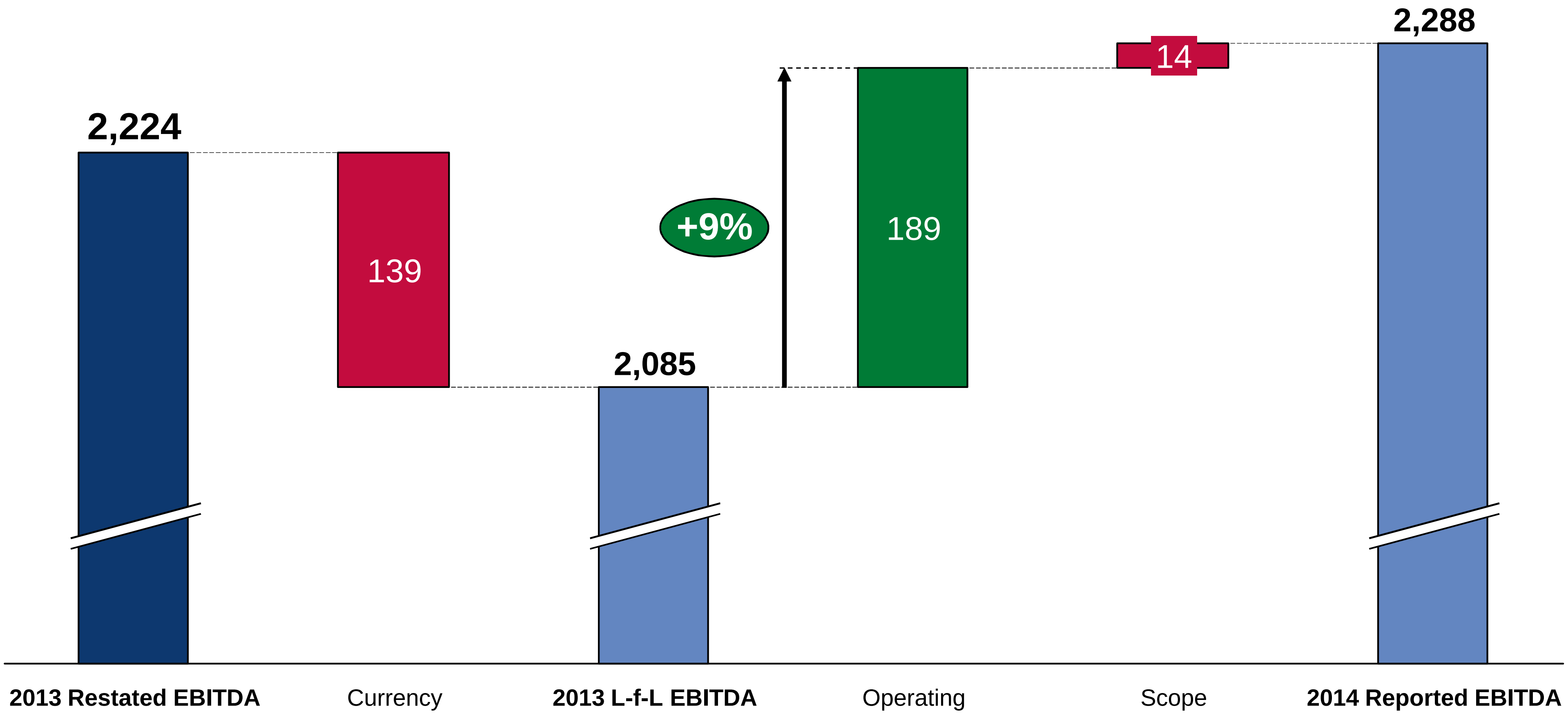




2013 values are restated due to the first-time application of IFRS 10 and 11.

HEIDELBERGCEMENT

Strong organic growth driven by solid operational performance



EBITDA continued to improve despite significant negative currency impact and IFRS driven reclassifications

2013 values are restated due to the first-time application of IFRS 10 and 11. 2013 reported and restated figures include 25m€ gain from exhausted quarry sale

Market leading energy cost efficiency

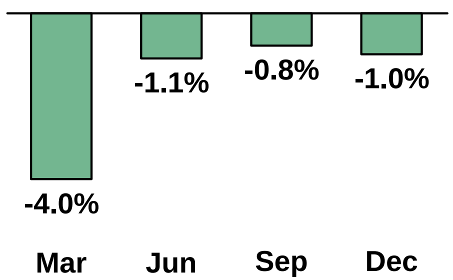
Coal

International Coal price development

(Europe API2)

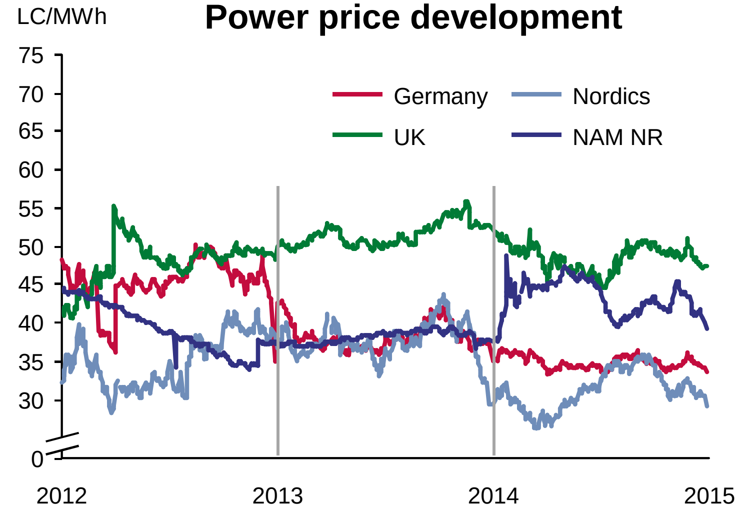
Fuel cost inflation 2014

(YTD, in %)



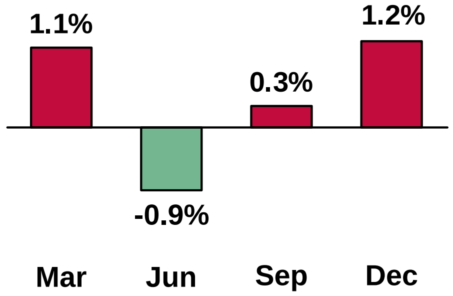
Power

Power price development



Power cost inflation 2014

(YTD, in %)



Full year energy cost inflation: 0%

Current trends in all commodity types signal another year with flat energy cost

HEIDELBERGCEMENT

What we focused on and what we achieved

What we promised...	What we delivered...
Margin improvement driven by announced programs	Group LfL **EBITDA Margin further improves by +11bps,** taking Group LfL **Operating EBITDA up by 189 m€ (+9%)**
Deleveraging with clear goal to reach investment grade metrics	**Net debt below 7 billion EUR**, strong cash flows support deleveraging – disposal proceeds Building Products still to cash-in in 2015 (*)
Solid steps in **disposal program**	**Successful disposal of Building Products**, further optimization of asset base through **sale of other non-core activities**
Targeted growth in Africa, Indonesia, and Kazakhstan	**Total 5.6mt new capacity commissioned** in Africa (2.9mt), Indonesia (1.9mt) and Kazakhstan (0.8mt) on time, on financial budget, on performance

LfL: Organic development excluding currency and change in scope. Details are included in appendix.
(*) Based on preliminary unaudited figures.

HEIDELBERGCEMENT

North America

- Market recovery continues; prices above prior year in all business lines and regions
- Full year cement margin affected by operating challenges; aggregates margin further improved (excluding quarry sales gain in 2013)
- **USA:**
  - Solid full year cement volume growth, especially strong in the South
  - Acceleration of aggregates volume growth in H2
  - Prices up in all business lines
- **Canada:** Volume growth and strong pricing in all business lines; no signs of a slowdown

North America	Full Year					Q4				
	2013	2014	variance		L-f-L	2013	2014	variance		L-f-L
Volumes										
Cement volume ('000 t)	11,607	12,081	474	4.1 %	4.1 %	2,865	2,891	26	0.9 %	0.9 %
Aggregates volume ('000 t)	104,148	110,492	6,343	6.1 %	6.1 %	25,049	28,352	3,303	13.2 %	13.1 %
Ready mix volume ('000 m^3)	5,774	6,263	489	8.5 %	7.3 %	1,379	1,500	122	8.8 %	6.3 %
Asphalt volume ('000 t)	3,049	3,551	501	16.4 %	16.4 %	783	891	108	13.7 %	13.7 %
Operational result (€m)										
Revenue	2,766	3,049	283	10.2 %	11.9 %	685	800	115	16.8 %	8.5 %
Operating EBITDA	555	610	55	9.9 %	12.5 %	138	161	23	16.8 %	10.8 %
in % of revenue	*20.1 %*	*20.0 %*			*+11 bps*	*20.1 %*	*20.1 %*			*+41 bps*
Operating income	362	412	51	14.1 %	17.6 %	91	107	17	18.2 %	13.5 %
Revenue (€m)										
Cement	1,054	1,115	61	5.8 %		250	284	34	13.6 %	
Aggregates	1,043	1,150	107	10.2 %		244	311	67	27.3 %	
RMC + Asphalt	794	874	81	10.2 %		190	230	40	21.0 %	
Opr. EBITDA margin (%)										
Cement	21.0 %	19.6 %				21.8 %	21.6 %			
Aggregates	27.4 %	26.5 %				31.2 %	26.8 %			
RMC + Asphalt	1.5 %	4.6 %				0.5 %	4.6 %			

Full year and Q4 2013 figures include gain from exhausted quarry sale of 25 million EUR.

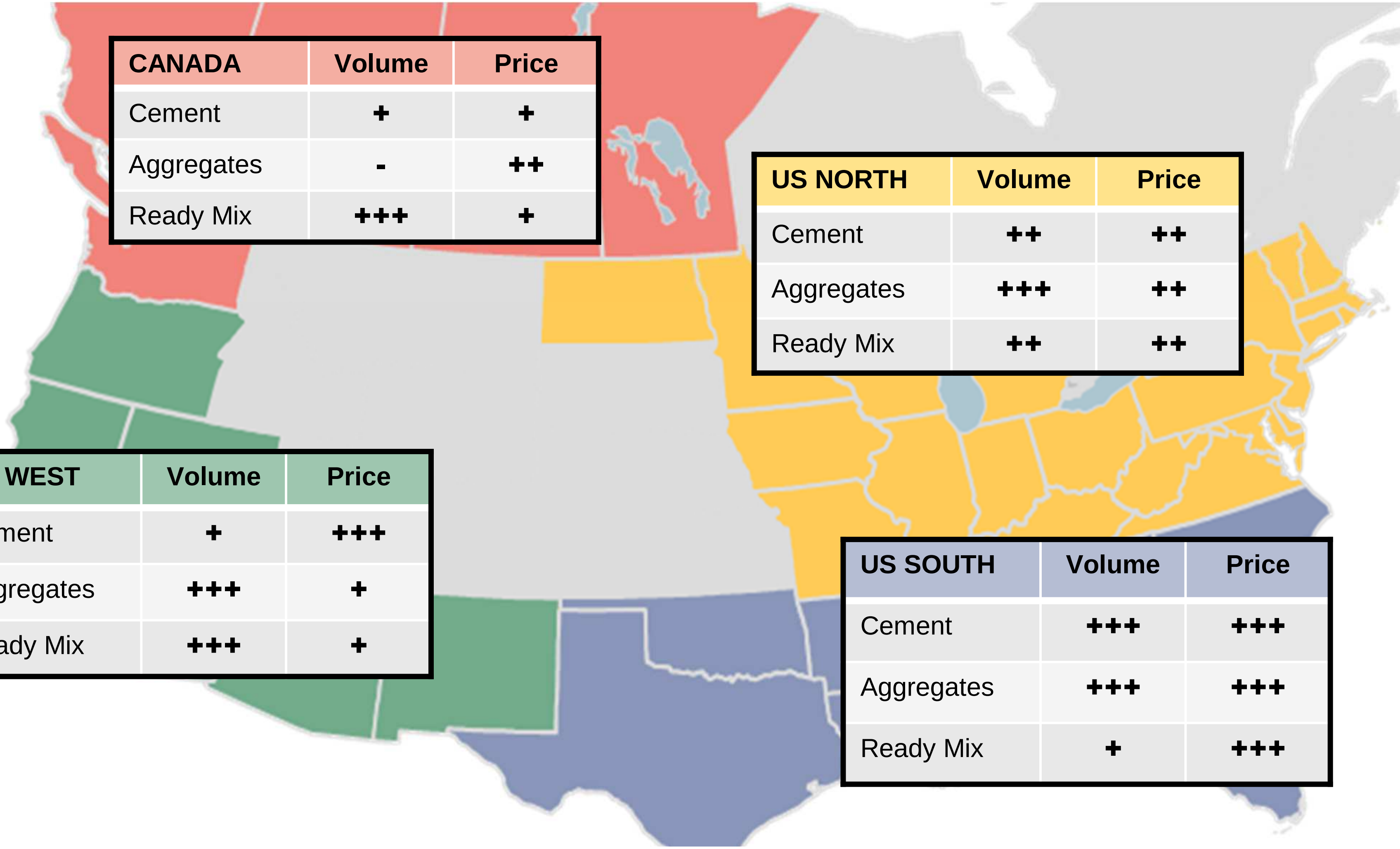
2013 values are restated due to the first-time application of IFRS 10 and 11 and reclassification of Building Products in accordance with IFRS 5.

LfL: Organic development excluding currency and change in scope. Details are included in appendix

HEIDELBERGCEMENT

North America: Solid performance in all regions and business lines

Volume & price development full year 2014 vs. 2013



CANADA	Volume	Price
Cement	+	+
Aggregates	-	++
Ready Mix	+++	+

US NORTH	Volume	Price
Cement	++	++
Aggregates	+++	++
Ready Mix	++	++

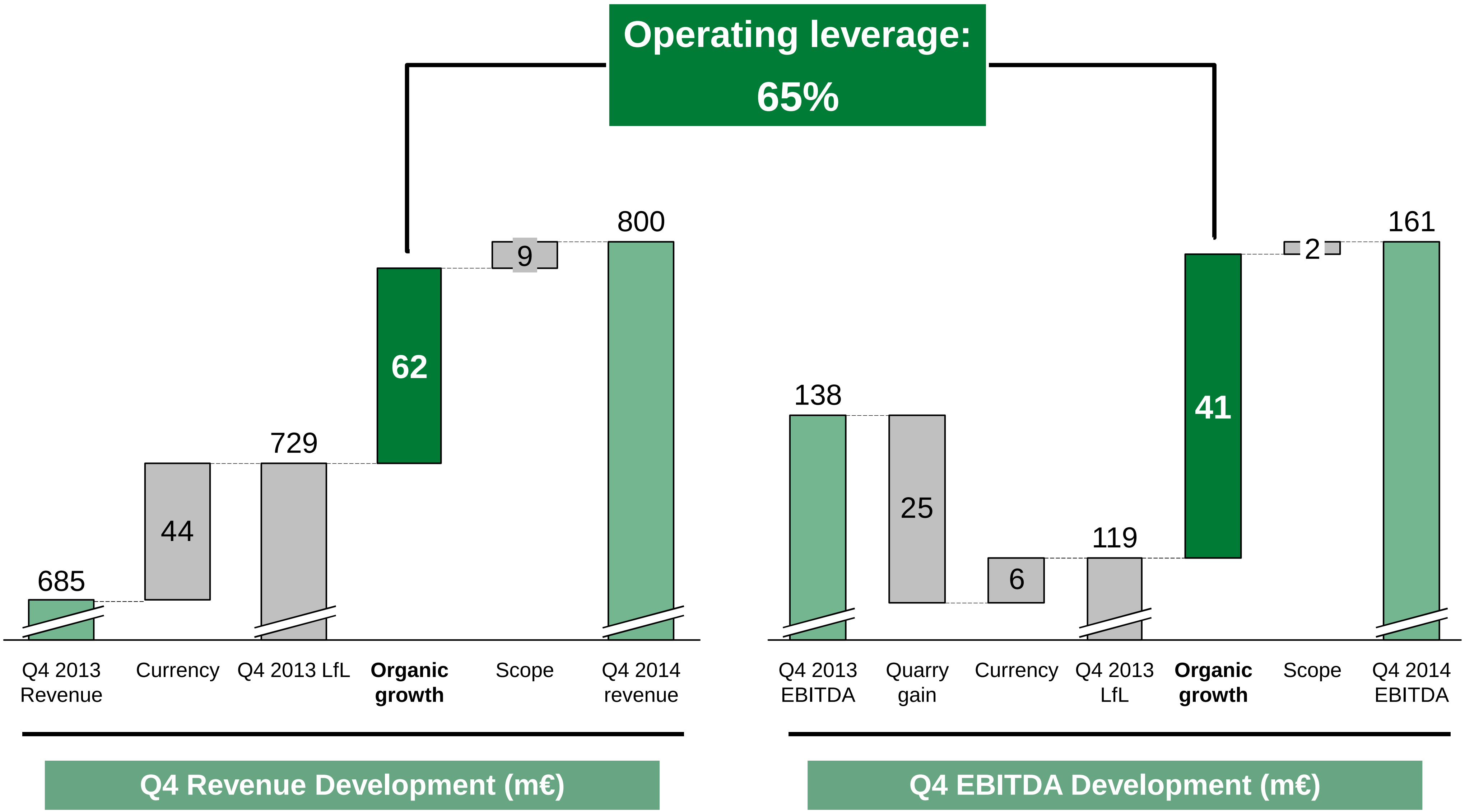
US WEST	Volume	Price
Cement	+	+++
Aggregates	+++	+
Ready Mix	+++	+

US SOUTH	Volume	Price
Cement	+++	+++
Aggregates	+++	+++
Ready Mix	+	+++

Strong volume and price development in all regions driven by superior footprint and very well managed vertically integrated business

HEIDELBERGCEMENT

Significant operating leverage in North America



2013 values are restated due to the first-time application of IFRS 10 and 11 and reclassification of Building Products in accordance with IFRS 5.

HEIDELBERGCEMENT

Western and Northern Europe

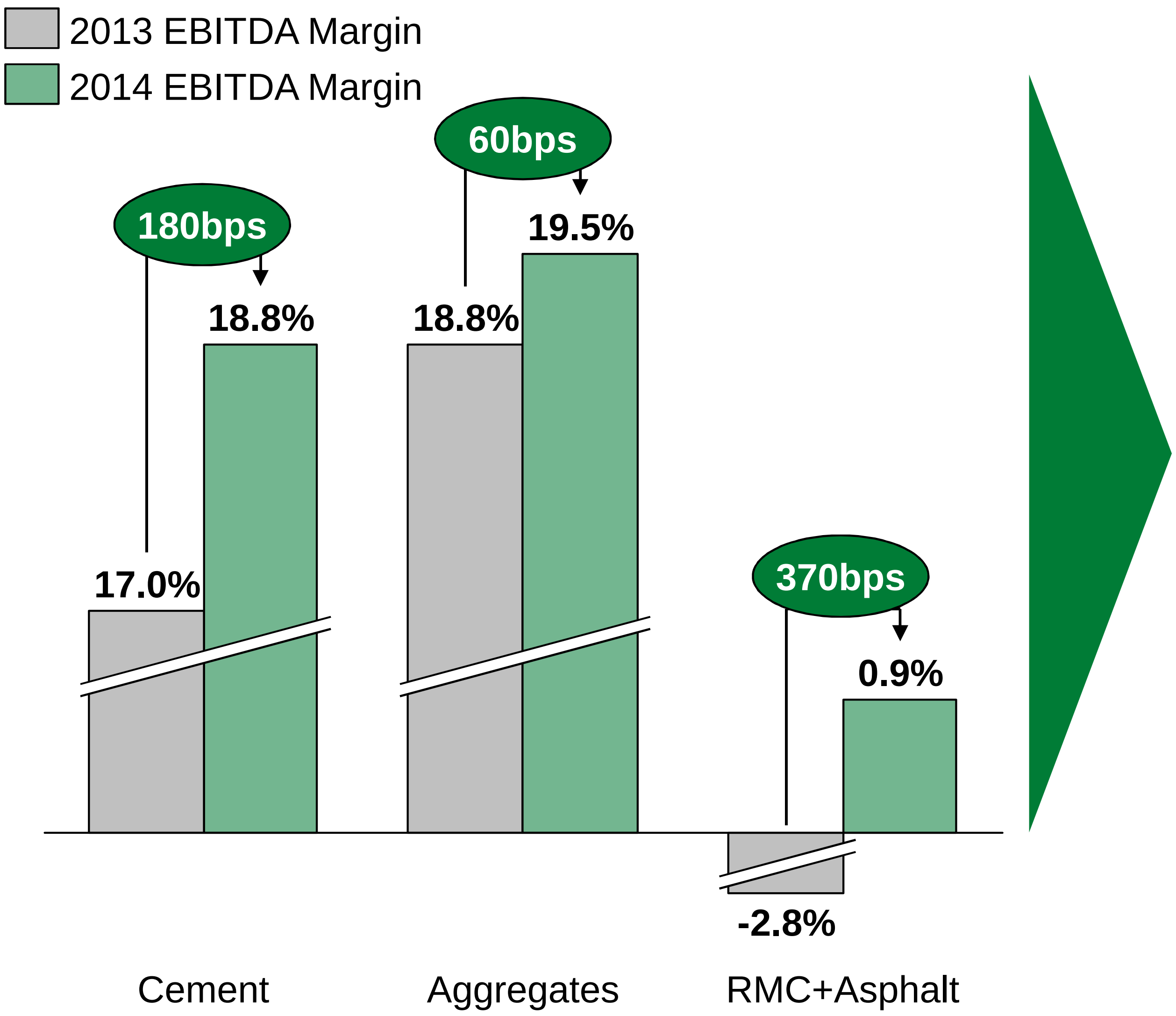
- Overall, solid market demand; volumes above prior year in all business for both the full year and Q4
- **UK:** Recovery continues, driven by increasing residential demand and large infrastructure projects in the London area; substantial full year result improvement; prices up in all business lines
- **Germany:** Volumes and pricing up in all business lines for the full year
- **Benelux:** Full year result in line with prior year; gradual market recovery expected in 2015
- **Northern Europe**: Slightly softer markets in 2014 vs. 2013 despite good cement demand in the Baltic States; result impacted by price pressure from increasing competition and higher distribution costs

Western & Northern Eur.	Full Year					Q4				
	2013	2014	variance		L-f-L	2013	2014	variance		L-f-L
Volumes										
Cement volume ('000 t)	20,901	21,608	706	3.4 %	3.2 %	5,291	5,330	39	0.7 %	0.2 %
Aggregates volume ('000 t)	62,139	65,217	3,078	5.0 %	-0.7 %	16,259	16,373	115	0.7 %	-5.2 %
Ready mix volume ('000 m³)	12,071	12,999	927	7.7 %	6.4 %	3,179	3,435	256	8.0 %	-0.7 %
Asphalt volume ('000 t)	2,626	3,096	470	17.9 %	5.0 %	744	783	38	5.1 %	5.1 %
Operational result (€m)										
Revenue	3,779	4,012	233	6.2 %	4.1 %	1,003	1,021	18	1.8 %	-3.1 %
Operating EBITDA	524	562	38	7.2 %	5.2 %	169	157	-12	-7.2 %	-9.6 %
in % of revenue	*13.9 %*	*14.0 %*			*+14 bps*	*16.8 %*	*15.3 %*			*-109 bps*
Operating income	290	329	40	13.7 %	12.4 %	109	96	-13	-12.0 %	-13.6 %
Revenue (€m)										
Cement	1,726	1,780	54	3.1 %		429	431	2	0.5 %	
Aggregates	761	843	82	10.8 %		189	214	25	13.1 %	
RMC + Asphalt	1,380	1,539	159	11.5 %		366	413	47	12.8 %	
Opr. EBITDA margin (%)										
Cement	20.3 %	19.9 %				25.8 %	24.3 %			
Aggregates	17.1 %	17.5 %				19.3 %	17.2 %			
RMC + Asphalt	0.9 %	2.3 %				4.6 %	3.9 %			

2013 values are restated due to the first-time application of IFRS 10 and 11 and reclassification of Building Products in accordance with IFRS 5.
LfL: Organic development excluding currency and change in scope. Details are included in appendix

HEIDELBERGCEMENT

UK: Margin improvement in all business lines



Margin improvements driven by solid Operating Leverage doubles Operating Income

2013 values are restated due to the first-time application of IFRS 10 and 11 and reclassification of Building Products in accordance with IFRS 5.

HEIDELBERGCEMENT

Eastern Europe-Central Asia

- **Poland**: Market recovery in 2014; good market outlook
- **Czech Republic:** Full year cement and aggregates volume growth; solid result development
- **Romania**: EBITDA margin improvement in 2014 due to cost control; low level of public infrastructure investments impedes more significant market recovery
- **Russia:** Cement volumes above prior year driven by public investments; result negatively impacted by depreciation of the Ruble, particularly in Q4
- **Ukraine:** Decline in volumes and result due to unstable environment in the east
- **Kazakhstan**: Strong volume development as a result of our new Shetpe plant; result negatively affected by price pressure from imports, plant start up costs and one-off effects

Eastern Eur. - Cent. Asia	Full Year					Q4				
	2013	2014	variance		L-f-L	2013	2014	variance		L-f-L
Volumes										
Cement volume ('000 t)	15,955	17,113	1,158	7.3 %	7.3 %	3,990	3,865	-124	-3.1 %	-3.1 %
Aggregates volume ('000 t)	18,740	20,403	1,663	8.9 %	12.0 %	5,664	5,763	99	1.7 %	4.1 %
Ready mix volume ('000 m^3)	2,698	2,945	247	9.2 %	9.2 %	760	840	80	10.6 %	10.6 %
Asphalt volume ('000 t)	0	0	0	N/A	N/A	0	0	0	N/A	N/A
Operational result (€m)										
Revenue	1,243	1,182	-61	-4.9 %	7.2 %	306	264	-42	-13.6 %	-0.8 %
Operating EBITDA	259	230	-29	-11.1 %	-2.3 %	72	41	-31	-43.3 %	-37.6 %
in % of revenue	*20.8 %*	*19.5 %*			*-188 bps*	*23.5 %*	*15.4 %*			*-912 bps*
Operating income	151	129	-21	-14.0 %	-6.3 %	45	16	-29	-65.0 %	-62.3 %
Revenue (€m)										
Cement	1,043	987	-56	-5.4 %		249	209	-41	-16.3 %	
Aggregates	110	104	-6	-5.4 %		32	29	-3	-9.9 %	
RMC + Asphalt	162	163		0.5 %		44	47		5.4 %	
Opr. EBITDA margin (%)										
Cement	22.4 %	21.1 %				25.0 %	18.6 %			
Aggregates	11.8 %	13.0 %				15.8 %	10.7 %			
RMC + Asphalt	4.7 %	2.4 %				7.3 %	1.3 %			

2013 values are restated due to the first-time application of IFRS 10 and 11.

LfL: Organic development excluding currency and change in scope. Details are included in appendix

Asia-Pacific

- **Indonesia:** Pick up in demand in Q4; Operating EBITDA margin further improved sequentially; price increases executed in Q4; slowdown of cost inflation in recent months; target is to keep 2015 margins stable despite recent price cuts
- **India:** Increased profitability as a result of positive volume and price development
- **Bangladesh:** Strong demand growth, especially in Q4, but lower prices due to increased competition
- **Australia:** Volume growth in all business lines for the full year and in Q4; strong markets in metropolitan areas Sydney and Perth
- **China:** Strong volumes in the North, but lower pricing; higher prices in the South offset by lower volumes

Asia - Pacific	Full Year					Q4				
	2013	2014	variance		L-f-L	2013	2014	variance		L-f-L
Volumes										
Cement volume ('000 t)	23,435	24,615	1,180	5.0 %	7.0 %	6,351	6,854	502	7.9 %	9.4 %
Aggregates volume ('000 t)	36,178	37,687	1,509	4.2 %	5.9 %	9,382	9,823	441	4.7 %	7.7 %
Ready mix volume ('000 m^3)	11,415	11,379	-36	-0.3 %	-0.3 %	3,002	3,031	29	1.0 %	1.0 %
Asphalt volume ('000 t)	2,163	2,265	102	4.7 %	4.7 %	613	602	-11	-1.8 %	-1.8 %
Operational result (€m)										
Revenue	2,877	2,818	-60	-2.1 %	7.3 %	707	785	78	11.0 %	7.3 %
Operating EBITDA	778	743	-35	-4.6 %	5.0 %	200	221	20	10.0 %	6.5 %
in % of revenue	*27.0 %*	*26.4 %*			*-60 bps*	*28.4 %*	*28.1 %*			*-20 bps*
Operating income	651	623	-29	-4.4 %	5.1 %	172	189	17	10.1 %	6.8 %
Revenue (€m)										
Cement	1,510	1,481	-29	-1.9 %		371	430	59	15.9 %	
Aggregates	547	530	-17	-3.1 %		129	139	10	7.7 %	
RMC + Asphalt	1,107	1,103	-4	-0.3 %		274	297	24	8.6 %	
Opr. EBITDA margin (%)										
Cement	35.3 %	32.5 %				36.2 %	34.1 %			
Aggregates	28.2 %	27.3 %				26.5 %	26.4 %			
RMC + Asphalt	0.1 %	1.9 %				0.1 %	3.0 %			

2013 values are restated due to the first-time application of IFRS 10 and 11.

LfL: Organic development excluding currency and change in scope. Details are included in appendix

HEIDELBERGCEMENT

Indonesia: A new era driven by infrastructure

- **Pick-up in demand in Q4** after a slower market development in first 3 quarters which was the result of the political uncertainty
- Government is involved to **boost the infrastructure development** in coming years with a budget of around IDR250 trillion
- Following the cement price reduction, **target is to stabilize the margin** by:
  - internal efficiency programs
  - lower coal price and electricity
  - lower fuel price leading to decreased logistics costs
- Indocement will evaluate possible **price adjustments** continuously, especially when demand starts to pick-up after rainy season
- Improving macro-economic condition creates **tail-wind** for positive result

Indocement continues to deliver strong results;
infrastructure projects create further potential for upcoming years

Africa-Mediterranean Basin

- **Turkey:** Good market demand with significantly improved pricing lead to improved 2014 result
- **Ghana:** Full year volume above prior year; result impacted by depreciation of local currency; several price increases implemented
- **Tanzania:** Good result development driven by higher sales volumes and lower production costs
- **Togo:** Good domestic demand; higher volumes due to smooth start up of new plant lead to improved result
- **Israel:** Slight decline in full year result due to lower aggregates and asphalt volumes; revenue and result are still at a historically very high level
- **Spain:** Difficult market situation persists

Africa - Med. Basin	Full Year					Q4				
	2013	2014	variance		L-f-L	2013	2014	variance		L-f-L
Volumes										
Cement volume ('000 t)	6,564	6,441	-123	-1.9 %	0.3 %	1,646	1,644	-2	-0.1 %	2.4 %
Aggregates volume ('000 t)	11,323	10,843	-480	-4.2 %	-0.5 %	2,739	2,677	-62	-2.2 %	2.3 %
Ready mix volume ('000 m³)	2,969	3,005	36	1.2 %	1.2 %	769	739	-30	-3.9 %	-3.9 %
Asphalt volume ('000 t)	514	397	-117	-22.8 %	-22.8 %	112	84	-28	-25.2 %	-25.2 %
Operational result (€m)										
Revenue	949	910	-39	-4.1 %	11.4 %	235	231	-3	-1.5 %	11.1 %
Operating EBITDA	195	213	18	9.0 %	28.1 %	46	55	9	18.8 %	39.2 %
in % of revenue	*20.5 %*	*23.4 %*			*+306 bps*	*19.7 %*	*23.8 %*			*+492 bps*
Operating income	166	184	17	10.4 %	31.7 %	39	46	7	18.8 %	42.2 %

Revenue (€m)	FY 2013	FY 2014	variance		Q4 2013	Q4 2014	variance	
Cement	651	622	-30	-4.6 %	138	161	23	16.8 %
Aggregates	86	86	0	0.1 %	21	21	0	0.8 %
RMC + Asphalt	208	207		-0.7 %	54	49		-8.6 %

Opr. EBITDA margin (%)	FY 2013	FY 2014	Q4 2013	Q4 2014
Cement	22.4 %	25.2 %	25.8 %	28.0 %
Aggregates	19.1 %	19.6 %	15.5 %	13.1 %
RMC + Asphalt	2.0 %	1.2 %	2.2 %	-0.1 %

2013 values are restated due to the first-time application of IFRS 10 and 11.

LfL: Organic development excluding currency and change in scope. Details are included in appendix

Group Services

- Despite the effects of Ebola and political turmoil in Libya, Syria, and Russia/Ukraine, sales volumes were 9% above Q4 2013 thanks to increased fuel sales to the cement industry in India & China; full year international sales volumes increased 15% in 2014
- Q4 EBITDA increased due to higher revenues and strong trading margins; strong full year operating EBITDA mainly due to good margins in trading to Africa and South America
- Significant sea-bound raw material availability and historically low transport costs are expected to continue to contribute to competitive import costs and increased profitability of HC grinding units worldwide and especially in Africa

Group Services	Full Year					Q4				
	2013	2014	variance		L-f-L	2013	2014	variance		L-f-L
Volumes										
Cement volume ('000 t)	0	483	483	N/A	N/A	0	107	107	N/A	N/A
Operational result (€m)										
Revenue	941	1,077	137	14.5 %	14.5 %	285	314	28	9.9 %	3.2 %
Operating EBITDA	21	27	6	27.8 %	27.8 %	5	6	1	30.6 %	19.2 %
in % of revenue	*2.3 %*	*2.5 %*			*+26 bps*	*1.7 %*	*2.0 %*			*+27 bps*
Operating income	21	27	6	27.9 %	27.9 %	5	6	1	30.8 %	19.4 %

LfL: Organic development excluding currency and change in scope. Details are included in appendix

HEIDELBERGCEMENT

Continuation of successful strategy and macroeconomic tailwinds

1. **Positive (macroeconomic) developments in key HC markets**
   - US economy and cement markets to continue expanding at good pace
   - Continued recovery in the UK
   - Demand growth and good underlying fundamentals in Africa and Asia, e.g. Indonesia

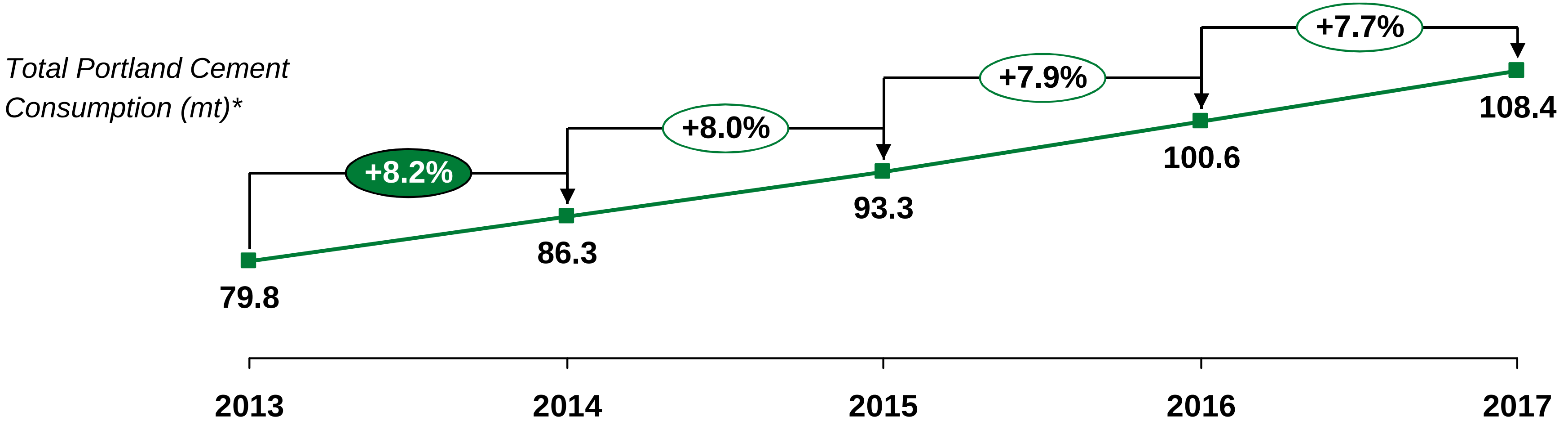
2. **Tailwind from commodity prices and currency developments**
   - Sharp fall in oil prices with some tailwind on the cost base and positive impact on growth in oil importing countries, e.g. Indonesia
   - Tailwind from depreciating EUR

3. **Continuation of our successful business strategy**
   - Unique vertically integrated position with strong asset base and excellent product portfolio
   - Focus on operational efficiency and margin improvement
   - Consistent value strategy of deleveraging and growth

Positive signs for good developments in 2015

US economy and markets to continue expanding at good pace

HC uniquely positioned to take advantage



- **8% US cement demand growth in 2014** and CAGR of 8% 2015-17 forecasted by PCA*
- **Still potential to ramp up production:** HC capacity utilization of ~80%[1] in NAM
- **Extensive network of import terminals** with market-leading profitability to take advantage of longer term recovery
- **Aggregates volume recovery potential** (volumes still near trough); reserve position of 13bn tons
- **Substantial tax shield →** drop through from EBITDA to cash

(*) Source: PCA Fall 2014 Forecast

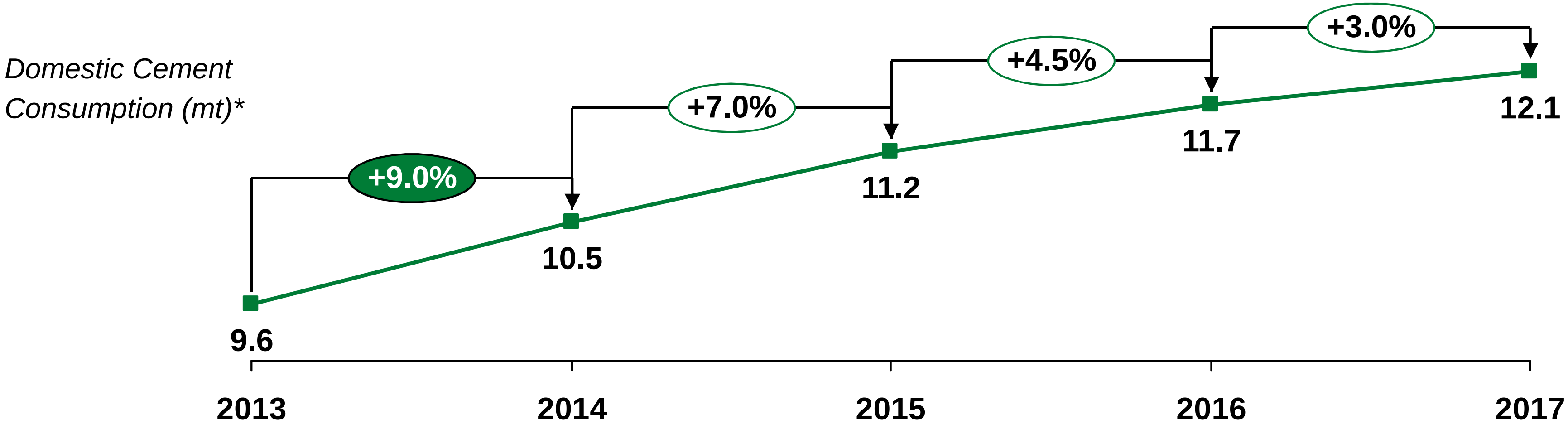
US recovery: HC uniquely positioned to take advantage

1) Operational capacity based on 80% calendar time utilization (FY 2014)

HEIDELBERGCEMENT

Continued recovery in the UK

HC with fully integrated position



- **9% UK domestic cement consumption growth in 2014** and CAGR of 5% 2015-17 forecasted by Euroconstruct*
- **Very low cement consumption per capita** (<200kg) for several years → structural need for growth
- **Residential demand driving 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
- **Substantial tax shield** → drop through from EBITDA to cash

(*) Source: Euroconstruct (Nov. 2014)

HC benefits from fully vertically integrated position in the UK

HEIDELBERGCEMENT

HeidelbergCement will clearly benefit from drop in oil price

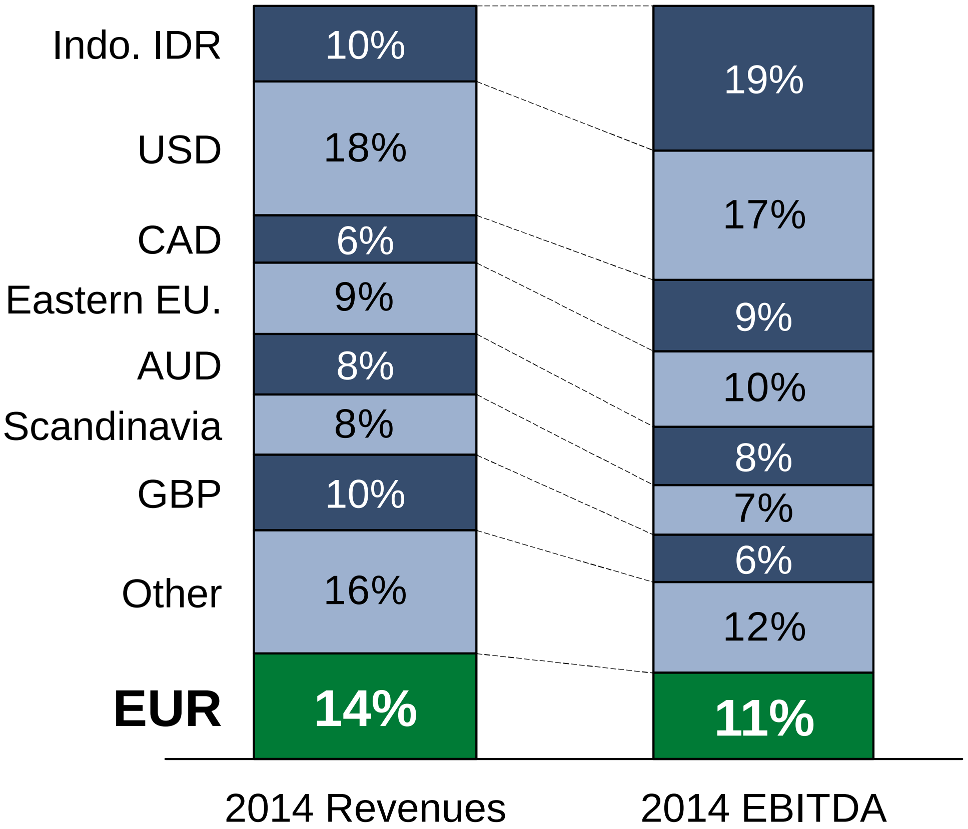
Positive impact on costs and market demand for HeidelbergCement	Limited negative impact on business in oil producing regions
• **HeidelbergCement generates 86% of group EBITDA** in net oil importing countries. For most of the countries, oil price decline means better GDP growth and higher infrastructure spending.	• **Canada:** We can shift to gray cement (already sold out) and use own production instead of importing from Washington (significant reduction in transportation costs).
• **Significant cost reduction potential** for 2015. Total oil and diesel bill of HeidelbergCement is more than 250 m€ per year.	• **Texas:** Gray cement market is sold out. We can shift from oil well cement to gray cement. Only 15% of state GDP depends on mining.
• **Further savings to be realized in distribution expenses.** Total distribution cost is 1.5b €, of which 30% directly/indirectly linked with diesel.	• **Russia:** No significant impacts expected in our core market Moscow. Infrastructure projects and residential market still strong.

Oil price decline creates additional tailwind for HeidelbergCement for 2015

HEIDELBERGCEMENT

EUR weakness; positive currency impact potential in 2015

HeidelbergCement generates 86% of revenues and 89% of EBITDA outside EUR zone



10 % depreciation of EUR would lead to:

- **9% increase in EBITDA**
- **3% decrease in Net Debt**
- **0.3X decrease in leverage**

HEIDELBERGCEMENT

Appendix

Impacts from currency and change in consolidation scope

REVENUE €m	December Year to Date Cons.	 Decons.	 Curr.	Q4 Cons.	 Decons.	 Curr.
North America	15	0	-54	9	0	44
Western / Northern Europe	72	0	7	27	16	8
Eastern Europe / Central Asia	0	-10	-131	0	-2	-37
Asia / Pacific	1	-24	-229	1	-5	29
Africa / Med. Basin	1	-23	-110	1	-7	-20
Group Service	0	0	0	0	0	18
Total Group	**89**	**-56**	**-517**	**37**	**1**	**41**

OPERATING EBITDA €m	December Year to Date Cons.	 Decons.	 Curr.	Q4 Cons.	 Decons.	 Curr.
North America	3	0	-16	2	0	6
Western / Northern Europe	14	0	-3	5	-1	0
Eastern Europe / Central Asia	0	-2	-22	0	0	-6
Asia / Pacific	0	-3	-68	0	-1	7
Africa / Med. Basin	-1	2	-30	-1	2	-8
Group Service	0	0	0	0	0	0
Total Group	**17**	**-2**	**-139**	**6**	**0**	**-1**

HEIDELBERGCEMENT

Volume and price development

++ Strong **+** Slightly up **-** Slightly down **- -** Negative

CEMENT (Gray Domestic)		
2014 vs. 2013	**Volume**	**Price**
US	++	++
Canada	++	+
Indonesia	++	++
Bangladesh	++	- -
Australia	++	- - (*)
India	++	++
Germany	++	+
Belgium	++	- -
Netherlands	- -	-
United Kingdom	++	+
Norway	- -	-
Sweden	- -	- -
Czech Republic	++	-
Poland	++	- -
Romania	++	+
Russia	++	++
Ukraine	- -	+
Kazakhstan	++	- -
Georgia	++	-
Ghana	++	++
Tanzania	++	-

AGGREGATES		
2014 vs. 2013	**Volume**	**Price**
US	++	++
Canada	-	++
Australia	++	- -
Indonesia	++	- -
Malaysia	- -	++
United Kingdom	++	++
Germany	- -	+
Belgium	- -	++
Netherlands	-	- -
Norway	- -	++
Sweden	++	-
Czech Republic	++	++
Poland	++	- -
Israel	- -	++
Spain	++	+

READY MIX		
2014 vs. 2013	**Volume**	**Price**
US	++	++
Canada	++	++
Australia	++	-
Indonesia	- -	++
Malaysia	- -	++
Germany	++	+
Belgium	++	-
Netherlands	- -	- -
United Kingdom	++	++
Norway	- -	++
Sweden	++	+
Czech Republic	-	- -
Poland	+	- -
Israel	+	-
Spain	-	++

(*) Effected by product mix.

HEIDELBERGCEMENT

Contact information and event calendar

Event calendar

19 March 2015	2014 annual results
07 May 2015	2015 first quarter results
07 May 2015	2015 AGM
29 July 2015	2015 half year results
05 November 2015	2015 third quarter results

Contact information

Investor Relations

Mr. Ozan Kacar

Phone: +49 (0) 6221 481 13925

Fax: +49 (0) 6221 481 13217

Mr. Steffen Schebesta, CFA

Phone: +49 (0) 6221 481 39568

Fax: +49 (0) 6221 481 13217

ir-info@heidelbergcement.com

www.heidelbergcement.com

Corporate Communications

Mr. Andreas Schaller

Phone: +49 (0) 6221 481 13249

Fax: +49 (0) 6221 481 13217

info@heidelbergcement.com

HEIDELBERGCEMENT