Investor Roadshow

Milan - 16 October 2020

E-MARKET SDIR CERTIFIED

Buzzi Unicem

Executive Summary

VOLUMES & PRICES

- **Volumes**: In Q2 cement volumes declined in all geographies, particularly in Italy and Eastern Europe, due to the pandemic impact, apart from the USA. For Q2 as a whole, cement down -6.1%. YTD cement volumes down (-3.4%) at 13.4 mton; ready-mix concrete volumes more impacted (-6.3%)
- **Prices**: Favorable variance across the board in local currencies, particularly in Poland and Italy

FOREIGN EXCHANGE

In H1, almost €m 11 advantage on Net sales and €m 3 on EBITDA from stronger dollar and hryvnia

FINANCIALS

- Net Sales at €m 1,520 (€m 1,519 in H1 19), -1.4% like-for-like
- EBITDA at €m 314 (€m 289 in H1 19), +8.3% like-for-like
- Net debt at €m 385 versus €m 568 at year end 2019

GUIDANCE

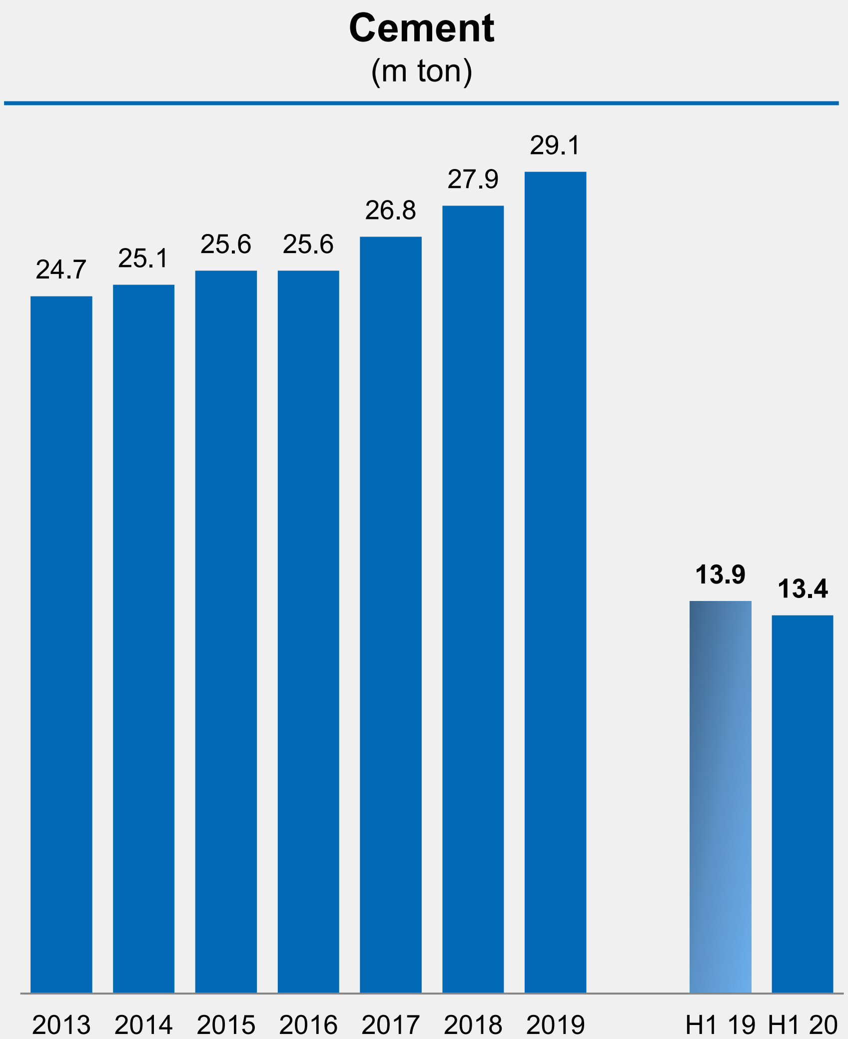
Guidance for 2020: recurring EBITDA expected to decrease between 5% and 10% versus last year

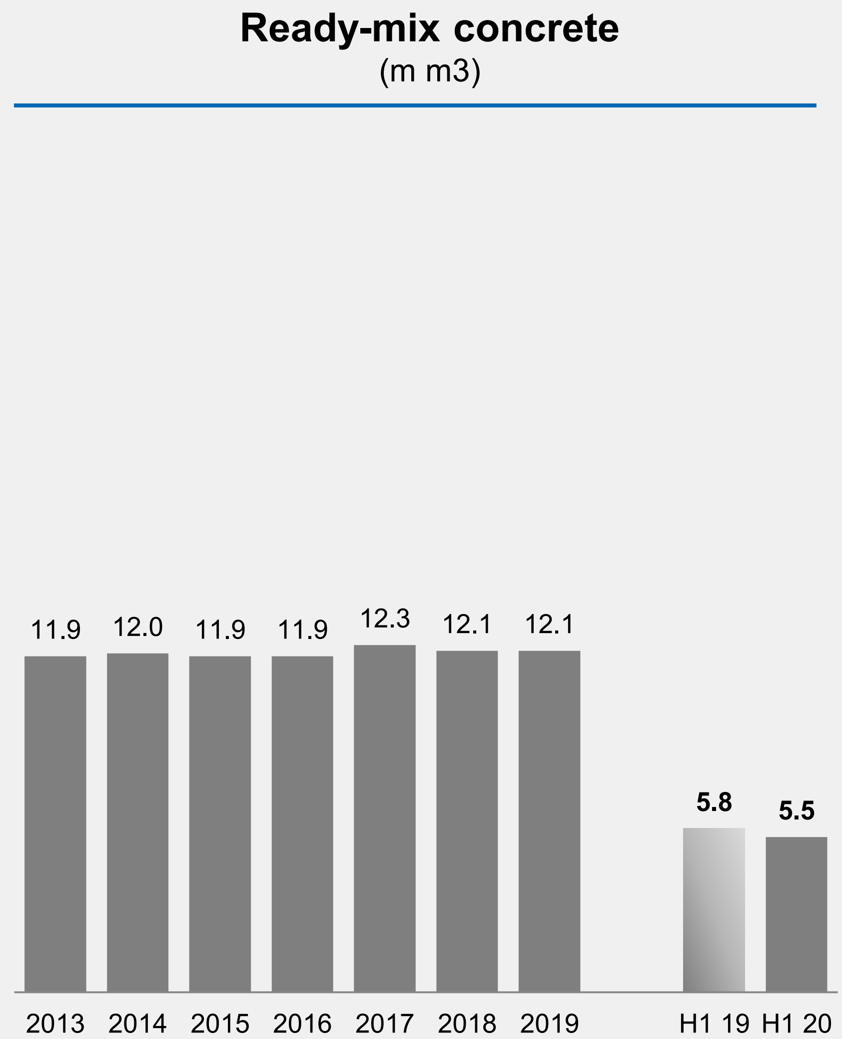
SAVINGS SHARES CONVERSION

Announcement of the mandatory conversion of savings shares.

- Stock conversion rate at 0.67x;
- Extraordinary dividend equal to EUR 0.75 p.s. for all shareholders post conversion
- Timing: Extraordinary/Ordinary Shareholders Meeting and Special Meeting of Savings Shareholders on 19 November 2020. Closing in Q1 2021

Volumes H1 2020





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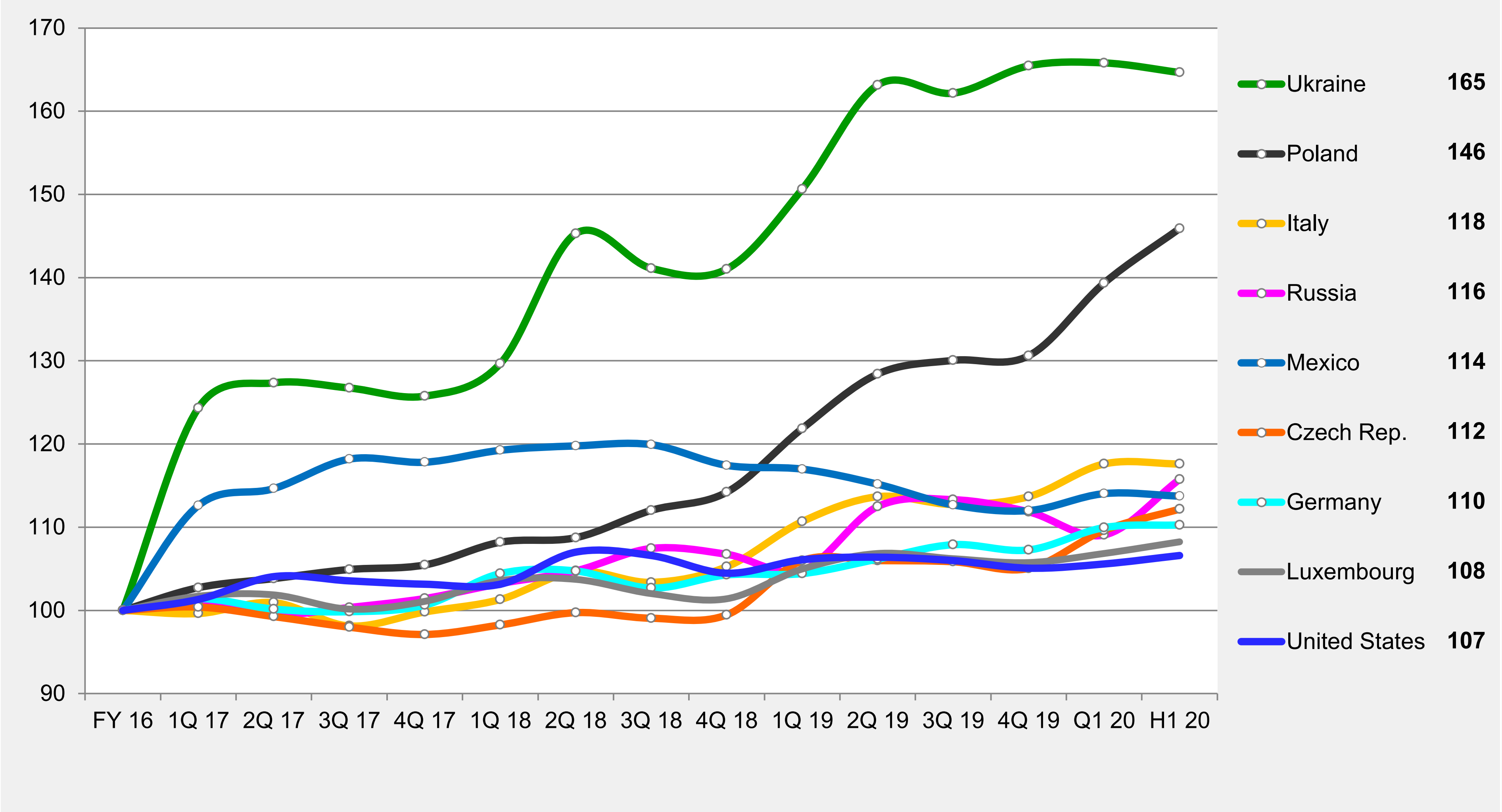
Price Index by country



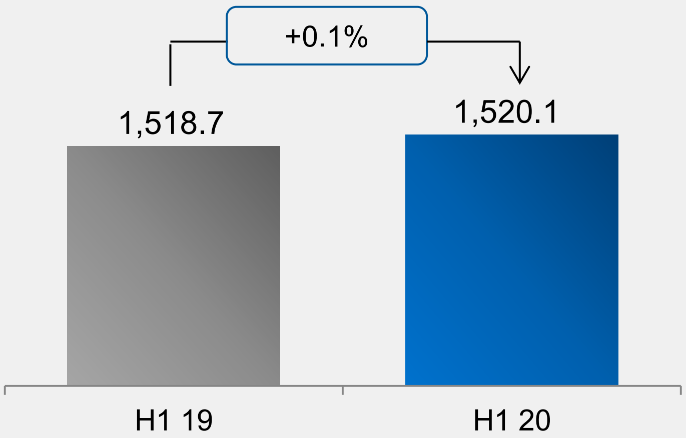
In local currency; FY16 = 100

FX changes

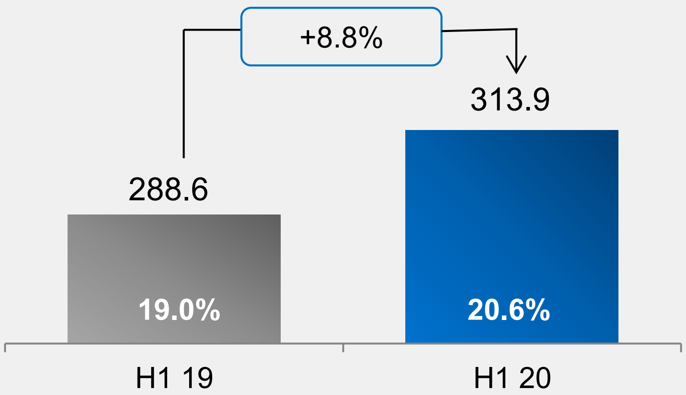
EUR 1 =	H1 20 avg	H1 19 avg	Δ %	2019 Avg	Current
USD	1.10	1.13	+2.5	1.12	1.18
RUB	76.67	73.74	-4.0	72.46	90.93
UAH	28.63	30.42	+5.9	28.92	33.30
CZK	26.33	25.68	-2.5	25.67	27.31
PLN	4.41	4.29	-2.8	4.30	4.51
MXN	23.84	21.65	-10.1	21.56	25.11
BRA	5.41	4.34	-24.6	4.41	6.54

H1 20 Financial Highlights

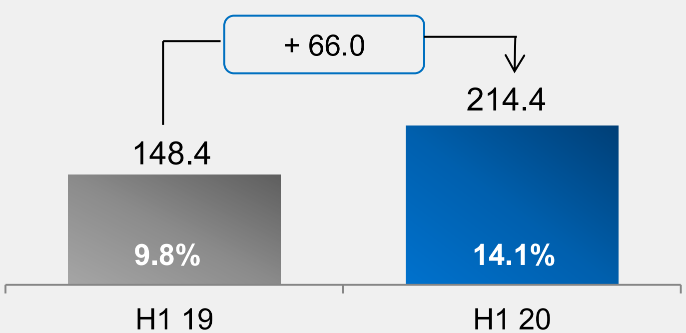
Net sales (€m)



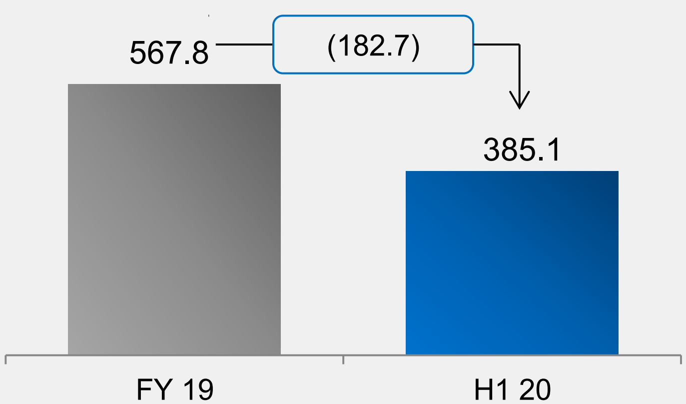
EBITDA (€m, % of sales)



Net Cash from operations (€m, % of sales)



Net Debt (€m)



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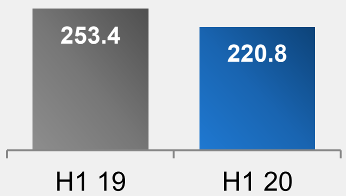
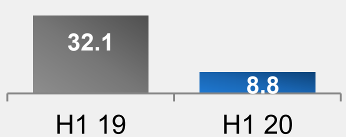
Results by Geographic Area | Italy & United States of America

Italy

Net sales (€m)



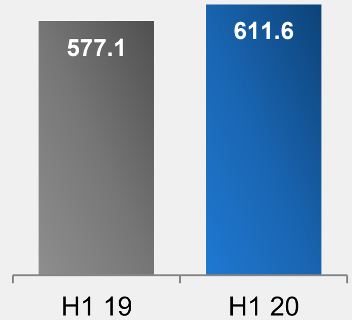
EBITDA (€m)



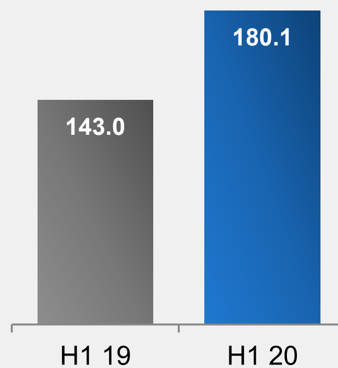
- Cement volumes down due to lockdown of industrial operations in Mar and Apr. Recovery trend in May and June. Stronger impact on readymix production
- Favourable trend for selling prices.
- 13% of consolidated H1 net sales (17% in H1 19) and 3% of consolidated H1 EBITDA (11% in H1 19)

USA

Net sales (€m)



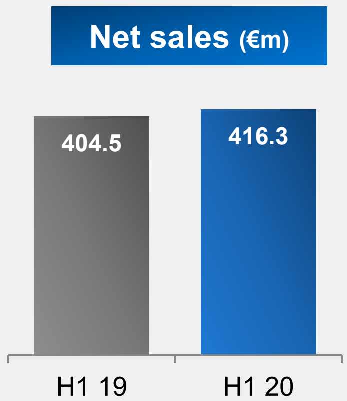
EBITDA (€m)

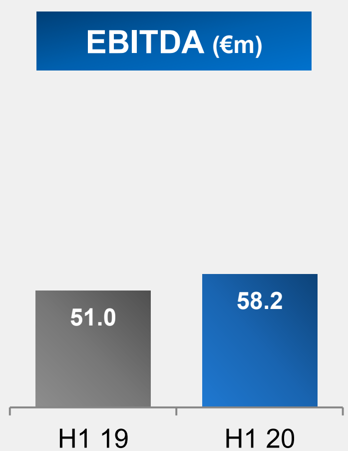


- Cement volumes improved thanks to marginal impact from Covid-19 and no restrictions on the construction sector in the vast majority of the country. Ready-mix slightly down
- No relevant changes in average selling prices in local currency
- 40% of consolidated H1 net sales (38% in H1 19) and 57% of consolidated H1 EBITDA (50% in H1 19)

Results by Geographic Area | Central & Eastern Europe

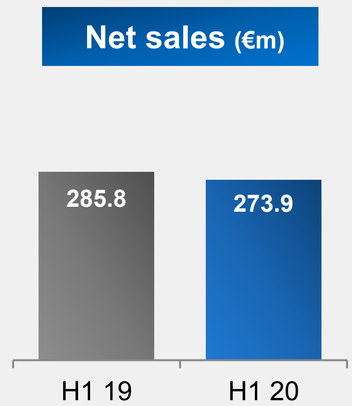
Central Europe

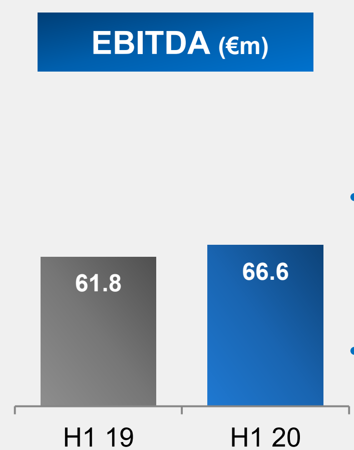




- Cement volumes only slightly down in Germany, thanks to limited negative impact from Covid-19. Luxembourg unfavorable after very weak April and stronger trend in May-June. Ready-mix concrete up thanks to different scope in Germany
- Average selling prices improved
- 27% of consolidated H1 net sales (27% in H1 2019) and 19% of consolidated H1 EBITDA (18% in H1 19)

Eastern Europe



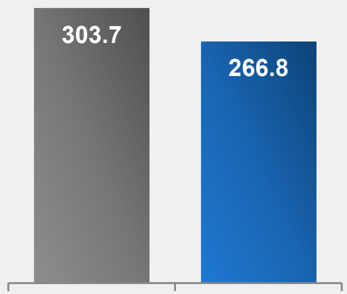


- Cement volumes slightly better in Czech Republic, meanwhile Ukraine, Poland and Russia perfomed worse, more affected by the pandemic; ready-mix negatively impacted too
- Average selling prices in local currency improved (Poland in particular)
- 18% of consolidated H1 net sales (19% in H1 19) and 21% of consolidated H1 EBITDA (21% in H1 19)

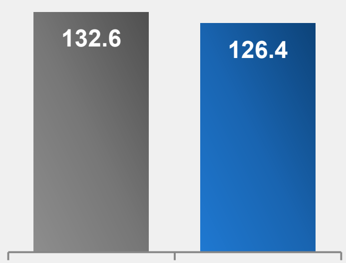
Results by Geographic Area | Mexico & Brazil (valued at equity)

Mexico

Net Sales (€m) – 100%



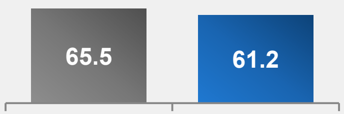
EBITDA (€m) – 100%



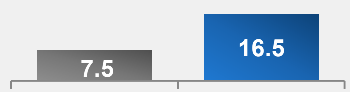
- Cement volumes slightly up, thanks to a series of civil works considered strategic by the government, which allowed the carrying on of production and sales in the plants. Ready-mix decreased significantly
- Average selling prices in local currency declined
- Negative impact from the depreciation of the Mexican peso (-10%)

Brazil

Net sales (€m) – 100%



EBITDA (€m) – 100%



- Cement volumes improved despite some cointainment measures introduced by the local authorities following the worsening of the pandemic in the country
- Positive variance in selling prices, in local currency
- Negative impact from the meaningful depreciation of the Brazilian real (-25%)

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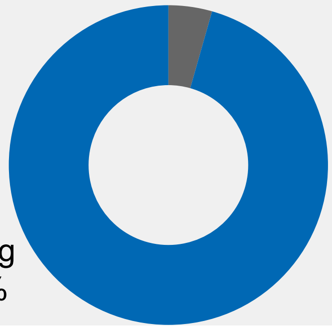
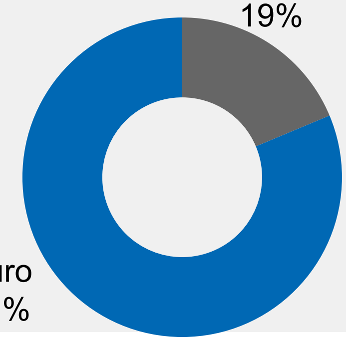
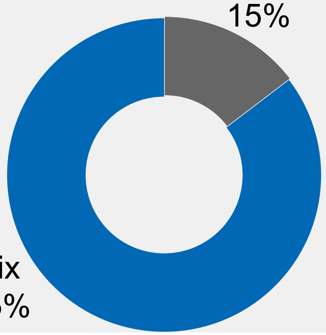
Net Financial Position

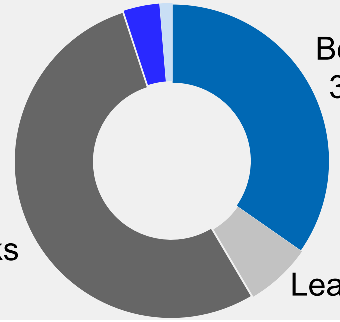
EURm	Jun 20	Dec 19	Δ abs	Jun 19
Cash and other financial assets	1,045.0	840.9	204.1	639.2
Short-term debt	(40.7)	(72.2)	31.5	(389.7)
Short-term leasing	(22.5)	(22.5)	-	(21.4)
Net short-term cash	**981.8**	**746.1**	**235.7**	**228.1**
Long-term financial assets	2.4	2.9	(0.5)	3.3
Long-term debt	(1,294.2)	(1,242.1)	(52.1)	(978.4)
Long-term leasing	(75.1)	(74.7)	(0.4)	(72.1)
Net debt	**(385.1)**	**(567.8)**	**182.7**	**(819.0)**

Gross debt breakdown (1,432.4 €m)









Guidance 2020: Recurring EBITDA expected to decrease between 5% and 10% versus 2019 results

Italy

- In the second half, a foreseeable moderate recover in demand will only partially offset the loss in volumes suffered during the lockdown period
- Operating results expected to be higher than previous year, net of the sale of CO_2 emission rights

USA

- Demand expected to contract in the second half due to the concerns and growing uncertainties following the critical epidemiological picture
- Operating results in local currency expected to close somewhat down in comparison with previous year

Central Europe

- Expected some marginal slowdown in demand in the second half
- Operating results should remain in line with previous year

Eastern Europe

- In the second half, demand is not expected to rebound due to the continuing criticality of the epidemiological picture and the related greater uncertainties regarding the timing of the economic recovery
- Operating results expected to worsen in comparison with previous year

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Saving Shares Conversion – The Rationale

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- ***Untangle the Governance***

  A single class of shares, with the same rights and the same price, allow to align the rights of all the shareholders

- ***More liquidity and higher market cap for ordinary shares***

- ***Improve P/E ratio***

  The improvement in EPS should lead to an increase in the share price

- ***Streamline and simplify the Capital structure***

  Capital structure rationalization and simplification mean less corporate obligations and costs associated with the existence of different class of shares

- ***Market Friendly Operation***

  The conversion reflects a trend towards simplification of the share structure of listed companies which is clearly visible in the Italian market

Savings Shares Conversion – Buzzi Unicem Capital Structure

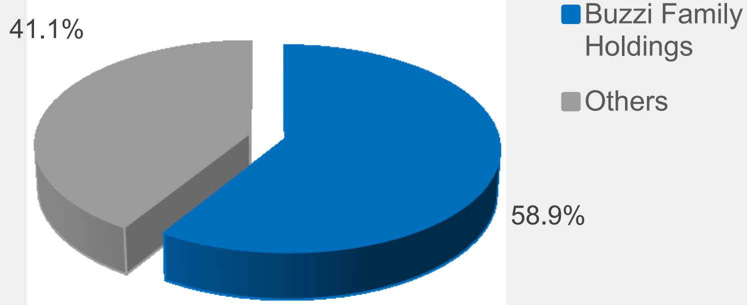
- Two class of shares: Ordinary and Saving shares
- Saving shares represent 19.8% of share capital
- Buzzi Family Holdings own 58.9% of ordinary shares and 47.6% of the share capital

Share Capital		
	N. of shares	*%*
Ordinary	165,349,149	80.2
Savings	40,711,949	19.8
Total	206,061,098	100

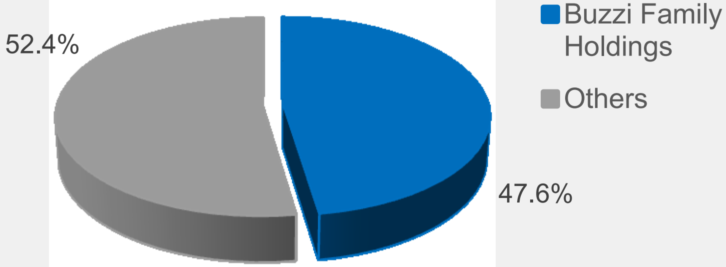
Avg. daily volumes		
	Avg. daily vols (Apr.20-Sept.20)	*% on shares*
Ordinary	626,802	0.379%
Savings	69,918	0.172%

Market Cap (EURm)	
Ordinary	3,452
Savings	480
Total	3,932

Ordinary Shares



Share capital



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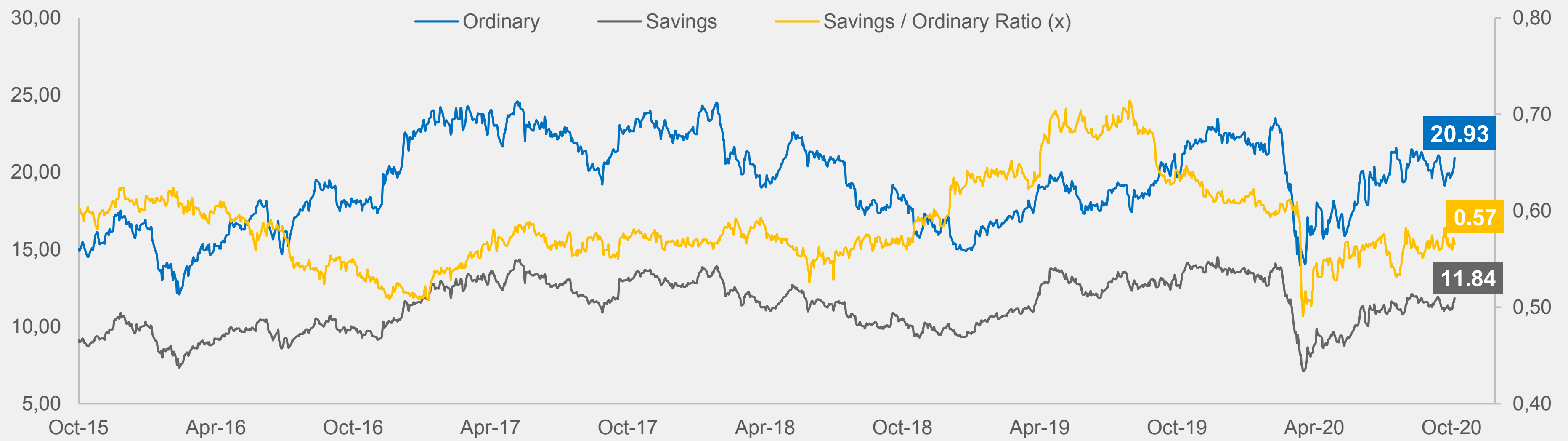
Savings Shares Conversion – Stock and Conversion rate analysis



	Official Prices (EUR)				
	Spot (@08.10.2020)	**Avg L1M**	**Avg L3M**	**Avg L6M**	**Avg L12M**
Ordinary price	20.93	20.18	20.48	19.27	20.00
Price performance	-	+3.7%	+2.2%	+8.6%	+4.7%
Savings price	11.84	11.43	11.46	10.75	11.63
Price performance	-	+3.6%	+3.3%	+10.1%	+1.8%

	Historical conversion rate (x)							
	Spot (@08.10.2020)	**Avg L1M**	**Avg L3M**	**Avg L6M**	**Avg L12M**	**Avg L2Y**	**Avg L3Y**	**Avg L5Y**
Conversion ratio	0.57x	0.57x	0.56x	0.56x	0.58x	0.61x	0.60x	0.59x

Savings Shares Conversion – Deal Structure

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Deal structure

- Stock conversion rate: **0.67** ordinary shares for each saving share
- Equal cash payment recognised to all shareholders through an extraordinary dividend post conversion of EUR **0.75** p.s. (Total cash-out of EUR 144.1 mn[(1)])
- Implied premium: **+22.7%**
- **Majority shareholders' impact**: Buzzi Family holdings will land to 50.94%[(1)] of voting rights (from 59.0%)
- **Withdrawal price and treshold**:
  - 10.778 €
  - EUR 25 mn

	Implied Premium	Implied Premium Adjusted [(2)]
Spot (@ 08.10.2020)	22.70%	18.46%
Last 1 month	22.70%	18.30%
Last 3 months	24.11%	19.72%
Last 6 months	24.79%	20.12%

Market reaction		
	Ordinary shares	Savings shares
Price @ announcement	20.89	11.80
Prices @ 12 Oct 2020	21.23	14.05
% change	+1.6%	+19.1%

(1) Assuming no withdrawal

(2) Ordinary shares adjusted for dividend

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Savings Shares Conversion – The Timing

9 October 2020

Announcement of the mandatory conversion of savings shares

19 November 2020

- Extraordinary and Ordinary Shareholders' Meeting;
- Special Meeting of Savings Shareholders[1]

Q1 2021
(depending on the withdrawal)

Closing of the deal and Dividend Payment

(1) Simple majority for the approval of the deal, representing a minimum of 20% of saving shareholders capital

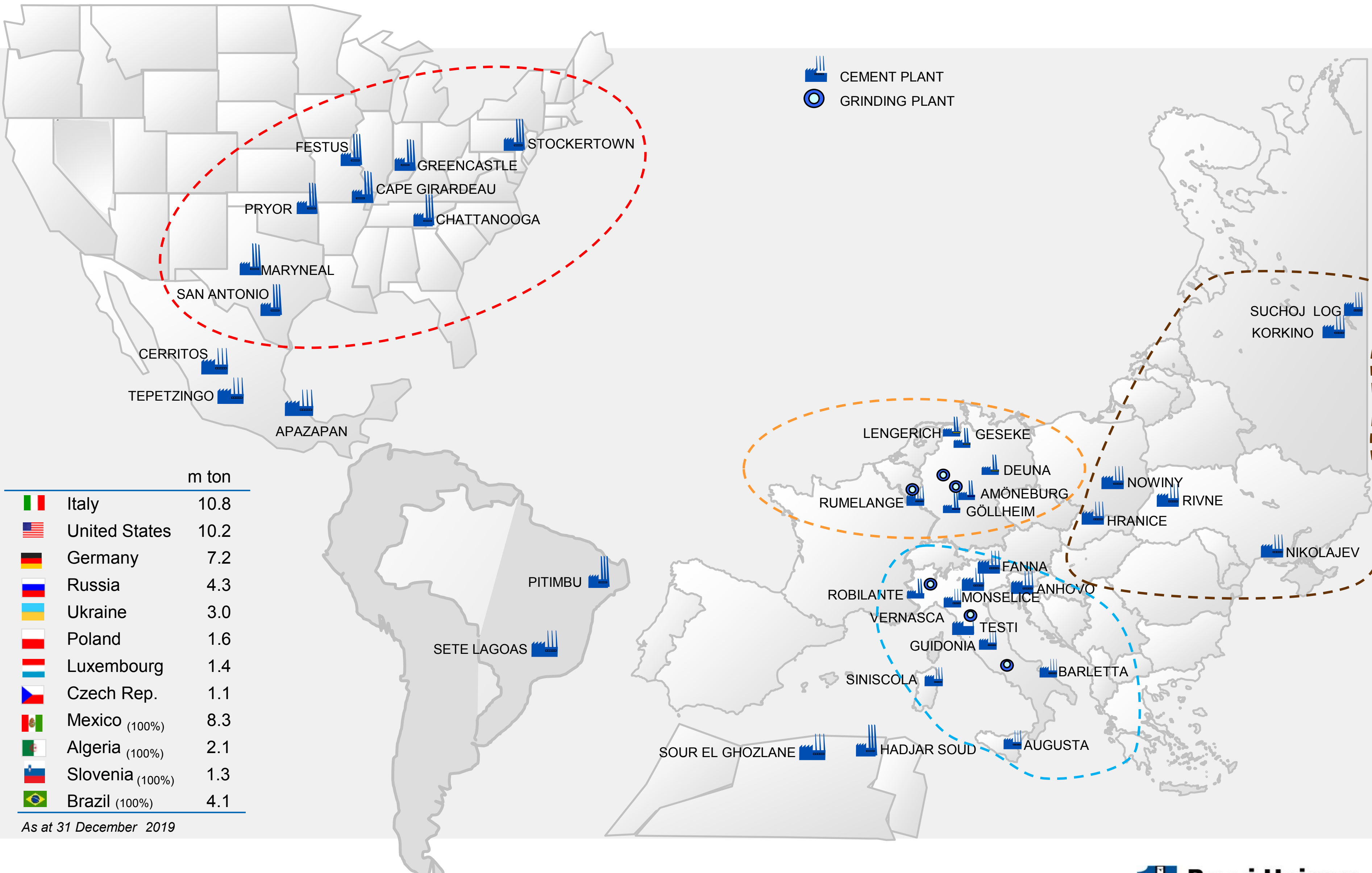
Appendix

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), United States (# 4 cement producer), Germany (# 2 cement producer), material joint venture assets in Mexico and Brazil
    - 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”

Cement plants location and capacity



	m ton
Italy	10.8
United States	10.2
Germany	7.2
Russia	4.3
Ukraine	3.0
Poland	1.6
Luxembourg	1.4
Czech Rep.	1.1
Mexico (100%)	8.3
Algeria (100%)	2.1
Slovenia (100%)	1.3
Brazil (100%)	4.1

As at 31 December 2019

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2019 Consumption vs. Peak

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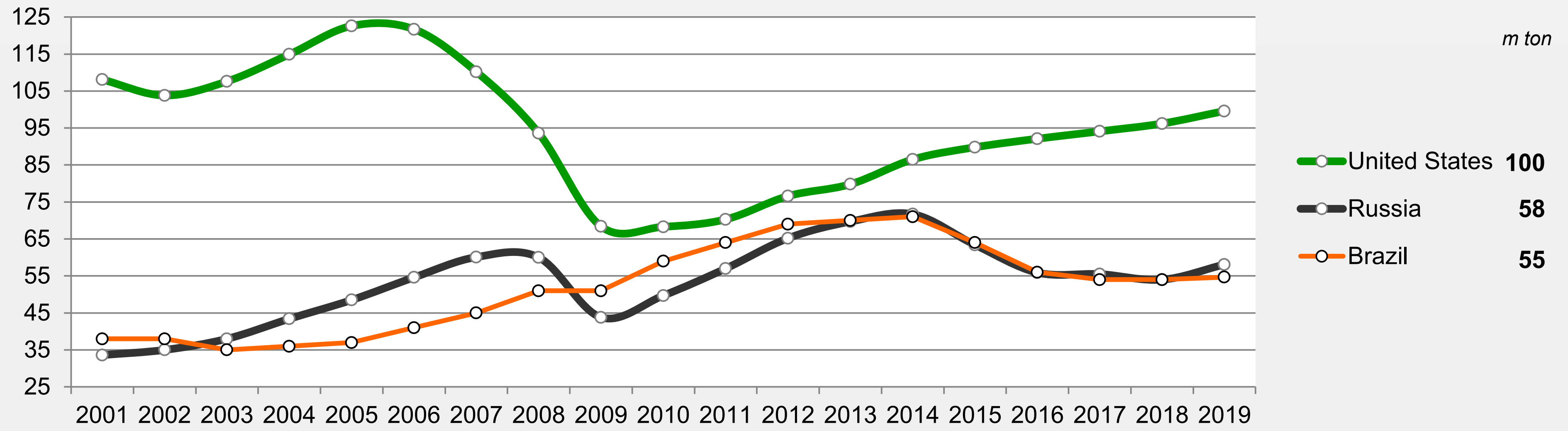
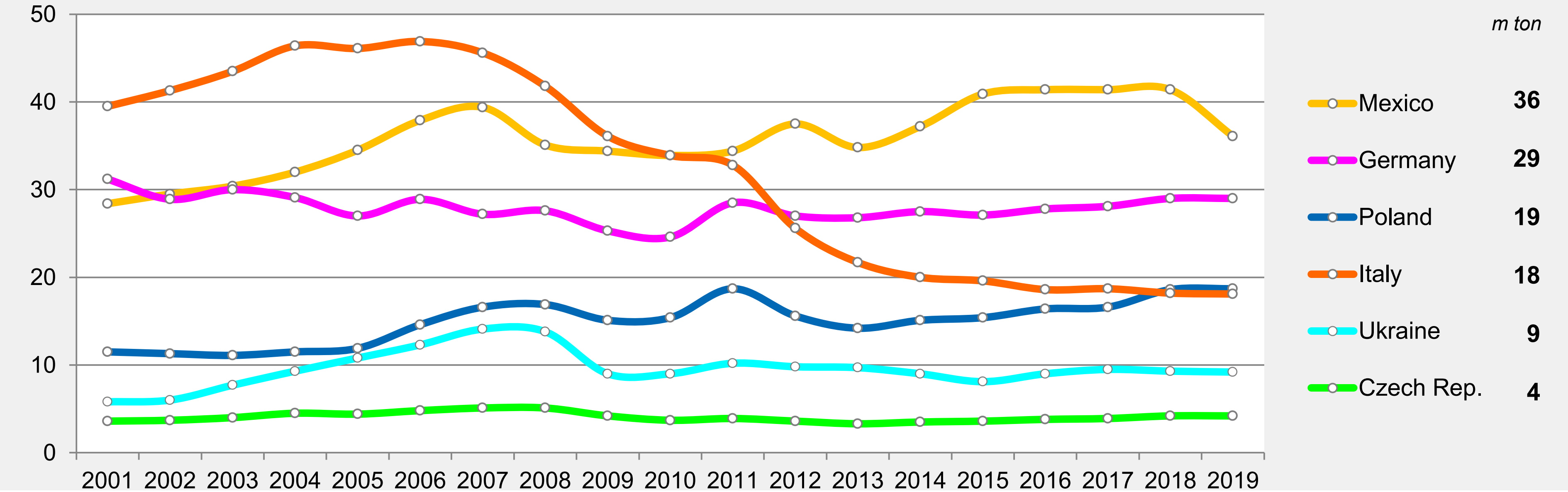
	Total market (m ton)			Per capita consumption (kg)		
ITA	18.1	2006	46.9	300	810	2006
USA	99.6	2005	122.6	302	390	2005
GER	29.0	2003	30.0	350	350	2003
CZE	4.2	2008	5.1	395	490	2008
POL	18.7	2019	18.7	492	492	2019
UKR	9.2	2007	14.1	220	310	2007
RUS	58.1	2014	71.5	396	433	2014
MEX	36.1	2016	41.5	287	332	2016
BRA	54.7	2014	72.7	261	370	2014

Historical series of cement consumption by country





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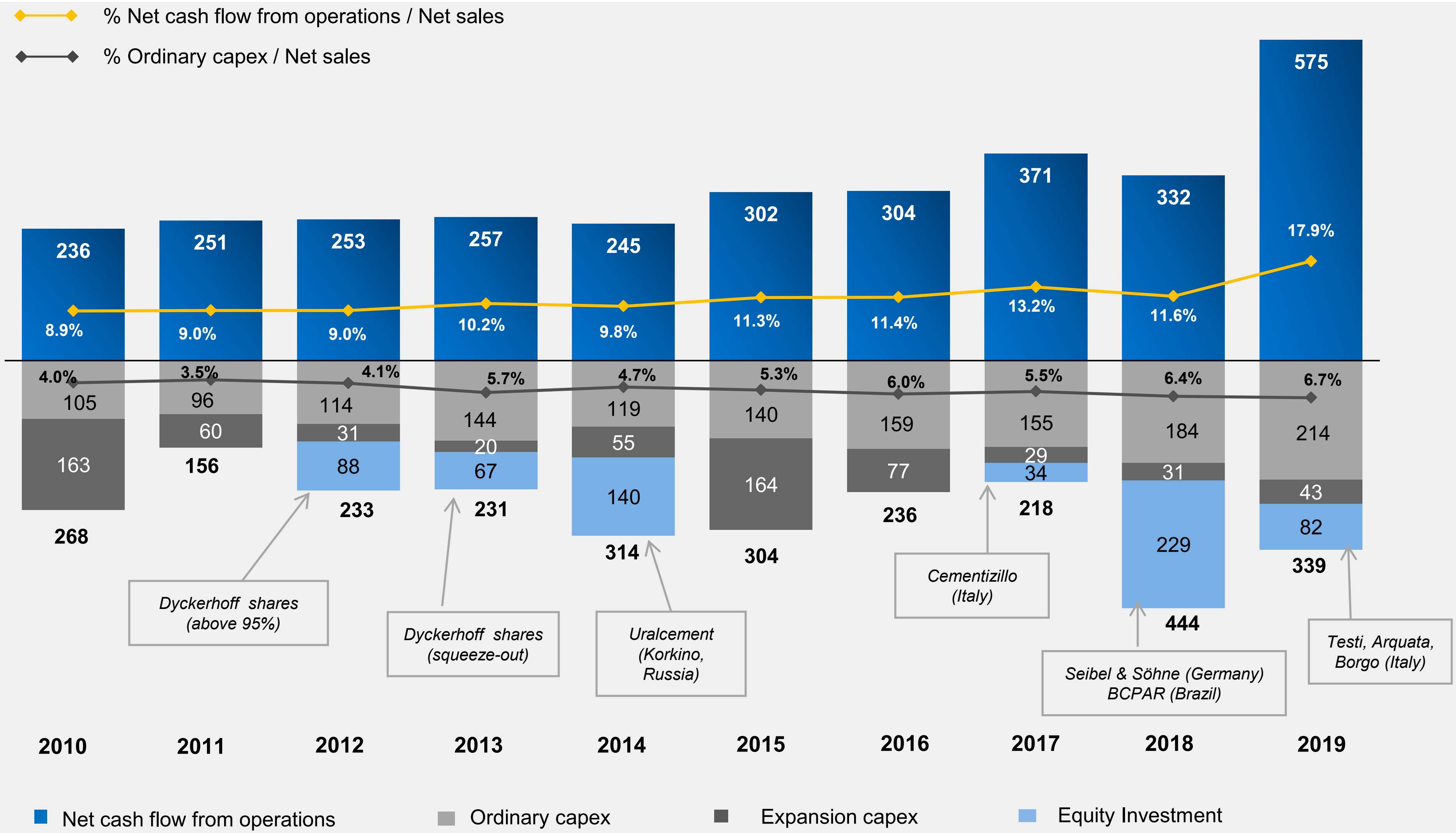
Net Cash Flow from Operations and Capex | *€m*



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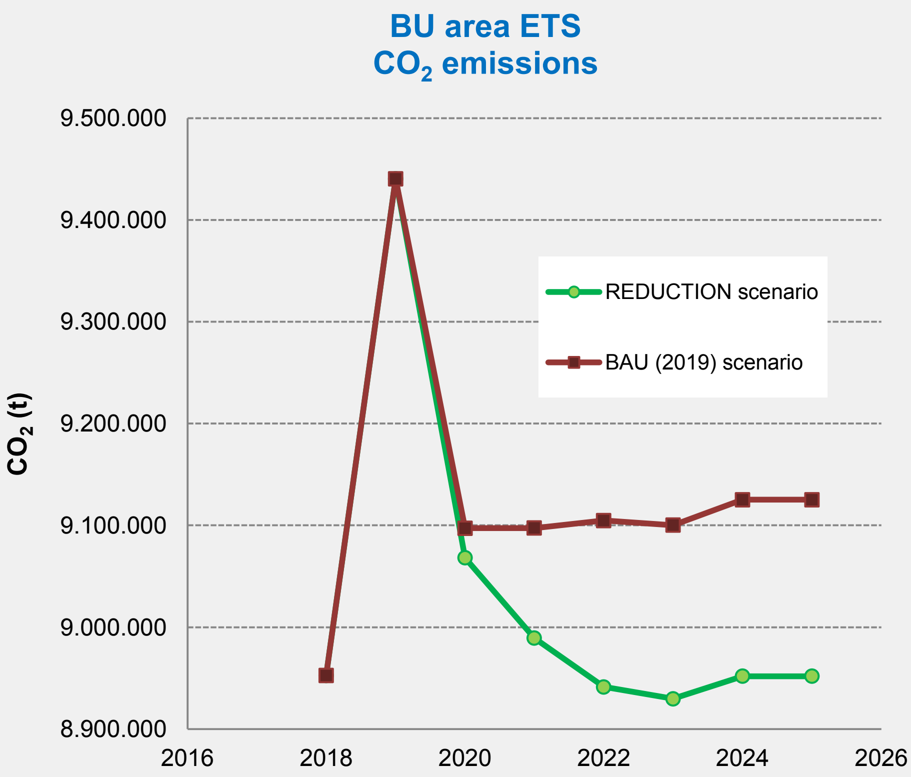
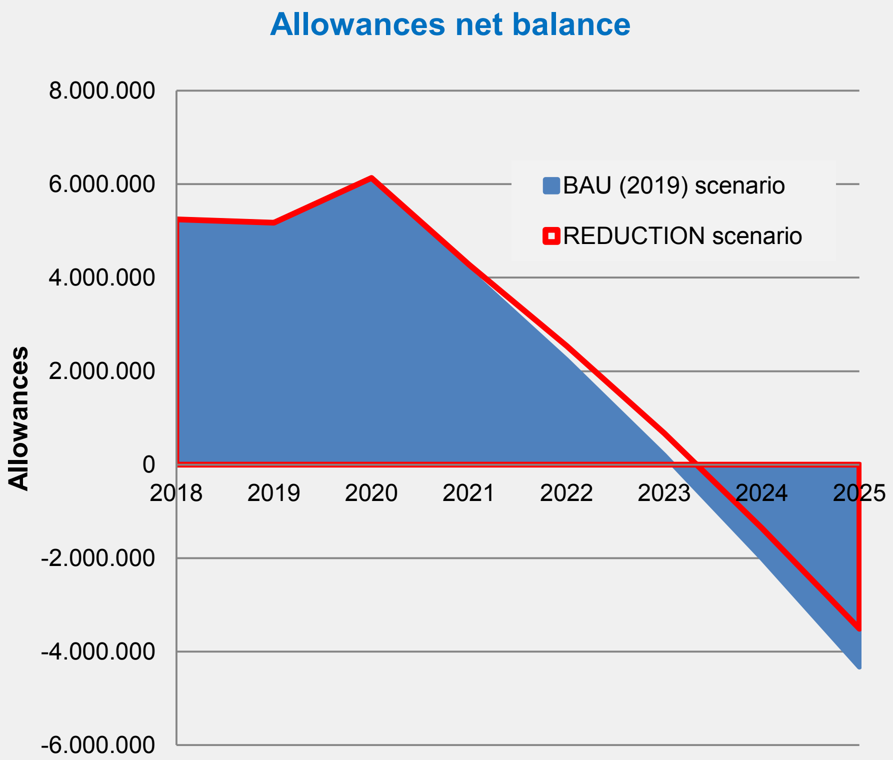
Historical EBITDA development by country

		2011	2012	2013	2014	2015	2016	2017	2018	2019
Italy	*EBITDA*	10,3	-5,9	-18,1	-18,7	-37,2	-22,2	-79,7	-1,7	43,4
	margin	1,8%	-1,2%	-4,2%	-4,8%	-9,8%	-5,9%	-18,6%	-0,4%	8,6%
Germany	*EBITDA*	90,3	72,2	108,1	88,6	72,1	76,8	78,1	82,5	102,3
	margin	14,2%	12,0%	18,0%	14,7%	12,6%	13,4%	13,3%	13,0%	15,1%
Lux/ Netherlands	*EBITDA*	35,0	8,3	11,5	15,9	19,7	25,8	17,6	23,1	22,7
	margin	15,7%	4,3%	6,3%	9,7%	11,7%	14,7%	9,4%	11,7%	11,8%
Czech Rep/ Slovakia	*EBITDA*	35,2	25,4	19,2	27,0	32,6	34,4	36,5	43,6	46,3
	margin	20,5%	17,0%	14,6%	20,2%	24,0%	25,2%	24,7%	26,5%	27,5%
Poland	*EBITDA*	36,9	21,8	27,1	18,2	22,7	23,4	24,1	31,9	32,1
	margin	26,6%	20,0%	26,8%	20,4%	20,4%	24,6%	24,9%	28,6%	25,9%
Ukraine	*EBITDA*	6,9	15,8	12,3	11,0	4,0	12,8	16,0	7,0	21,0
	margin	6,2%	11,8%	10,0%	12,5%	5,7%	16,1%	16,9%	8,0%	15,9%
Russia	*EBITDA*	65,7	96,1	92,6	73,4	48,4	43,2	46,0	50,1	57,7
	margin	37,4%	41,0%	37,2%	35,0%	29,0%	28,0%	24,9%	27,0%	26,9%
USA	*EBITDA*	71,4	123,9	151,0	207,3	311,7	356,5	369,6	341,2	402,7
	margin	12,8%	18,2%	20,7%	24,2%	28,1%	31,9%	33,0%	31,9%	32,4%
Mexico	*EBITDA*	82,6	97,5	77,5	*Adoption of IFRS 11*					
	margin	34,7%	36,2%	33,2%						
Group	**EBITDA**	**434,3**	**455,1**	**481,2**	**422,7**	**473,2**	**550,6**	**508,2**	**577,2**	**728,1**
	margin	**15,6%**	**16,2%**	**17,5%**	**16,9%**	**17,8%**	**20,6%**	**18,1%**	**20,1%**	**22,6%**

Estimated trend of CO_2 emissions and allowances in the first half EU ETS phase IV period (2021-2025)





(Reduction scenario includes CO_2 reduction projects and >/< 15% rule)

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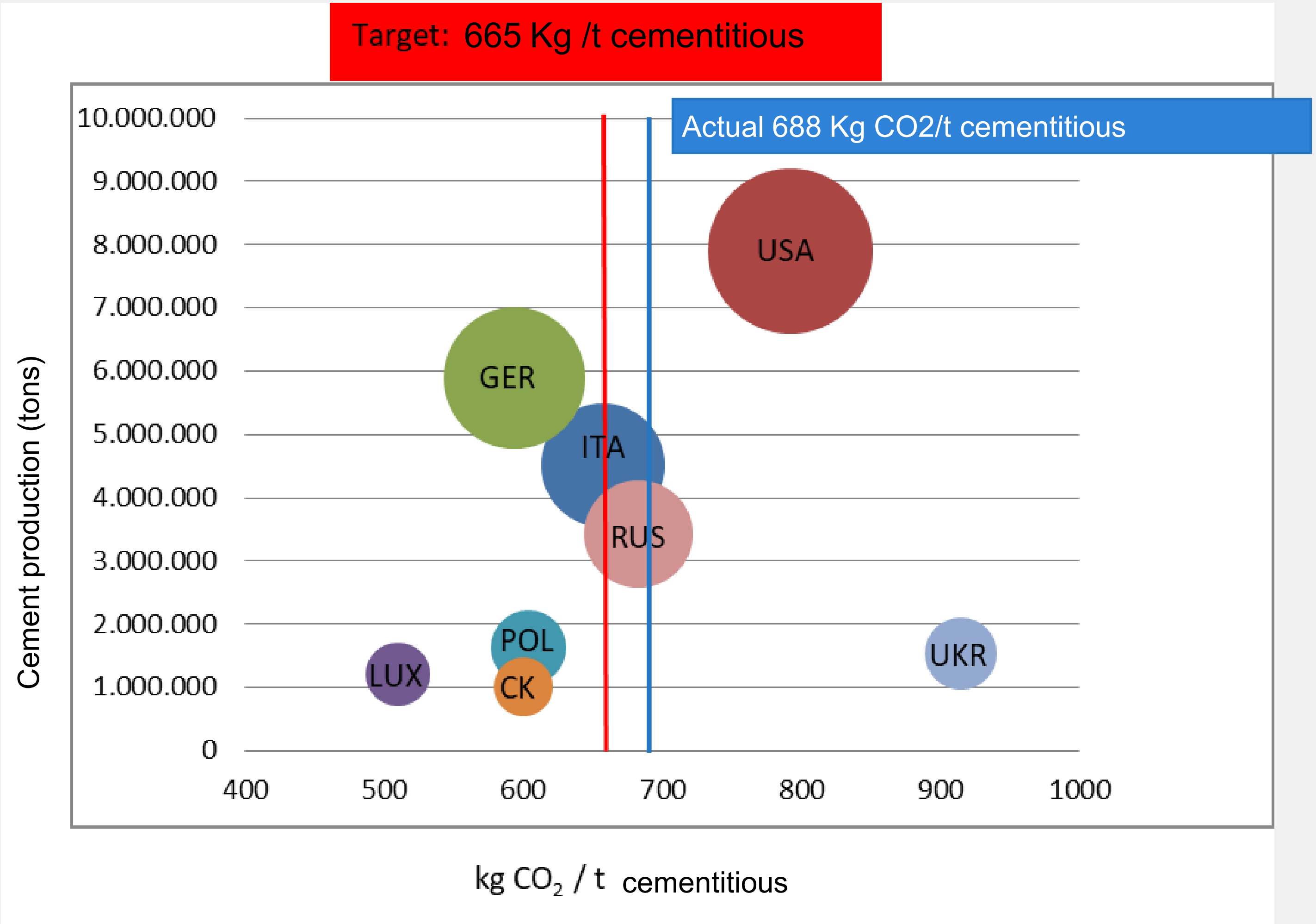
Breakdown of CO_2 emissions per country in 2019



Solutions for de-carbonization

CLINKER CEMENT CONCRETE CONSTRUCTION CARBONATION	EMBUREAU The European Cement Association	factors influencing feasibility: low * very high *****							
	2050 CARBON NEUTRALITY ROADMAP (Kg CO_2/t cement)	**performance and market acceptance**	**standards**	**availability of supplementing materials/fuels**	**permits**	**nimby**	**R&D**	**increase of cost production**	**capex**
cements with a lower clinker content	-72	***	***	*****				*	**
alternative fuels with biomass content	-71			**	***	*****		*	**
technical update (BAT)	-61								*****
new cements with lower carbon footprint	-17	***	***	***	*		*****	*	**
carbon capture	-280				***	*****	*****	*****	*****
concrete recipe optimization	-52	**	*****	***				**	*
H2 + electrification	-19			*****			**	*****	*****
decarbonated raw materials	-27			*****					**
carbon neutral trasnsport	-17			*****					***
CO_2 uptake	-51								
already achieved up to 2017 since 1990	-116								
total	-783								

Buzzi Unicem

CCS situation: where are we now?

Good news…

- Various CC options available although not all with the same level of technical readiness (TRL)
- Storage and utilization solutions potentially available
- EU financing

Bottlenecks

- High costs
- Lack of infrastructure
- Not enough renewable energy / H2
- NIMBY syndrome

What do we need to go forward?

- High costs entail risk of carbon leakage. We need rules for maintaining our competitiveness
- Infrastructure projects and support for storage still missing
- Renewable energy supply
- New liaisons and new alliances between energy intensive industry and big emitters
- Stakeholder dialogue to prevent/limit NIMBY

Investor Roadshow

Milan - 16 October 2020