HeidelbergCement

2018 Half Year Results

31 July 2018

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Market and financial overview Q2 2018

Solid results marking a clear trend change after difficult start of the year

- Robust volume growth in all business lines.
- Revenue +9%; Operating EBITDA +3%; Operating Income +5% increase in LfL basis.
- Group share of profit in Q2 up by +11%; Earnings per share rise in Q2 2018 from 1.80 € to 2.01 €.

Strong FCF generation results in further debt reduction

- LTM Free Cash Flow has increased to ~1.3 bn€.
- Normalized Working Capital, lower interest and tax payments will further improve Free Cash Flow.
- Disciplined CAPEX spending with focus on portfolio optimization continues.
- Net Debt reduced to 9.970 m€ – an improvement of 170 m€ in Q2 2018 vs. prior year.

Outlook 2018 confirmed

- Strong demand growth to continue through the year.
- Further price increases planned to compensate higher than expected cost inflation.
- Positive trends in Q2 and easing comparison base give us confidence to reach our full-year target.

Key operational and financial figures

Operational performance:

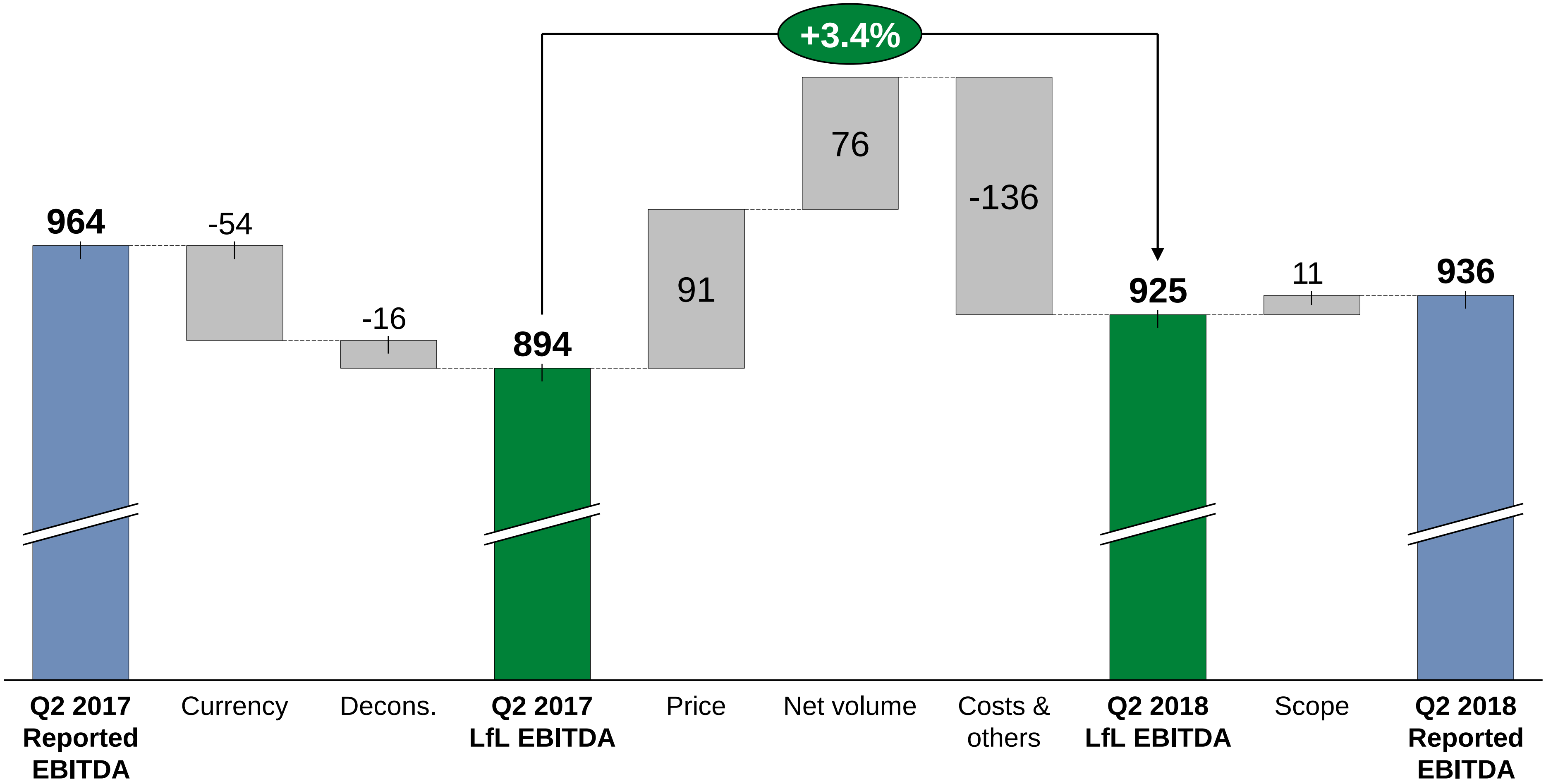
m€	Jun 17	Jun 18	Change	%	LfL %	Q2 17	Q2 18	Change	%	LfL %
Cement volume (‘000 t)	60,091	**61,865**	1,774	3.0 %	2.8 %	32,574	**33,708**	1,135	3.5 %	3.8 %
Aggregate volume (‘000 t)	142,304	**145,172**	2,869	2.0 %	1.0 %	81,449	**85,671**	4,222	5.2 %	4.2 %
Ready Mix volume (‘000 m^3)	22,620	**22,948**	328	1.4 %	2.5 %	12,197	**12,709**	512	4.2 %	5.0 %
Asphalt volume (‘000 t)	3,905	**4,495**	590	15.1 %	6.2 %	2,442	**2,873**	432	17.7 %	8.6 %
Revenue	8,394	**8,432**	37	0.4 %	6.0 %	4,611	**4,806**	195	4.2 %	9.4 %
Operating EBITDA	1,347	**1,188**	-159	-11.8 %	-4.6 %	964	**936**	-28	-2.9 %	3.4 %
in % of revenue	*16.1 %*	***14.1 %***	*-196 bps*		*-160 bps*	*20.9 %*	***19.5 %***	*-144 bps*		*-114 bps*
Operating income (*)	791	**647**	-144	-18.2 %	-9.0 %	683	**663**	-20	-2.9 %	4.8 %
Cement EBITDA margin	20.4 %	**18.4 %**	-201 bps			25.1 %	**24.0 %**	-110 bps		
Aggregates EBITDA margin	21.4 %	**19.6 %**	-183 bps			27.4 %	**26.3 %**	-110 bps		
RMC+ASP EBITDA margin	0.5 %	**-0.2 %**	-72 bps			3.0 %	**2.4 %**	-53 bps		

Key financial figures:

m€	Jun 17	Jun 18	Change	Q2 17	Q2 18	Change
Group share of profit	288	**375**	30%	358	**398**	11%
Earnings per share	1.45	**1.89**	30%	1.80	**2.01**	11%
Cash flow from operations	-132	**-228**	-96	354	**464**	111
Total Net CapEx	-438	**-654**	-216	-300	**-207**	93
Net Debt	10,140	**9,970**	-170			
Net Debt / EBITDA	3.2	**3.2**				

LfL figures excluding currency and scope.

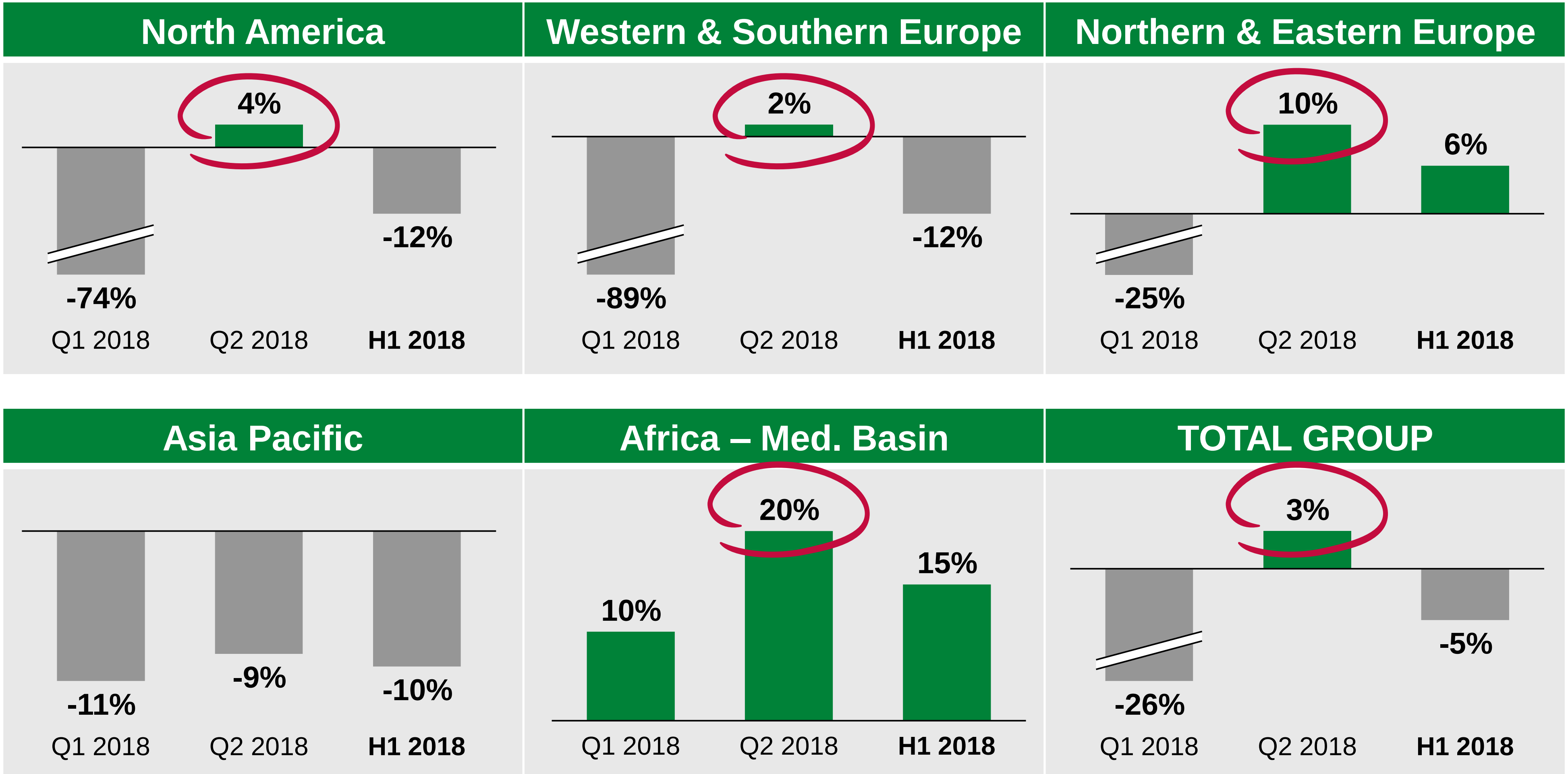
Q2 2018 Operating EBITDA Bridge (m€)



Solid organic growth achieved in Q2 after a difficult start of the year

Strong organic EBITDA growth in Q2 2018

LfL Operating EBITDA growth vs. same period prior year



Turn-around in Q2 & stabilization in Indonesia give us confidence for the full year

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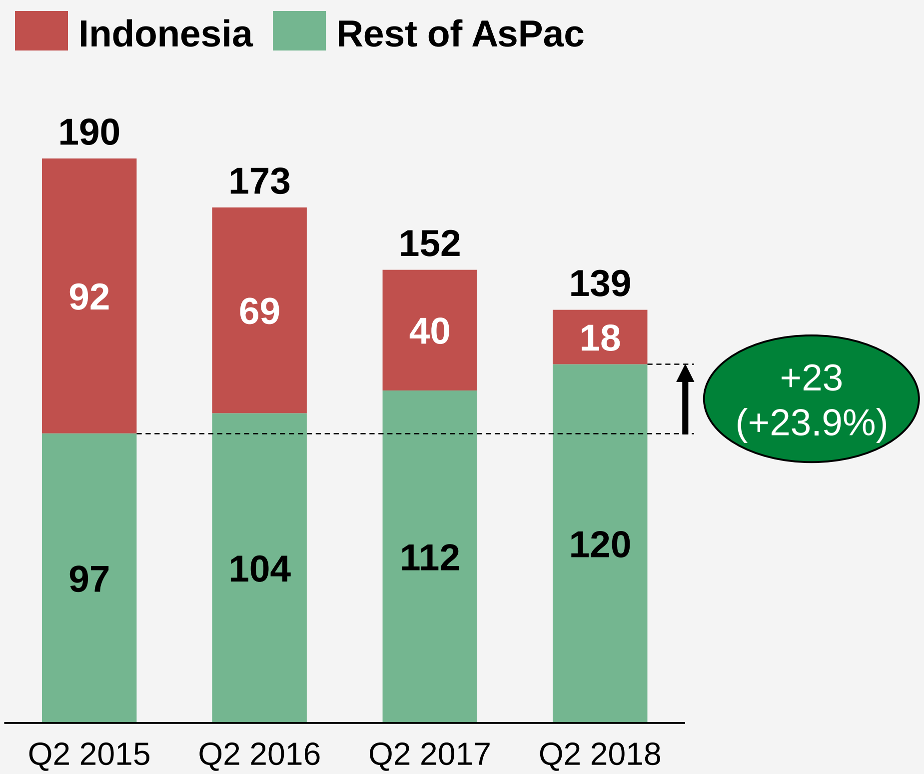
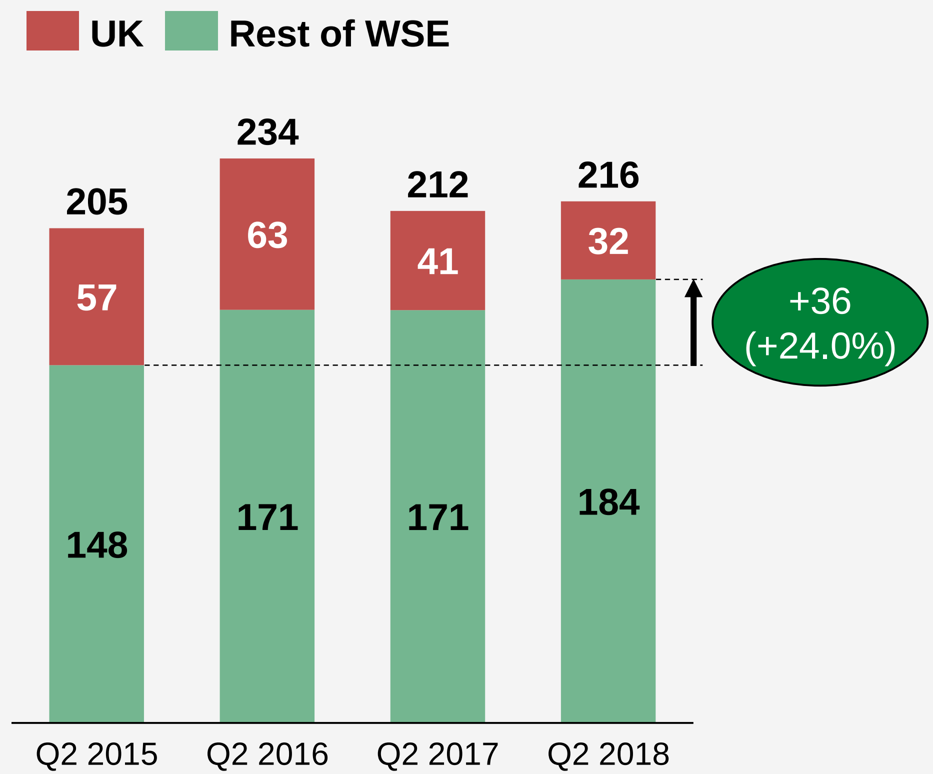
Worst is left behind in UK and Indonesia

Pressure in two key markets partly compensated by solid performance in the regions

Asia Pacific EBITDA development *



West & South Europe EBITDA development *



Solid growth expected in both regions as UK and Indonesia results improve in H2

* Operating EBITDA without FX, Scope and CO_2 gains

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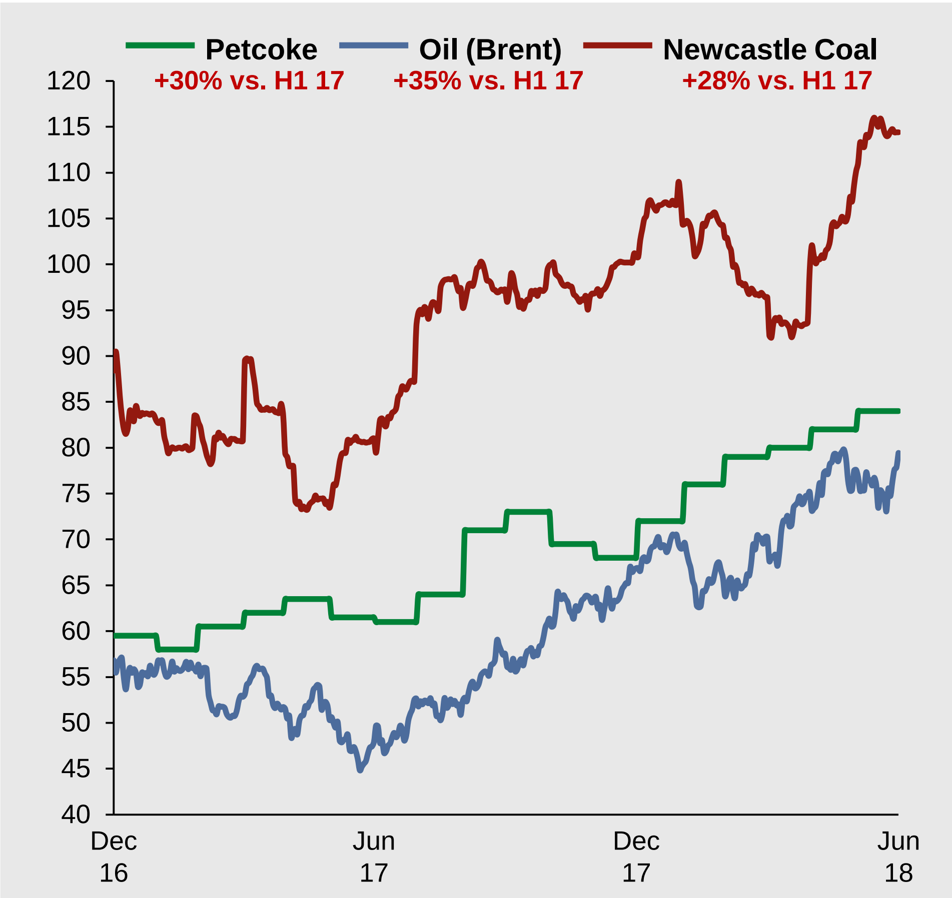
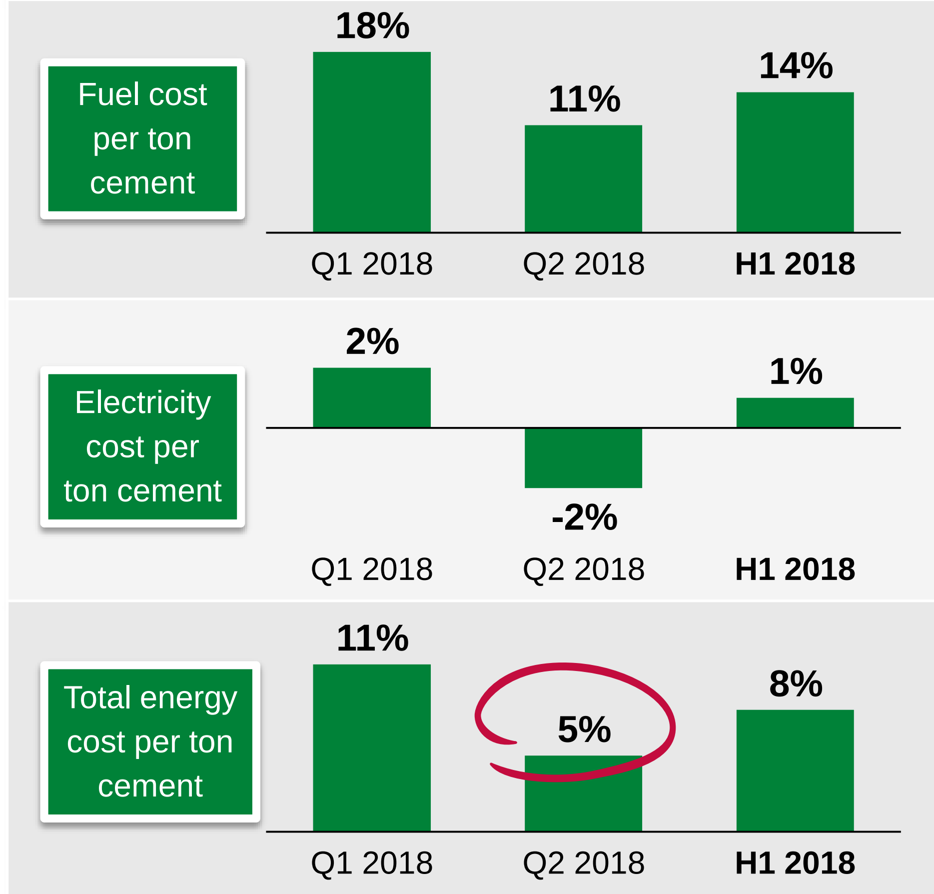
Energy cost per ton of cement produced

Despite significant increase in fuel prices....



We manage to keep costs under control

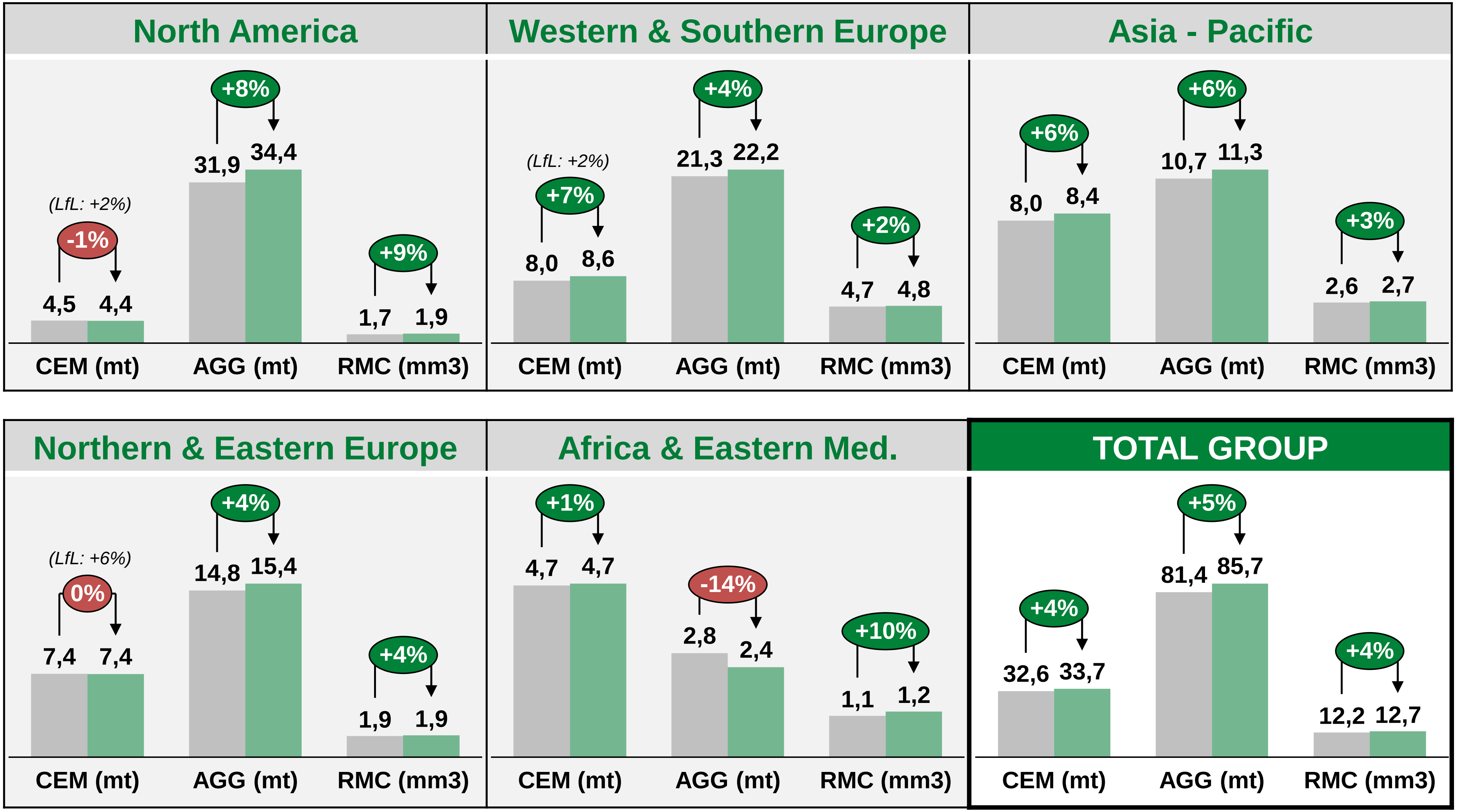


We are targeting to limit the energy cost inflation to mid-single digit increase

Cost per ton cement increases based on pure price impact. FX and scope impacts excluded.

Group Sales Volumes

Q2 2017 Q2 2018



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North America

Favorable Q2 results mitigate some of the weather-related shortfalls from the Q1.

US	Stronger demand in Q2 and multiple acquisitions drove higher volume in core markets; rising oil price impacting margins in RMC & AGG.
	Operational results impacted by Q1 disposal of Lehigh White Cement Company
	Cement: Volume increase driven by significant improvement on the West Coast which was partly offset by weather-driven shortfalls in the North. Prices increases successfully implemented across all states.
	Aggregates: Volume was especially strong on the West Coast while price improvements were more widespread
Canada	Positive second quarter cement demand surpassed the impact of prolonged wet and wintery weather in first quarter.
	Stronger market conditions continues to move price upwards; backlog particularly strong in British Columbia and Washington.

m€	Jun 17	Jun 18	Change	%	LfL %	Q2 17	Q2 18	Change	%	LfL %
Cement volume (‘000 t)	7,612	**7,436**	-176	-2.3 %	-0.7 %	4,466	**4,435**	-31	-0.7 %	2.3 %
Aggregate volume (‘000 t)	53,580	**55,332**	1,752	3.3 %	0.4 %	31,868	**34,397**	2,529	7.9 %	5.2 %
Ready Mix volume (‘000 m^3)	3,064	**3,287**	223	7.3 %	2.6 %	1,747	**1,897**	149	8.5 %	2.5 %
Asphalt volume (‘000 t)	1,296	**1,535**	239	18.4 %	10.9 %	1,087	**1,214**	127	11.7 %	5.8 %
Revenue	2,014	**1,873**	-141	-7.0 %	1.9 %	1,180	**1,144**	-36	-3.1 %	5.0 %
Operating EBITDA	409	**321**	-88	-21.5 %	-12.0 %	324	**303**	-22	-6.7 %	4.1 %
in % of revenue	*20.3 %*	***17.1 %***	*-316 bps*		*-276 bps*	*27.5 %*	***26.5 %***	*-103 bps*		*-24 bps*
Operating income	260	**179**	-81	-31.1 %	-21.2 %	247	**229**	-18	-7.4 %	4.8 %
Cement EBITDA margin	21.2 %	**18.3 %**	-292 bps			27.2 %	**28.2 %**	+95 bps		
Aggregates EBITDA margin	27.8 %	**25.4 %**	-237 bps			36.9 %	**35.3 %**	-164 bps		
RMC+ASP EBITDA margin	2.5 %	**-1.1 %**	-361 bps			5.9 %	**2.7 %**	-313 bps		

Western and Southern Europe

Solid operational performance across the region in the second quarter

UK	Despite flat market caused by the Brexit uncertainty, our volumes were positive in Q2. We are involved in key infrastructure projects. The result was negatively impacted by a continued increase of energy and bitumen costs. Significant improvement expected in H2.
Germany	Prices and volumes in almost all business lines ahead of prior year; result above Q2 2017. Strong clinker production in H2 expected.
Benelux	Positive price evolution in all business lines. Necessary actions already taken to fix the logistics issues which caused volume loss in RMC. Solid result improvement in H2 excepted.
Italy	Significant increase in price despite weak demand development in the first half of the year. First synergies from integration of Cementir Italia realized.
France	Positive volume development in all business lines. Pricing clearly above prior year in RMC & AGG. Strong clinker production and result expected in the second half of the year.
Spain	Result improvement due to strong prices in all business lines. Strong volume development in CEM in a continuously recovering market.

m€	Jun 17	Jun 18	Change	%	LfL %	Q2 17	Q2 18	Change	%	LfL %
Cement volume (‘000 t)	14,314	**15,079**	764	5.3 %	-0.7 %	7,971	**8,564**	593	7.4 %	2.3 %
Aggregate volume (‘000 t)	39,673	**39,282**	-391	-1.0 %	-1.0 %	21,341	**22,185**	844	4.0 %	4.0 %
Ready Mix volume (‘000 m^3)	8,694	**8,425**	-269	-3.1 %	-3.1 %	4,681	**4,772**	91	1.9 %	2.0 %
Asphalt volume (‘000 t)	1,591	**1,728**	137	8.6 %	8.6 %	802	**966**	164	20.5 %	20.5 %
Revenue	2,360	**2,390**	30	1.3 %	1.0 %	1,294	**1,363**	69	5.3 %	5.8 %
Operating EBITDA	257	**209**	-48	-18.8 %	-11.8 %	218	**213**	-5	-2.1 %	1.8 %
in % of revenue	*10.9 %*	***8.7 %***	*-216 bps*		*-136 bps*	*16.9 %*	***15.7 %***	*-119 bps*		*-63 bps*
Operating income (*)	101	**42**	-58	-58.0 %	-33.0 %	136	**130**	-5	-4.0 %	4.5 %
Cement EBITDA margin	17.2 %	**14.4 %**	-281 bps			25.9 %	**22.8 %**	-310 bps		
Aggregates EBITDA margin	13.6 %	**12.2 %**	-138 bps			16.6 %	**17.0 %**	+38 bps		
RMC+ASP EBITDA margin	-2.3 %	**-2.8 %**	-46 bps			-0.8 %	**-0.1 %**	+67 bps		

Northern and Eastern Europe - Central Asia

Good quarter despite energy inflation headwinds

Nordics	**Sweden**: Domestic cement volumes and exports are clearly up. Weaker Stockholm RMC volumes overcompensated by other regions. **Norway**: Higher domestic volumes outweighed by lower exports. Pricing is up. High AFR mitigates energy inflation.
Poland	Strong volume growth in all business driven by the residential sector and EU-financed infrastructure spending. Pricing up in all business lines. Significant energy and coal cost increase.
Czech Rep.	Pricing and volumes up in all business lines driven by strong activity in the residential, commercial and infrastructure sector.
Romania	Solid revenue growth despite heavy rain and flooding in June. Costs optimization remains as priority in all areas of activity.
Hungary	Strong cement volumes driven by the residential sector. Significant increase of AFR drives down the fuel costs.
Russia	Production issues impacted volumes and profitability in Q2. Pricing in all business lines clearly up.
Kazakhstan	Pricing significantly up. Positive volume development helped by increased exports to Uzbekistan.

m€	Jun 17	Jun 18	Change	%	LfL %	Q2 17	Q2 18	Change	%	LfL %
Cement volume (‘000 t)	12,006	**11,522**	-484	-4.0 %	2.3 %	7,385	**7,373**	-13	-0.2 %	6.0 %
Aggregate volume (‘000 t)	23,381	**23,024**	-357	-1.5 %	-1.2 %	14,797	**15,417**	620	4.2 %	4.6 %
Ready Mix volume (‘000 m^3)	3,093	**3,158**	64	2.1 %	13.1 %	1,872	**1,943**	71	3.8 %	13.8 %
Asphalt volume (‘000 t)	0	**0**	0	N/A	N/A	0	**0**	0	N/A	N/A
Revenue	1,338	**1,344**	6	0.5 %	7.9 %	795	**831**	36	4.5 %	12.5 %
Operating EBITDA	201	**203**	2	1.1 %	5.6 %	173	**183**	11	6.3 %	10.3 %
in % of revenue	*15.0 %*	***15.1 %***	*+10 bps*		*-34 bps*	*21.7 %*	***22.1 %***	*+36 bps*		*-44 bps*
Operating income	112	**123**	11	9.8 %	12.0 %	128	**143**	15	11.8 %	14.3 %
Cement EBITDA margin	18.3 %	**18.6 %**	+30 bps			25.9 %	**25.8 %**	-17 bps		
Aggregates EBITDA margin	11.5 %	**12.5 %**	+96 bps			18.0 %	**19.8 %**	+183 bps		
RMC+ASP EBITDA margin	6.5 %	**5.3 %**	-120 bps			9.3 %	**9.6 %**	+21 bps		

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Asia Pacific

Indonesia is still weighing on the result while Thailand is on track for recovery

Indonesia	Solid volume growth in April & May but June impacted by 6 less working days. Pricing stabilized and first price increases implemented. Logistic and production costs suffer from energy cost inflation and weak IDR. Focus on cost savings.
Australia	Demand remains very strong particularly on East Coast. Residential sector is starting to cool down but significant infrastructures are in the pipeline – particularly in Melbourne and Sydney. West is sluggish due to less mining activity. Newly acquired Alex Fraser business exceeding expectations. FX headwinds.
India	Strong volume growth across the country. Pricing is good in Central India but weak in the South. Higher coal and pet coke prices partially offset by better power generation from our waste heat recovery plant. FX headwinds.
Thailand	Downward trend in domestic volumes is easing as some of the infrastructure projects have already commenced. Strong export volumes in H1 driven by Cambodia. Pricing increases are being successfully implemented and margins are expanding.
China	Significant result improvement due to strong pricing as a result of compulsory kiln stops. Demand remains strong. Good H2 outlook.

m€	Jun 17	Jun 18	Change	%	LfL %	Q2 17	Q2 18	Change	%	LfL %
Cement volume (‘000 t)	16,632	**17,529**	897	5.4 %	5.4 %	7,956	**8,422**	466	5.9 %	5.9 %
Aggregate volume (‘000 t)	19,845	**22,038**	2,192	11.0 %	11.0 %	10,685	**11,283**	598	5.6 %	5.6 %
Ready Mix volume (‘000 m^3)	5,033	**5,263**	230	4.6 %	4.6 %	2,638	**2,718**	80	3.0 %	3.0 %
Asphalt volume (‘000 t)	761	**969**	208	27.3 %	-5.4 %	423	**569**	146	34.5 %	-3.1 %
Revenue	1,567	**1,532**	-34	-2.2 %	5.3 %	786	**786**	0	-0.1 %	5.2 %
Operating EBITDA	318	**267**	-50	-15.8 %	-9.7 %	167	**145**	-22	-13.2 %	-8.8 %
in % of revenue	*20.3 %*	***17.4 %***	*-283 bps*		*-285 bps*	*21.3 %*	***18.5 %***	*-280 bps*		*-280 bps*
Operating income	219	**175**	-44	-20.1 %	-14.4 %	118	**100**	-18	-15.1 %	-10.8 %
Cement EBITDA margin	21.4 %	**16.0 %**	-542 bps			19.9 %	**14.8 %**	-515 bps		
Aggregates EBITDA margin	24.9 %	**23.0 %**	-191 bps			28.2 %	**25.3 %**	-294 bps		
RMC+ASP EBITDA margin	0.1 %	**0.7 %**	+62 bps			3.4 %	**2.0 %**	-142 bps		

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Africa - Eastern Mediterranean Basin

Strong net pricing development drives the result.

Egypt	Pricing still significantly up despite new capacities (12 mt) being opened by the Egyptian Army by end of April. Strong energy cost inflation in H2 expected as state subsidies will cease to be granted.
Morocco	The market is slightly down while pricing is positive. Efficiency programs further improve the overall result.
Tanzania	Strong increase in sales volumes and price compared to prior year. Production problems at main competitors caused shortage of cement in the market.
Ghana	Sales volumes are above last year while pricing remains stable. Cost efficiency program launched.
Togo	Contribution from the new grinding mill in Kara clearly visible in the results. Competitive pressure in the market ongoing.
Israel	Volumes are slightly negative while prices are above last year.
Turkey	Lower domestic volumes are compensated by exports. Deprecation of TRY leads to increase in energy prices.

m€	Jun 17	Jun 18	Change	%	LfL %	Q2 17	Q2 18	Change	%	LfL %
Cement volume (‘000 t)	9,292	**9,888**	595	6.4 %	6.4 %	4,675	**4,729**	54	1.1 %	1.2 %
Aggregate volume (‘000 t)	5,962	**5,584**	-378	-6.3 %	-6.3 %	2,833	**2,450**	-384	-13.5 %	-13.5 %
Ready Mix volume (‘000 m^3)	2,431	**2,519**	88	3.6 %	3.6 %	1,124	**1,237**	113	10.1 %	10.1 %
Asphalt volume (‘000 t)	257	**263**	6	2.4 %	2.4 %	130	**125**	-5	-3.9 %	-3.9 %
Revenue	803	**833**	30	3.7 %	13.3 %	392	**413**	21	5.3 %	13.1 %
Operating EBITDA	186	**201**	15	8.3 %	14.6 %	87	**99**	13	14.8 %	20.3 %
in % of revenue	*23.1 %*	***24.1 %***	*+102 bps*		*+29 bps*	*22.1 %*	***24.1 %***	*+200 bps*		*+144 bps*
Operating income	138	**154**	16	11.5 %	17.7 %	64	**76**	12	18.6 %	24.5 %
Cement EBITDA margin	26.0 %	**27.0 %**	+105 bps			24.9 %	**27.1 %**	+219 bps		
Aggregates EBITDA margin	23.4 %	**21.5 %**	-191 bps			21.2 %	**16.1 %**	-512 bps		
RMC+ASP EBITDA margin	2.7 %	**3.4 %**	+65 bps			2.4 %	**3.7 %**	+124 bps		

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Group Services

Highest ever H1 volume and profitability in international sales

- Projected demand recovery in many markets is materializing.
- China clinker imports, growing domestic demand and increasing cost inflation have driven up FOB clinker export prices by four to eight USD per ton versus 2017 (Asia and Europe).
- Tighter local supply supports domestic clinker prices to remain at high level and reduces exports in China. Vietnam is the top clinker exporter country.
- Freight rates are significantly up due to increased tonnage demand and the fact that less vessels are being constructed and delivered to the market.

m€	Jun 17	Jun 18	Change	%	LfL %	Q2 17	Q2 18	Change	%	LfL %
Revenue	656	**809**	153	23.3 %	22.7 %	355	**450**	95	26.8 %	26.0 %
Operating EBITDA	15	**19**	5	33.6 %	8.6 %	9	**11**	2	23.8 %	4.1 %
in % of revenue	*2.2 %*	***2.4 %***	*+19 bps*		*-27 bps*	*2.4 %*	***2.4 %***	*-6 bps*		*-45 bps*
Operating income	12	**18**	6	47.9 %	2.6 %	8	**10**	2	22.4 %	-6.0 %

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Key financial messages

Group share of profit rises by 40 m€ to 398 m€ in Q2 2018

- Group share of profit in Q2 up by 11%; Earnings per share rise in Q2 2018 from 1.80 € to 2.01 €.
- Additional ordinary result in Q2 2018 up by 30 m€ vs. prior year.
- Financial result in Q2 2018 improved by 20% (20 m€) vs. Q2 2017.
- Share of minorities down mainly due to lower results of Indocement.

Free Cash Flow improved to 1.3 bn€ and Net Debt down below 10 bn€

- Free Cash Flow (last 12 months) increased to ~1.3 bn€.
- Net Debt in Q2 2018 reduced by 170 m€ vs. prior year, standing at 9,970 m€ at the end of the quarter. Main drivers are a disciplined investment approach and improvements in operating cash flow.
- Further improvement in Free Cash Flow expected due normalization of Working Capital at year-end as well as lower interest and tax payments.

Improvements “below” RCO contribute substantially to the improvement in EPS

Income Statement as of June 2018

m€	Jun 17	Jun 18	Change	Q2 17	Q2 18	Change
Revenue	8,394	**8,432**	0%	4,611	**4,806**	4%
Result from joint ventures	79	**88**	12%	48	**61**	26%
Result from current operations before depreciation and amortization (RCOBD)	1,347	**1,188**	-12%	964	**936**	-3%
Depreciation and amortization	-556	**-541**	-3%	-281	**-273**	-3%
Result from current operations	791	**647**	-18 %	683	**663**	-3 %
Additional ordinary result	-36	**128**	N/A	-20	**10**	N/A
Result from participations	21	**9**	-59 %	21	**10**	-51 %
Financial result	-181	**-155**	15 %	-99	**-79**	20 %
Income taxes	-224	**-188**	16 %	-176	**-172**	2 %
Net result from continued operations	370	**440**	19 %	409	**432**	6 %
Net result from discontinued operations	-8	**-5**	37 %	-12	**-3**	73 %
Minorities	-74	**-60**	19 %	-39	**-31**	21 %
Group share of profit	288	**375**	30 %	358	**398**	11 %

Group share of profit increases by 11% (40 m€) in Q2 2018
on the back of further improved financial and additional ordinary result

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Cash Flow Statement as of June 2018

m€	Jun 17	Jun 18	Change	Q2 17	Q2 18	Change
Cash flow	771	**782**	11	603	**727**	124
Changes in working capital	-728	**-854**	-126	-153	**-165**	-12
Decrease in provisions through cash payments	-171	**-155**	16	-97	**-98**	-2
Cash flow from operating activities – disc. operations	-3	**0**	3	0	**0**	0
Cash flow from operating activities	-132	**-228**	-96	354	**464**	111
Total investments	-520	**-974**	-454	-325	**-258**	68
Proceeds from fixed asset disposals/consolidation	80	**320**	240	26	**51**	25
Cash flow from investing activities - discontinued operations	2	**0**	-2	0	**0**	0
Cash flow from investing activities	-438	**-654**	-216	-300	**-207**	93
Free cash flow	-570	**-882**	-312	54	**257**	204
Dividend payments	-504	**-491**	13	-488	**-464**	24
Transactions between shareholders	-1	**-18**	-18	0	**-14**	-14
Net change in bonds and loans	806	**879**	73	319	**207**	-112
Cash flow from financing activities	301	**370**	69	-169	**-271**	-102
Net change in cash and cash equivalents	-269	**-512**	-244	-115	**-14**	102
Effect of exchange rate changes	-66	**-17**	49	-73	**17**	91
Change in cash and cash equivalents	-335	**-530**	-195	-189	**4**	192

Strong cash generation in Q2 2018: cash flow from operating activities increased by 111 m€ vs. Q2 2017

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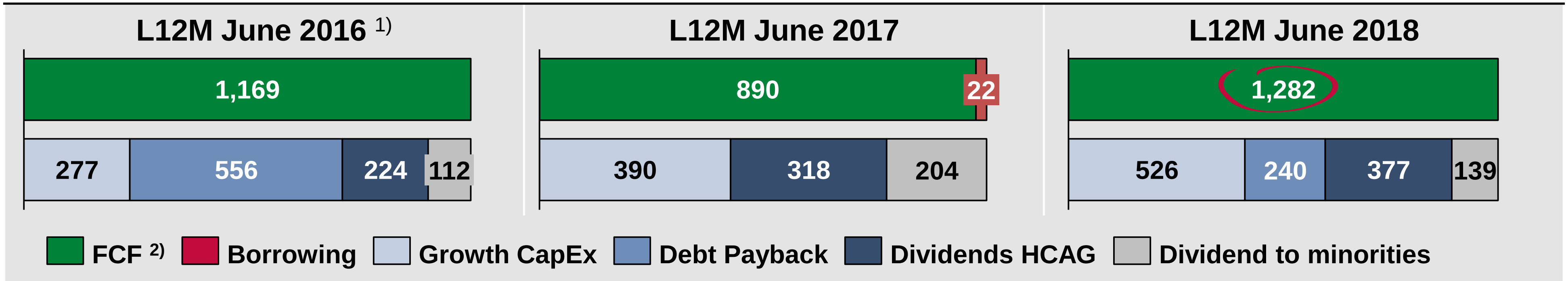
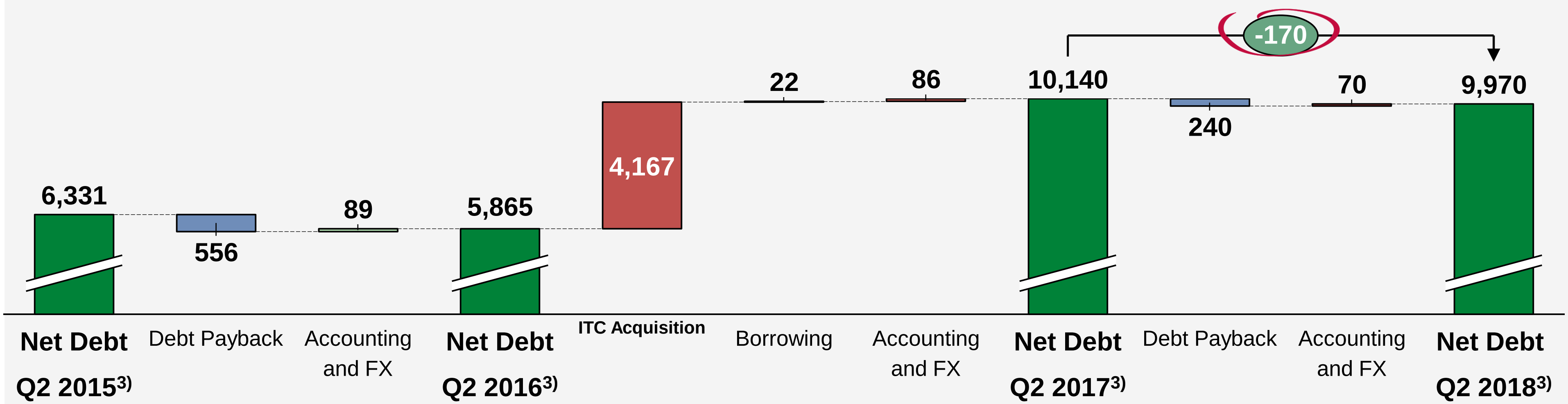
Further increase in Free Cash Flow in Q2 2018

Usage of free cash flow *(m€)*





1) Values restated ; 2) Before growth CapEx and disposals (incl. cashflow from discontinued operations) ; 3) Incl. put-option minorities;4)Includes the cash part of the acquisition price and the net financial position of ITC less cash proceeds from disposals of ITC Belgium (CCB) and ITC US assets (Martinsburg)

Increase in Free Cash Flow and strict spending discipline result in reduction of Net Debt by 170 Mio € vs. Q2 2017

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Group balance sheet

m€	June 17	Dec 17 (*)	June 18	June 18 / June 17 Variance (m€)	June 18 / June 17 Variance (%)
Assets					
Intangible assets	11,812	11,471	**11,764**	-48	0 %
Property, plant and equipment	13,286	12,814	**12,883**	-404	-3 %
Financial assets	2,263	2,181	**2,169**	-94	-4 %
Fixed assets	27,361	26,466	**26,815**	-546	-2 %
Deferred taxes	832	518	**446**	-386	-46 %
Receivables	3,875	3,465	**4,462**	587	15 %
Inventories	1,959	1,881	**1,926**	-33	-2 %
Cash and short-term financial instruments/derivatives	1,701	2,129	**1,624**	-76	-4 %
Assets held for sale and discontinued operations	54	100	**14**	-40	-74 %
Balance sheet total	35,782	34,558	**35,288**	-493	-1 %
Equity and Liabilities					
Equity attributable to shareholders	14,748	14,558	**14,667**	-81	-1 %
Non-controlling interests	1,549	1,494	**1,311**	-238	-15 %
Equity	16,297	16,052	**15,978**	-319	-2 %
Debt	11,841	10,824	**11,595**	-246	-2 %
Provisions	2,804	2,636	**2,543**	-261	-9 %
Deferred taxes	669	650	**668**	-1	0 %
Operating liabilities	4,171	4,383	**4,500**	329	8 %
Assets held for sale and discontinued operations		13	**4**	4	
Balance sheet total	35,782	34,558	**35,288**	-493	-1 %
Net Debt	10,140	8,695	**9,970**	-170	-2 %
Gearing	62.2%	54.2%	**62.4%**		

(*) Figures restated after finalization of Italcementi purchase price allocation in June 2017.

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H1 2018 is a strong first step on our way to reach vision 2020

Vision 2020

Active portfolio management	Reduced maintenance CapEx	Financial cost reduction	Improvement in taxes
€bn 1 to 1.5 disposal until the end of 2020	Maintenance CapEx limited with 55% depreciation	€m 200 savings until the end of 2020	Cash tax rate at ~22% level
Disposal proceeds H1 2018: €m 294 ✓	Maintenance CapEx H1 2018: ~46% ✓	Savings in interest payments H1 2018: 29 Mio € ✓	Cash tax rate H1 2018: ~18% ✓

We are well on track to reach the targets of Vision 2020!

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Targets 2018

Metric	2018 Target
Volumes	**Increase in all business lines**
Operating EBITDA	**Mid to high single digit organic growth**
Net CapEx	**€bn 1.1**
Maintenance	*€m 700*
Expansion	*€m 400*
Energy cost per tonne of cement produced	**Mid single digit**
Leverage	**Below 2.5X**

Sustainability News

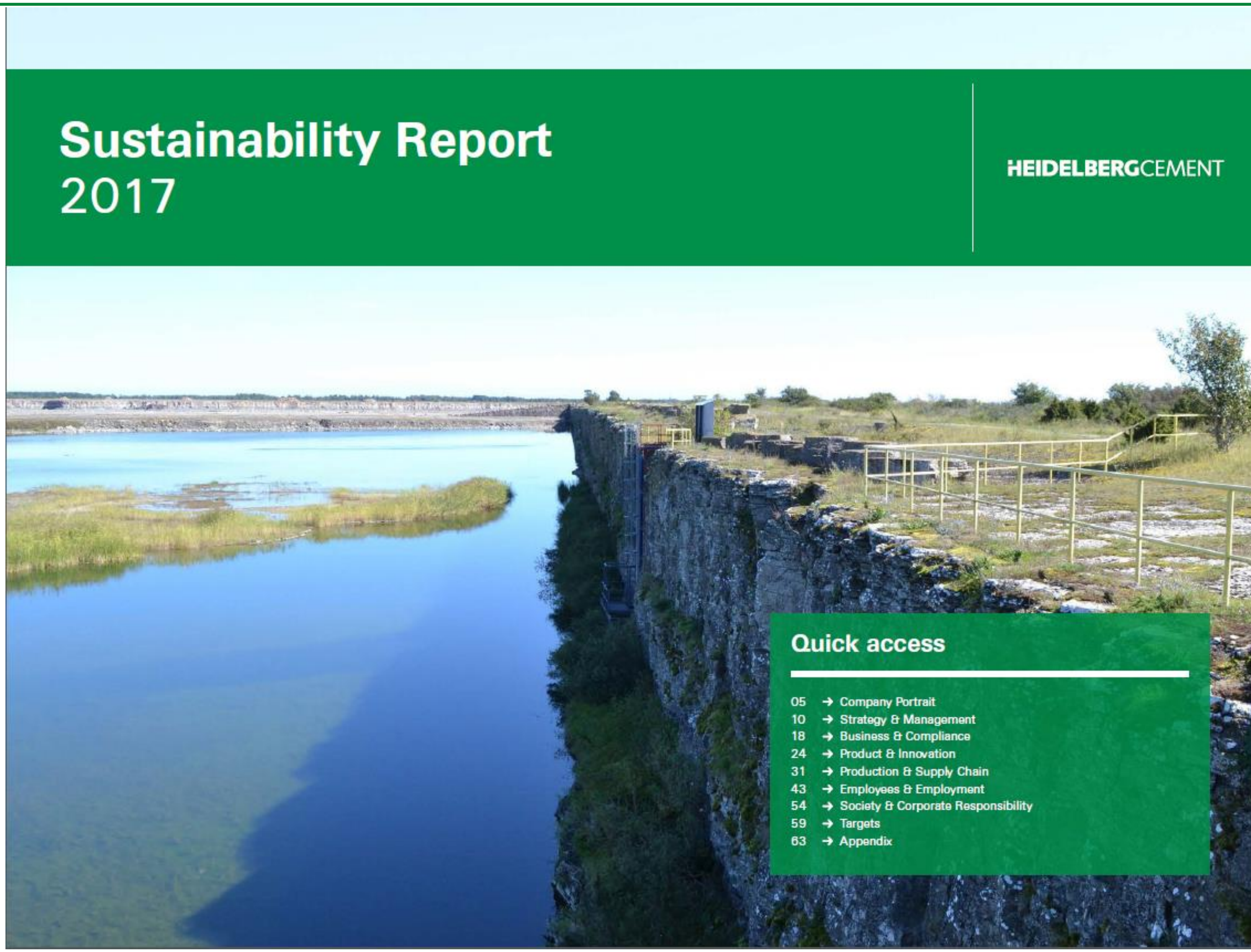
Certified sustainable concrete

- 26 plants in Germany certified by Concrete Sustainability Council (CSC).
- All cement plants in Germany received „sliver“ certification – highest category.
- CSC-certification is worldwide standard and gains recognition in Green Building Labels.

HC joined Nature Capital Coalition

- Global multi-stakeholder association of almost 250 organizations/companies.
- Intensive knowledge exchange on conserving and enhancing natural capital.

Sustainability report 2017 available online



9th sustainability report of HeidelbergCement
According to GRI Standards of the Global Reporting Initiative (GRI)

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Volume and price development (June YTD 2018 vs. 2017)

	Domestic gray cement		Aggregates		Ready Mix	
	Volume	Price	Volume	Price	Volume	Price
USA	- -	+	+	++	++	+
Canada	++	++	++	+	++	+
Benelux	-	++	- -	+	- -	++
France	++	+	+	++	++	++
Germany	+	++	+	+	- -	++
Italy	++	+	- -	+	++	- -
Spain	++	++	- -	++	- -	++
United Kingdom	- -	-	+	++	- -	-
Norway	-	++	- -	- -	++	++
Sweden	+	++	++	- -	++	+
Bulgaria	++	-				
Czech Republic	++	+	++	+	++	++
Kazakhstan	-	++	- -	++	- -	++
Hungary - 100%	++	+	++	++	++	++
Poland	++	++	++	++	++	++
Romania	-	++	++	- -	++	+
Russia	- -	++	- -	++		
Ukraine	- -	++	++	++	- -	++
Indonesia	++	- -	-	++	++	++
Australia	++	++	++	- -	++	++
Bangladesh	+	++				
China - 100%	++	++				
India	++	- -				
Malaysia			- -	+	++	- -
Thailand	- -	++	++	- -	++	++
Ghana	++	++	++	++		
Tanzania	++	++				
Egypt	++	++			++	++
Morocco	- -	+	++	- -	- -	+
Turkey - 100%	- -	++	- -	+	++	++

ITC price up “++”. Country average price impacted by Cementir consolidation.

AGG price negative due to a product mix.

++ = >2%
+ = 0 to +2%
+/- = stable
- = -2% to 0
-- = <-2%

Currency & Scope Impacts

Cement Volume	June Year to Date			Q2		
	Cons.	Decons.	Curr.	Cons.	Decons.	Curr.
North America	40	-162		31	-162	0
West & South Europe	935	-63		476	-63	0
North & East Europe		-740		0	-430	0
Asia - Pacific				0	0	0
Africa - Med. Basin		-3		0	-1	0
Group Services	131			66	0	0
TOTAL GROUP	**1,106**	**-969**	**0**	**573**	**-656**	**0**

Aggregates Volume	June Year to Date			Q2		
	Cons.	Decons.	Curr.	Cons.	Decons.	Curr.
North America	1,556			866	0	0
West & South Europe				0	0	0
North & East Europe		-82		0	-59	0
Asia - Pacific				0	0	0
Africa - Med. Basin				0	0	0
Group Services				0	0	0
TOTAL GROUP	**1,556**	**-82**	**0**	**866**	**-59**	**0**

RMC Volume	June Year to Date			Q2		
	Cons.	Decons.	Curr.	Cons.	Decons.	Curr.
North America	211	-67		147	-40	0
West & South Europe				-1	0	0
North & East Europe	30	-329		0	-165	0
Asia - Pacific				0	0	0
Africa - Med. Basin				0	0	0
Group Services		-62		0	-29	0
TOTAL GROUP	**241**	**-457**	**0**	**146**	**-235**	**0**

Asphalt Volume	June Year to Date			Q2		
	Cons.	Decons.	Curr.	Cons.	Decons.	Curr.
North America	98			64	0	0
West & South Europe				0	0	0
North & East Europe				0	0	0
Asia - Pacific	249			159	0	0
Africa - Med. Basin				0	0	0
Group Services				0	0	0
TOTAL GROUP	**347**	**0**	**0**	**223**	**0**	**0**

Revenues	June Year to Date			Q2		
	Cons.	Decons.	Curr.	Cons.	Decons.	Curr.
North America	65	-41	-199	43	-38	-93
West & South Europe	56	-34	-14	29	-27	-6
North & East Europe	2	-42	-52	0	-25	-32
Asia - Pacific	46	0	-154	29	0	-67
Africa - Med. Basin	0	-1	-67	0	0	-27
Group Services	10	-3	-3	5	-1	-1
TOTAL GROUP	**179**	**-121**	**-489**	**106**	**-91**	**-225**

Operating EBITDA	June Year to Date			Q2		
	Cons.	Decons.	Curr.	Cons.	Decons.	Curr.
North America	4	-8	-40	4	-8	-30
West & South Europe	-11	-6	-1	-2	-5	-1
North & East Europe	2	-4	-6	1	-3	-4
Asia - Pacific	11	-1	-33	7	-1	-15
Africa - Med. Basin	0	1	-12	0	0	-4
Group Services	3	1	0	1	0	0
TOTAL GROUP	**9**	**-18**	**-92**	**11**	**-16**	**-54**

Operating Income	June Year to Date			Q2		
	Cons.	Decons.	Curr.	Cons.	Decons.	Curr.
North America	0	-7	-25	3	-7	-24
West & South Europe	-21	-5	-1	-6	-4	-1
North & East Europe	2	-1	-3	1	-1	-2
Asia - Pacific	8	-1	-23	5	-1	-11
Africa - Med. Basin	0	1	-9	0	0	-3
Group Services	3	3	0	1	1	0
TOTAL GROUP	**-8**	**-11**	**-60**	**4**	**-12**	**-41**

Contact information and event calendar

Date	Event
08 November 2018	2018 Third Quarter Results

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Disclaimer

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

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By their very nature, forward-looking statements and information are subject to certain risks and uncertainties. A variety of factors, many of which are beyond 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.