

Italian Investment Conference 2015

Milan – 10 June 2015

Executive summary Q1 15

▪ Volumes

- Cement up 2.2%, thanks mainly to scope changes (Korkino); ready-mix concrete down 3.3%
- Italy: almost stable (cement -1.9%), with negative domestic shipments and positive export and clinker; ready-mix concrete gaining some momentum (+10.0%)
- United States: higher cement volumes (+2.8%) despite adverse weather conditions in March
- Central Europe: lower sales (cement -6.2%; ready-mix concrete -7.6%) penalized by difficult comparison against weather-supported Q1 2014
- Eastern Europe: a good start to the year (cement +14.8%; IFl +4.1%) in all markets, particularly in Poland (+8.9%)

▪ Prices

- Unfavorable variance in Poland and Italy, favorable in the United States and Ukraine; marginal weakness in other markets

▪ Foreign Exchange

- Positive impact on sales (€m 10.8) and Ebitda (€m 2.6), due to stronger dollar offsetting a much weaker ruble and hryvnia

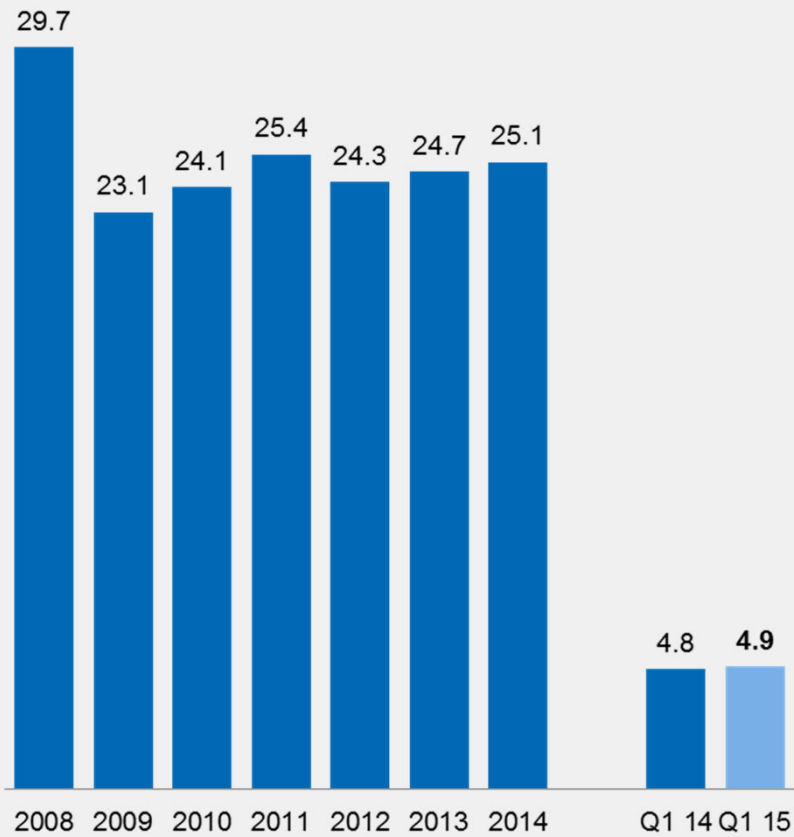
▪ Results

- Revenues at €m 513.4 versus €m 496.4 in Q1 14 (+3.4%)
- EBITDA at €m 27.2 (recurring €m 23.4) versus €m 10.3 (recurring €m 11.6) in Q1 2014
- Outlook confirmed for financial year 2015

Volumes

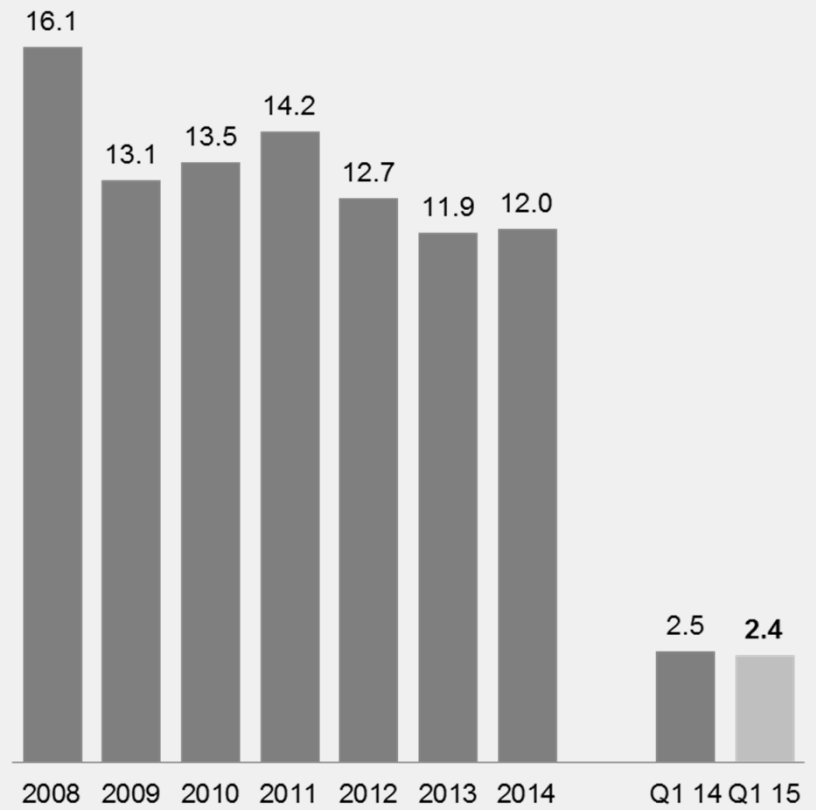
Cement

(m ton)

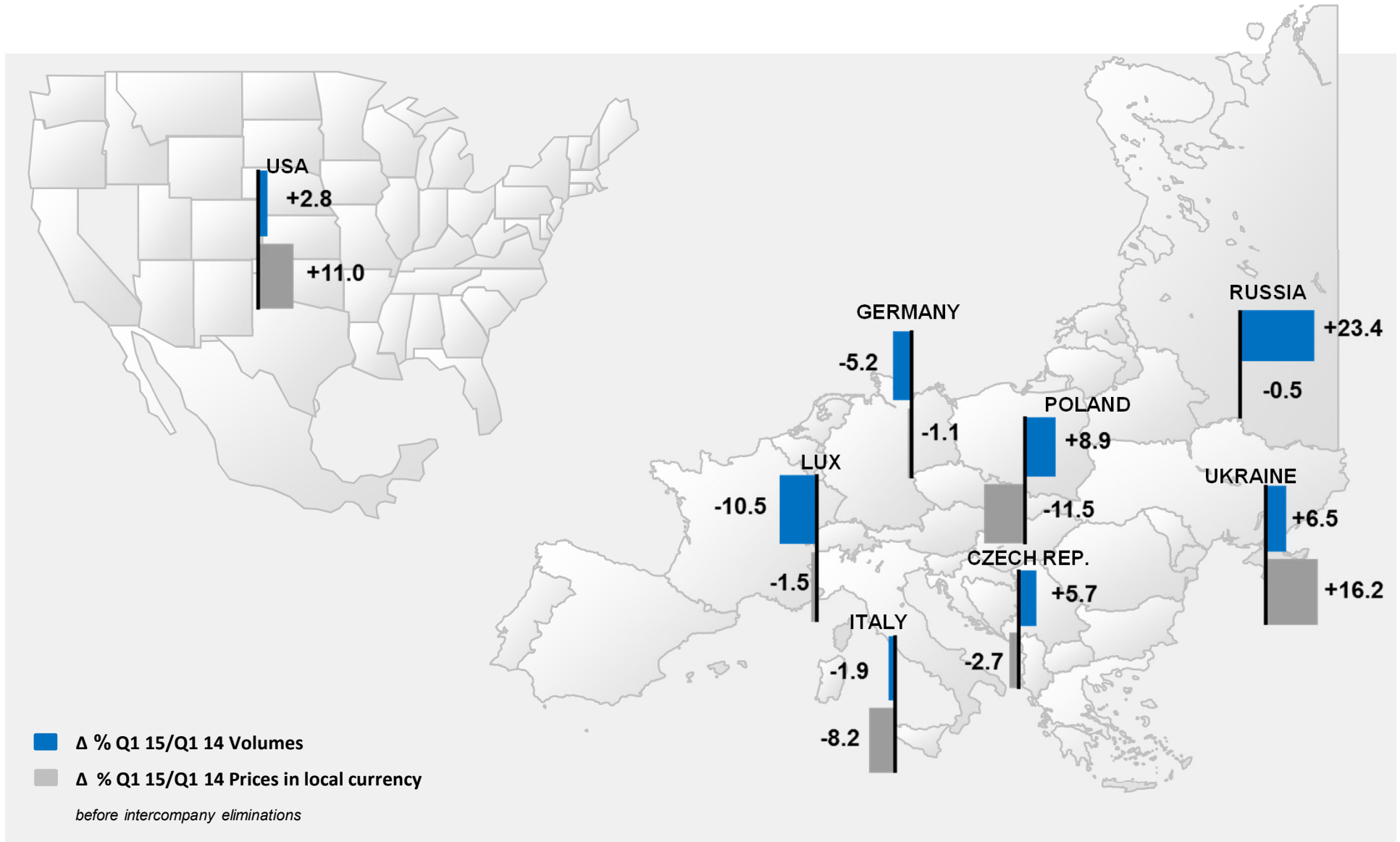


Ready-mix concrete

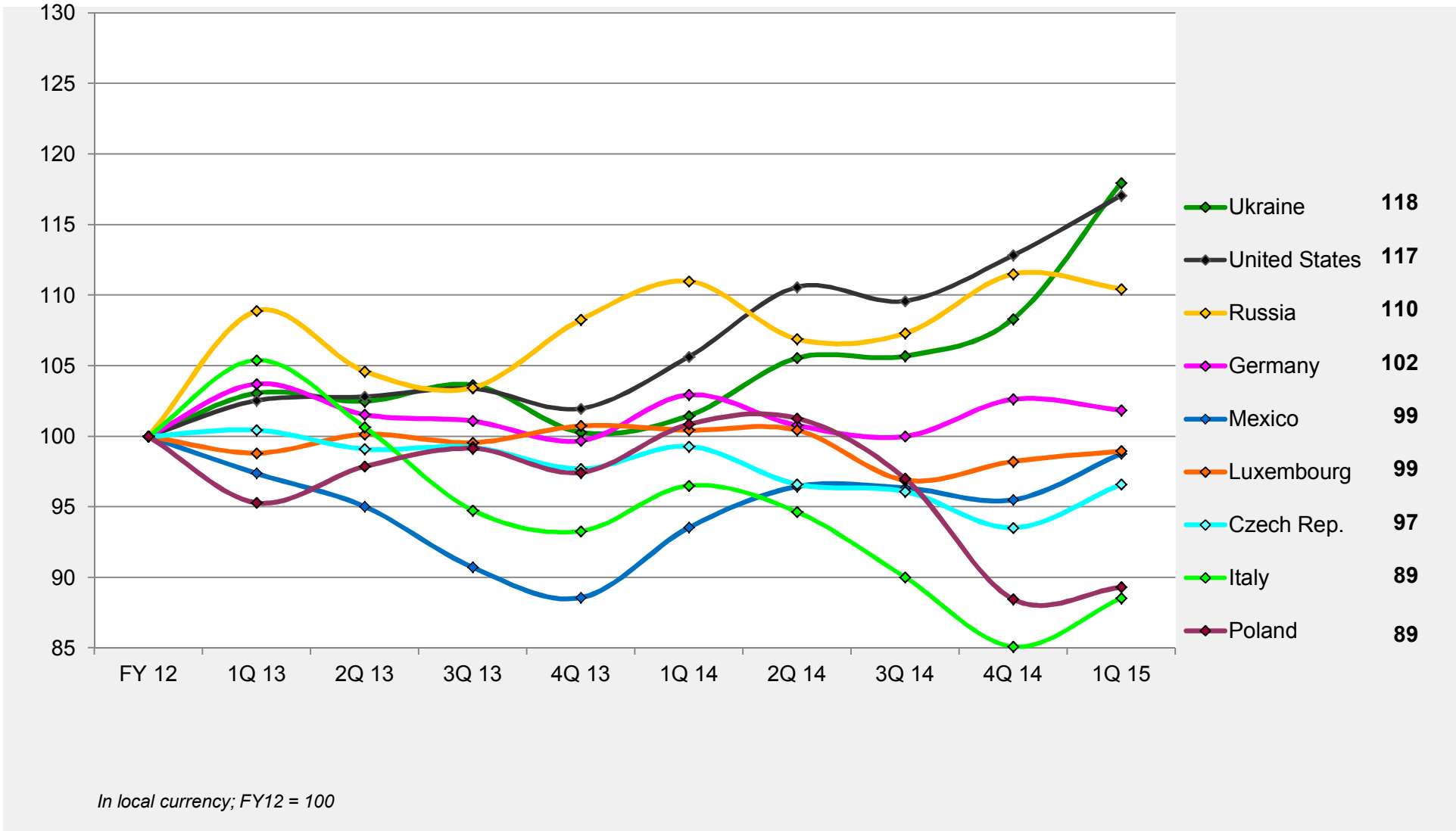
(m m3)



Cement volumes and prices













Price trends by country













FX changes

EUR 1 =		Q1 15	Q1 14	Δ	current
		avg	avg	%	
	USD	1.13	1.37	+17.8	1.12
	RUB	70.96	48.04	-47.7	62.99
	UAH	23.92	12.52	-91.1	23.50
	CZK	27.62	27.44	-0.7	27.37
	PLN	4.19	4.18	-0.2	4.16
	MXN	16.83	18.13	+7.2	17.64

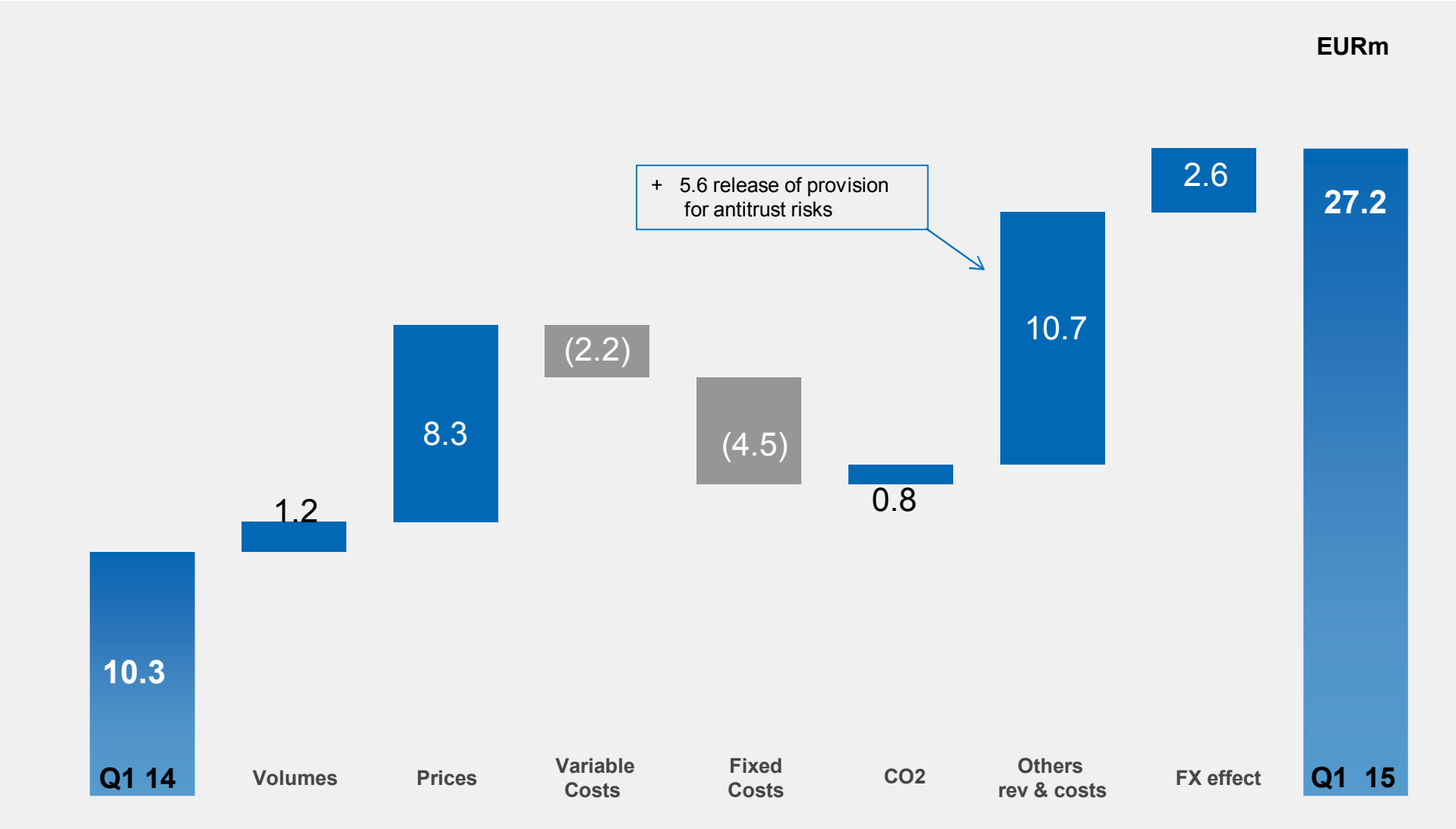
Net sales by country

	Q1 15	Q1 14	Δ	Δ	Forex	Scope	Δ I-f-I
EURm			abs	%	abs	abs	%
 Italy	84.1	86.6	(2.5)	-2.9	-	-	-2.9
 United States	204.5	152.5	52.0	+34.1	36.4	-	+10.3
 Germany	115.1	127.8	(12.7)	-9.9	-	-	-9.9
 Luxembourg	22.3	24.8	(2.5)	-9.9	-	-	-9.9
 Netherlands	13.5	13.2	0.4	+2.7	-	-	+2.7
 Czech Rep/Slovakia	20.8	22.8	(2.0)	-8.6	(0.1)	-	-8.1
 Poland	17.5	17.1	0.5	+2.9	0.0	-	+2.9
 Ukraine	10.3	16.9	(6.6)	-39.2	(9.4)	-	+16.2
 Russia	33.7	40.6	(6.9)	-17.0	(16.1)	4.9	+10.5
<i>Eliminations</i>	(8.5)	(5.8)	(2.7)				
Total	513.4	496.4	17.0	+3.4	10.8	4.9	+0.3
 Mexico (100%)	159.0	118.1	40.9	+34.6	11.4	-	+25.0

EBITDA by country

	Q1 15	Q1 14	Δ	Δ	Forex	Scope	Δ I-f-I
EURm			abs	%	abs	abs	%
 Italy	(8.2)	(8.9)	0.7	+7.9	-	-	+7.9
 United States	30.1	7.0	23.1	>100	5.4	-	>100
 Germany	(0.7)	0.2	(0.9)		-	-	
 Luxembourg	(1.6)	0.3	(1.9)		-	-	
 Netherlands	(0.4)	(0.8)	0.4	+55.0	-	-	+55.0
 Czech Rep/Slovakia	1.0	(0.7)	1.7		-	-	
 Poland	(0.2)	0.3	(0.6)		-	-	
 Ukraine	(1.4)	(2.4)	1.0	+40.5	1.3	-	-13.7
 Russia	8.5	15.1	(6.6)	-43.7	(4.1)	(0.6)	-12.8
Total	27.2	10.3	16.9	>100	2.6	(0.6)	>100
recurring	23.4	11.6	11.8	>100	2.6	(0.6)	+85.0
 Mexico (100%)	65.7	44.1	21.6	+49.1	4.8	-	+38.4

EBITDA variance analysis



Consolidated Income Statement

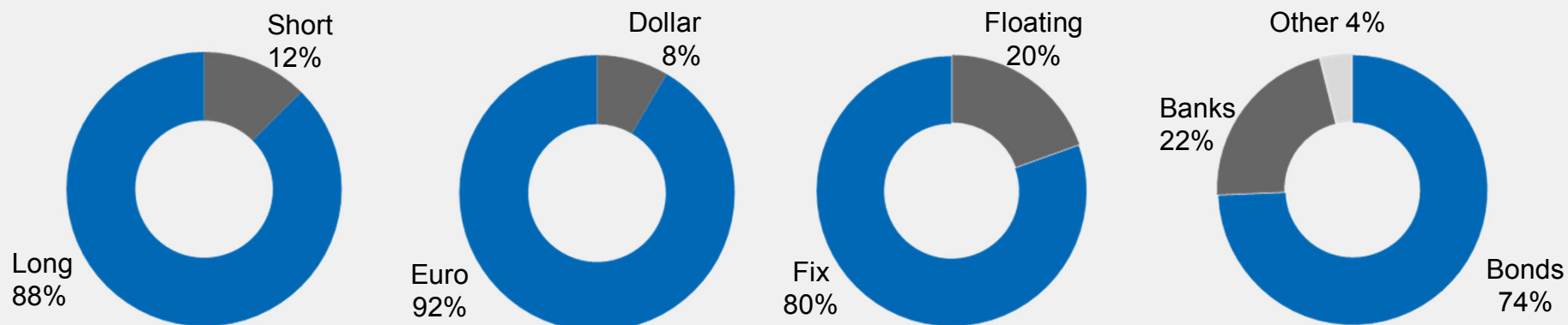
EURm	Q1 15	Q1 14	Δ	Δ
			abs	%
Net Sales	513.4	496.4	17.0	+3.4
Operating cash flow (EBITDA)	27.2	10.3	16.9	
of which, non recurring	3.8	(1.3)		
% of sales (recurring)	4.6%	2.3%		
Depreciation and amortization	(46.4)	(47.7)	1.3	
Operating profit (EBIT)	(19.2)	(37.4)	18.2	+48.6
% of sales	(3.7%)	(7.5%)		
Equity earnings	16.1	9.0	7.1	
Net finance cost	(43.0)	(32.7)	(10.3)	
Profit before tax	(46.2)	(61.1)	15.0	+24.5
Income tax expense	4.7	7.7	(2.9)	
Net profit	(41.4)	(53.4)	12.0	+22.5
Minorities	(0.1)	(0.4)	0.3	
Consolidated net profit	(41.5)	(53.8)	12.3	+22.8
Cash flow ⁽¹⁾	5.0	(5.8)	10.7	

(1) Net Profit + amortization & depreciation

Net Financial Position

	Mar 15	Dec 14	Δ	Mar 14
EURm				
			abs	
Cash and other financial assets	446.5	421.7	24.7	480.8
Short-term debt	(201.6)	(175.5)	(26.2)	(224.7)
Net short-term cash	244.8	246.3	(1.4)	256.1
Long-term financial assets	34.5	17.3	17.2	15.8
Long-term debt	(1,412.6)	(1,326.3)	(86.3)	(1,442.4)
Net debt	(1,133.3)	(1,062.7)	(70.6)	(1,170.6)

Gross debt breakdown (€m 1,614.2)



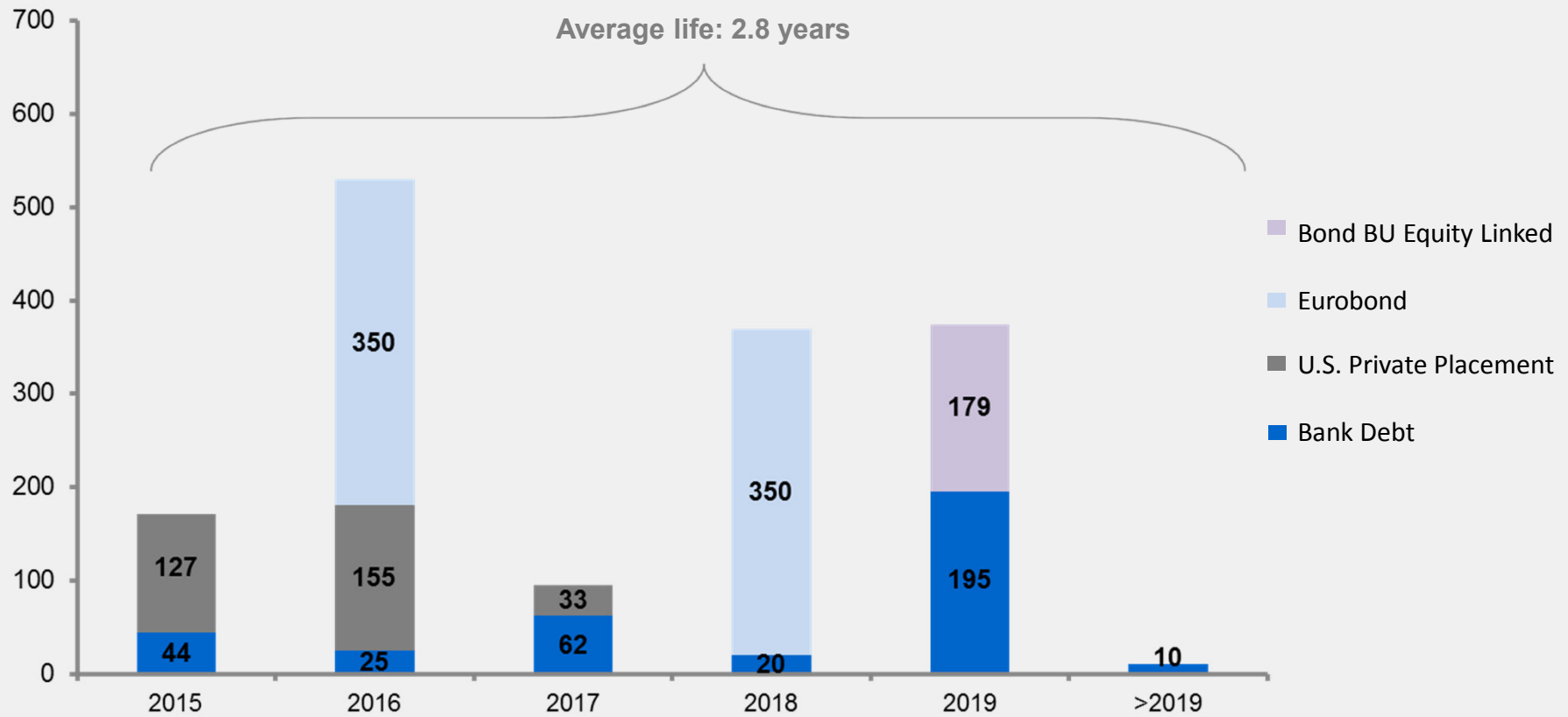
Consolidated Cash Flow Statement

EURm	Q1 15	Q1 14	2014
Cash generated from operations	4.5	(8.9)	390.7
<i>% of sales</i>	<i>0.9%</i>	<i>-1.8%</i>	<i>15.6%</i>
Interest paid	(11.7)	(12.5)	(87.2)
Income tax paid	1.6	(0.8)	(58.9)
Net cash by operating activities	(5.6)	(22.2)	244.6
<i>% of sales</i>	<i>-1.1%</i>	<i>-4.5%</i>	<i>9.8%</i>
Capital expenditures ¹⁾	(68.6)	(38.7)	(177.8)
Equity investments	-	-	(136.8)
Dividends paid	(0.8)	(1.6)	(11.9)
Dividends from associates	0.4	1.8	40.3
Disposal of fixed assets and investments	3.6	1.4	58.6
Translation differences and derivatives	9.2	(5.3)	0.9
Accrued interest payable	(11.5)	(9.9)	2.4
Interest received	3.4	4.1	11.0
Other	0.5	2.9	3.1
Change in net debt	(70.6)	(73.4)	34.5
Net financial position (end of period)	(1,133.3)	(1,170.6)	(1,062.7)

1) of which expansion projects 37.5

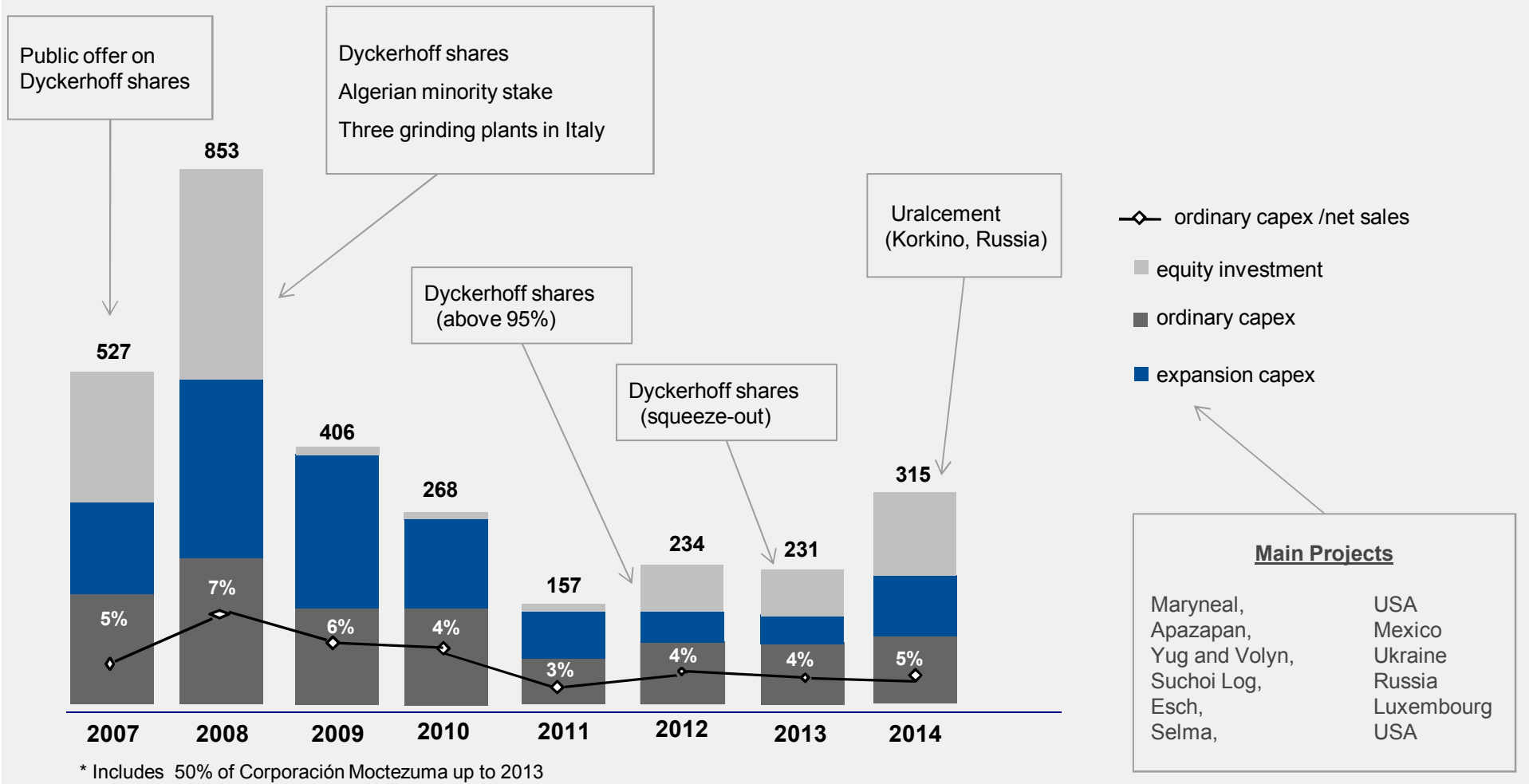
Debt maturity profile

- Total debt and borrowings stood at €m 1,550 at March 2015
- As at March 2015 available €m 587m of undrawn committed facilities (€m 500m for Buzzi Unicem, €m 87 for Dyckerhoff)

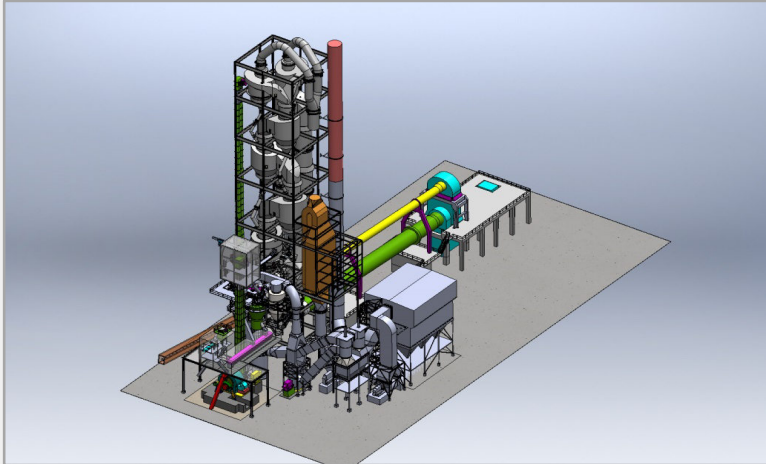


Industrial capex

- In the period 2007-2014 equal to €m 2,992, of which €m 1.010 for expansion projects *



Expansion capex



Maryneal, Texas – USA

- To be completed in 1H 2016
- New line with a capacity of 1.2m tons per year (versus 0.6m currently)
- Total cost: \$m 260
- Aimed at capturing the demand growth of Texas in oil and gas, residential and infrastructure
- Cost saving thanks to increased efficiency and environmental footprint reduction



Apazapan, Veracruz - Mexico

- To be completed in 1Q 2017
- Second line with a capacity of 1.3m tons per year, to double the current 1.3m
- Aimed at preserving market share in a growing consumption trend
- Total cost: \$m 200

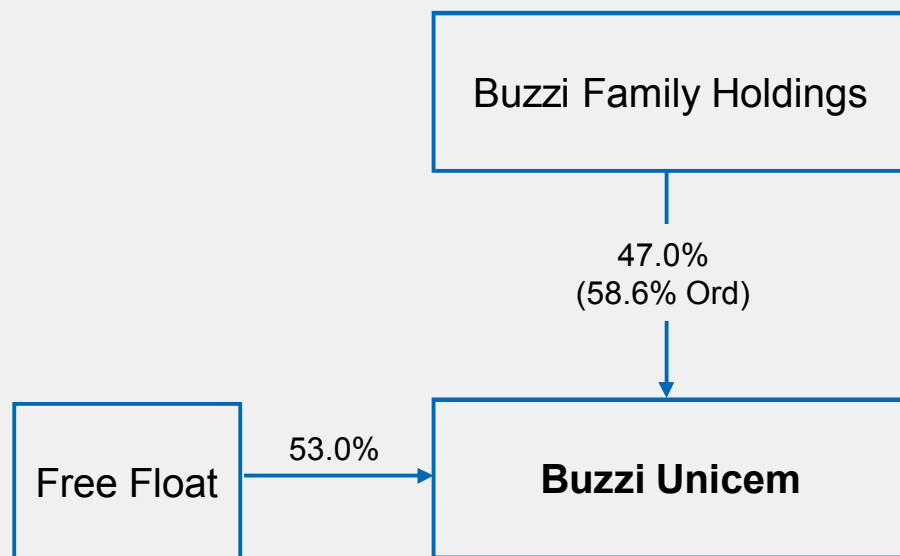
Appendix

Buzzi Unicem at a Glance

- International multi-regional, “heavy-side” group, focused on cement, ready-mix and aggregates
- Dedicated management with a long-term vision of the business
- Highly efficient, low cost producer with strong and stable cash flows
- Successful geographic diversification with leading positions in attractive markets
 - Italy (# 2 cement producer), US (# 5 cement producer), Germany (# 2 cement producer), joint venture in Mexico (# 4 cement producer)
 - Significant positions in Luxembourg, The Netherlands, Poland, Czech Republic, Slovakia, Russia and Ukraine, as well as entry point in Slovenia and Algeria
- High quality and environmentally friendly assets
- Leading product and service offering
- Conservative financial profile and balanced growth strategy

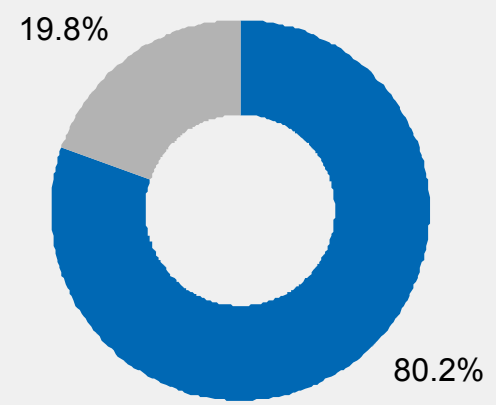
“Value creation through lasting, experienced know-how and operating efficiency”

Ownership structure



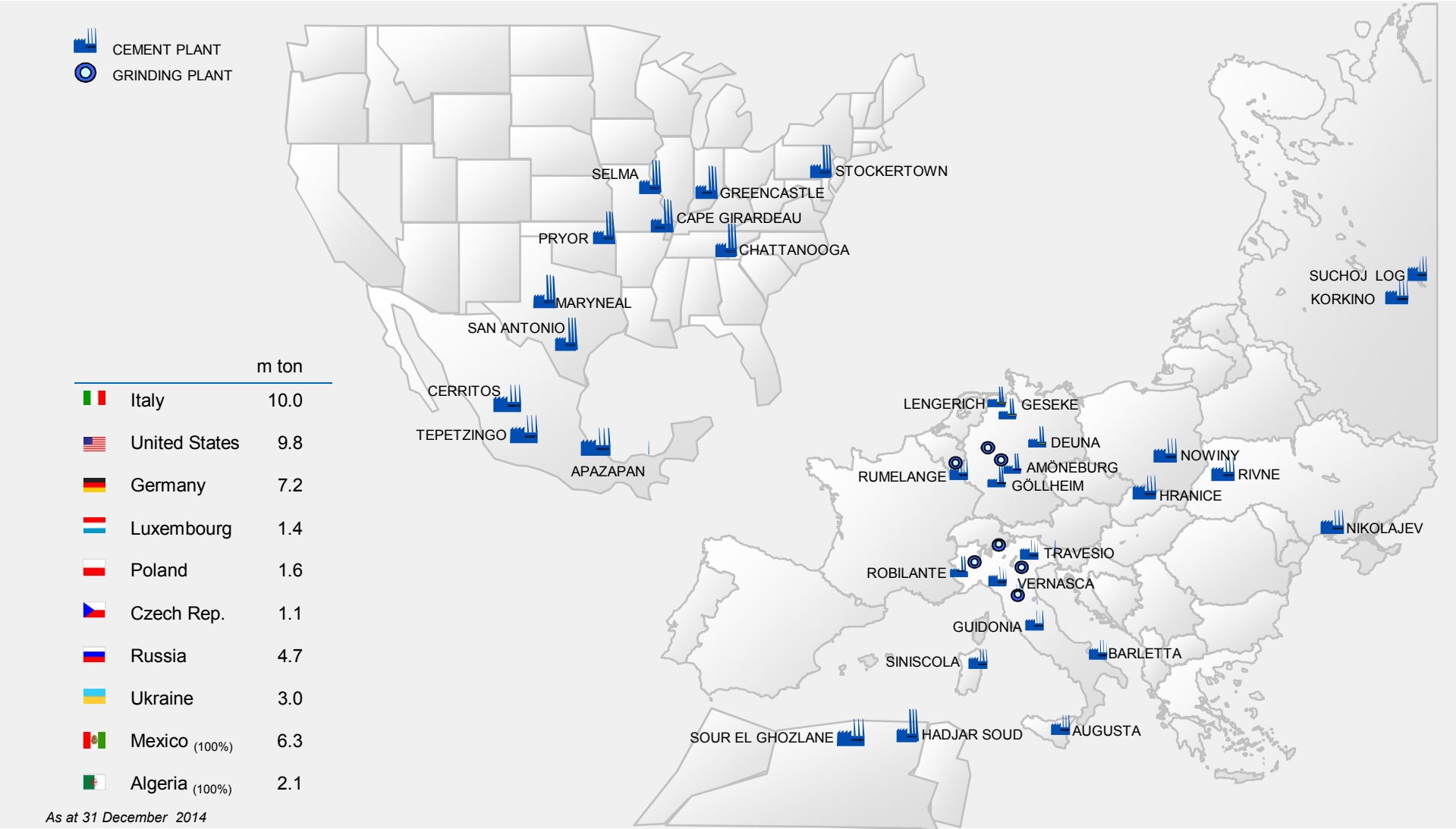
Share capital

■ Ordinary	165,349,149
■ Savings	40,711,949
Total shares	206,061,098












As at 31 December 2014

Cement plants location and capacity

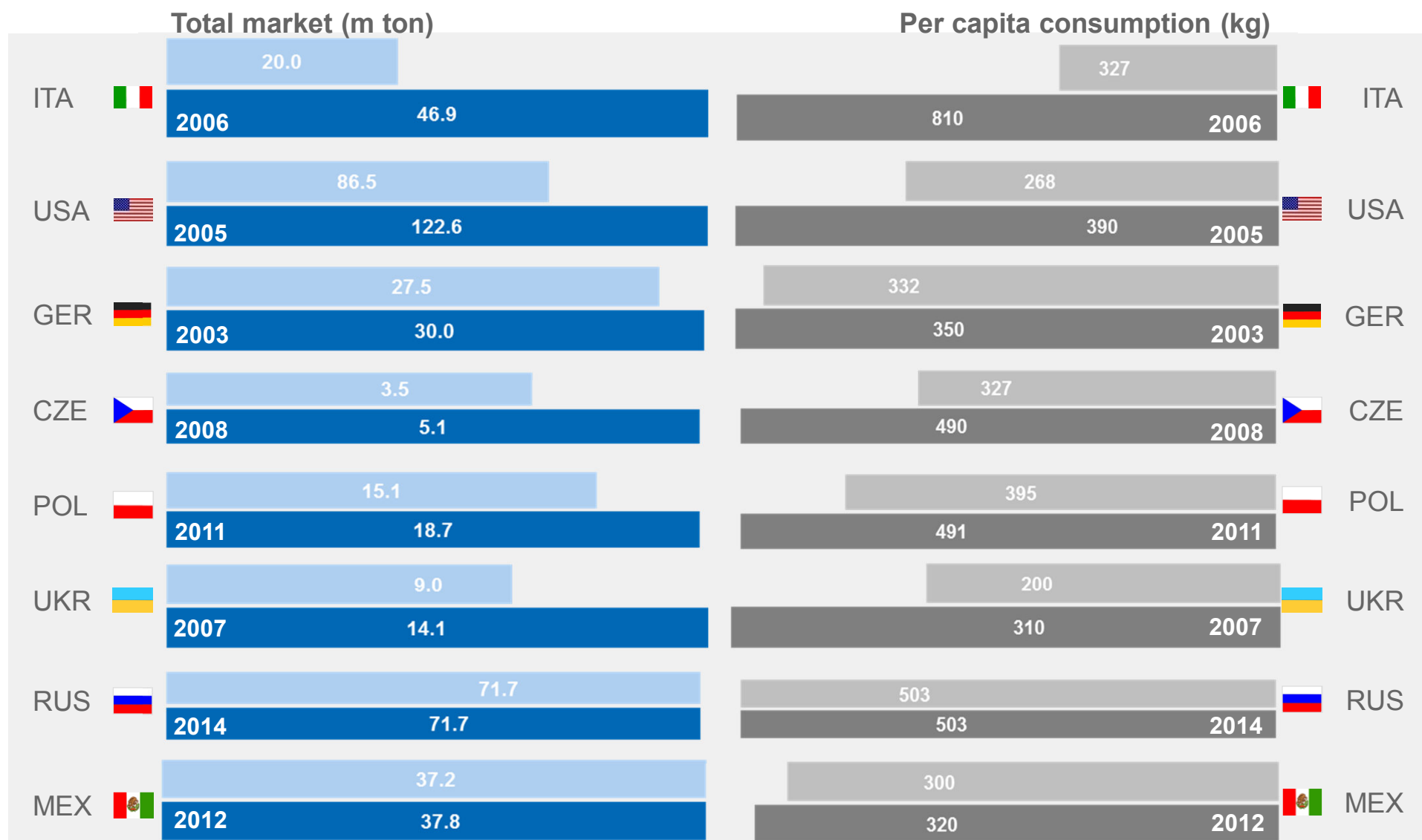


Expected trading in 2015











	Δ Volume	Δ Price
 Italy	—	—
 United States of America	+	+
 Germany	=	+
 Luxembourg	—	=
 Czech Republic	+	+
 Poland	++	—
?  Ukraine	=	+
 Russia	++	+
 Mexico	+	+

Note: Prices in local currency

2014 Consumption vs. Peak (2003-2014 est.)



Historical EBITDA development by country

EURm		2007	2008	2009	2010	2011	2012	2013	2014
 Italy	EBITDA	206.4	143.4	92.7	32.5	10.3	-5.9	-18.1	-18.7
	margin	21.5%	16.9%	13.1%	5.3%	1.8%	-1.2%	-4.2%	-4.8%
 Germany	EBITDA	138.9	102.7	116.3	76.3	90.3	72.2	108.1	88.6
	margin	27.0%	17.3%	22.0%	13.9%	14.2%	12.0%	18.0%	14.7%
 Luxembourg	EBITDA	21.5	17.4	14.1	16.4	33.4	13.8	19.7	17.8
	margin	23.5%	19.5%	17.0%	17.7%	29.6%	13.3%	18.1%	16.8%
 Netherlands	EBITDA	8.1	7.2	4.5	0.6	1.6	-5.5	-8.2	-1.9
	margin	5.8%	5.4%	4.0%	0.5%	1.4%	-6.3%	-11.3%	-3.3%
 Czech Rep.	EBITDA	70.3	73.2	44.2	32.8	35.2	25.4	19.2	27.0
	margin	32.6%	28.1%	25.2%	20.5%	20.5%	17.0%	14.6%	20.2%
 Poland	EBITDA	52.1	70.0	31.2	33.4	36.9	21.8	27.1	18.2
	margin	36.5%	38.1%	25.7%	25.8%	26.6%	20.0%	26.8%	20.4%
 Ukraine	EBITDA	58.1	49.9	-4.5	-10.5	6.9	15.8	12.3	11.0
	margin	32.4%	23.8%	-6.0%	-12.8%	6.2%	11.8%	10.0%	12.5%
 Russia	EBITDA	94.7	173.2	42.1	39.7	65.7	96.1	92.6	73.4
	margin	47.9%	64.8%	42.6%	32.0%	37.4%	41.0%	37.2%	35.0%
 USA	EBITDA	304.1	205.8	131.3	88.7	71.4	123.9	151.0	207.3
	margin	35.7%	27.4%	21.4%	14.8%	12.8%	18.2%	20.7%	24.2%
 Mexico	EBITDA	91.9	79.9	69.9	77.2	82.6	97.5	77.5	Adoption of IFRS 11
	margin	43.4%	38.9%	38.7%	36.2%	34.7%	36.2%	33.2%	
Group	EBITDA	1046.3	922.7	541.7	387.0	434.3	455.1	481.2	422.7
	margin	29.9%	26.2%	20.3%	14.6%	15.6%	16.2%	17.5%	16.9%