

Engineering & Construction Conference

Milan, 15 April 2021

2020 OVERVIEW

Cement volumes at 29.3 mt, substantially stable vs 2019 (29.1 mt), thanks to the progress achieved in US and Russia and the stability in Germany. Negative development in Eastern Europe and Italy.
Ready Mix concrete volumes at 11.7 mt (-3.1%), more impacted by Covid19.

Favorable variance in selling prices, in local currencies, in almost all the geographies

FINANCIALS

Net sales stable at 3,222 €m (3,221 €m in 2019) but +1.8% lfl, driven by Germany (+5.5%) and US (+1.5%). Negative trend in Eastern Europe (-7.7%) and Italy (-2.1%)

EBITDA at 781 €m (728 €m in 2019), +7.2% (+10.3% lfl), driven by Germany (+21.0%) and US (+10.3%). Eastern Europe flat and Italy declined (-22.1%) due to pandemic impact

CASH GENERATION AND NET DEBT

Net cash flow from operations at 589 €m (575 €m in 2019).

Cash Conversion Rate stable above 50% (54% in 2020 vs 52% in 2019)

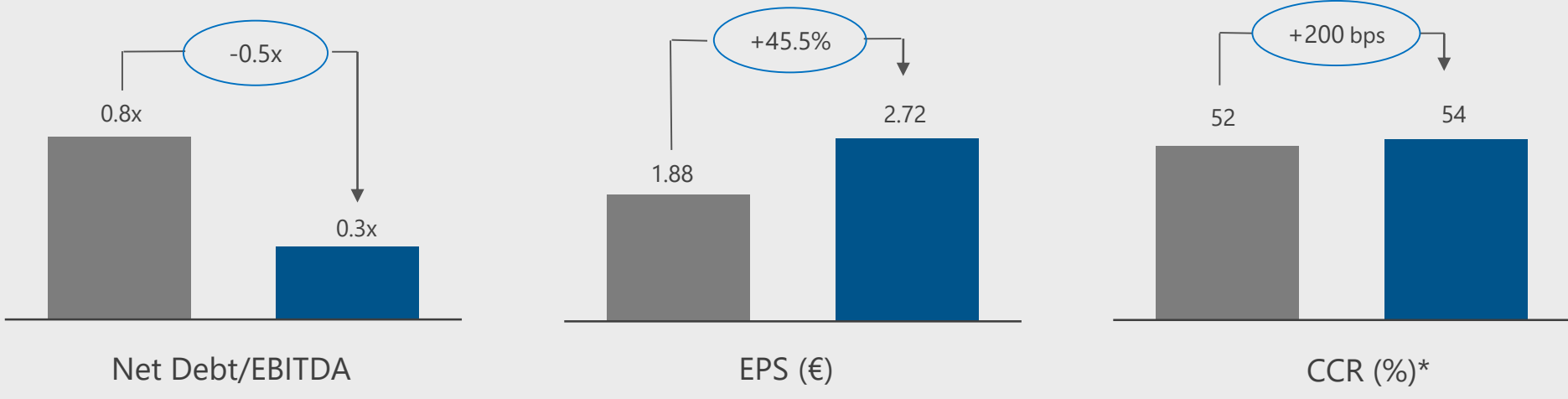
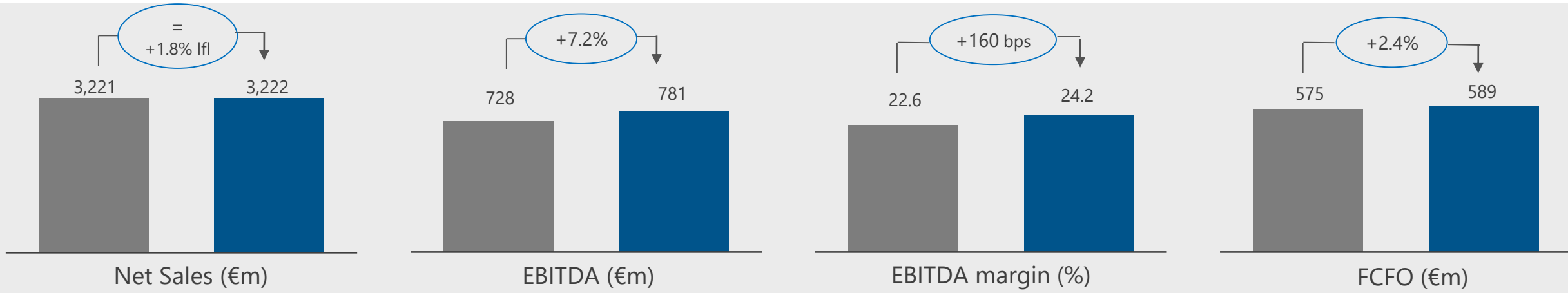
Net Debt at 242 €m (568€m in 2019). Net Debt/EBITDA ratio at 0.3x (0.8 in 2019)

2021 OUTLOOK

Energy cost inflation and higher CO₂ price
Unfavorable trend in exchange rate
Slight improvement in average selling prices but possibly not sufficient to fully offset cost inflation

Recurring EBITDA expected to decrease in 2021 compared to 2020 results.

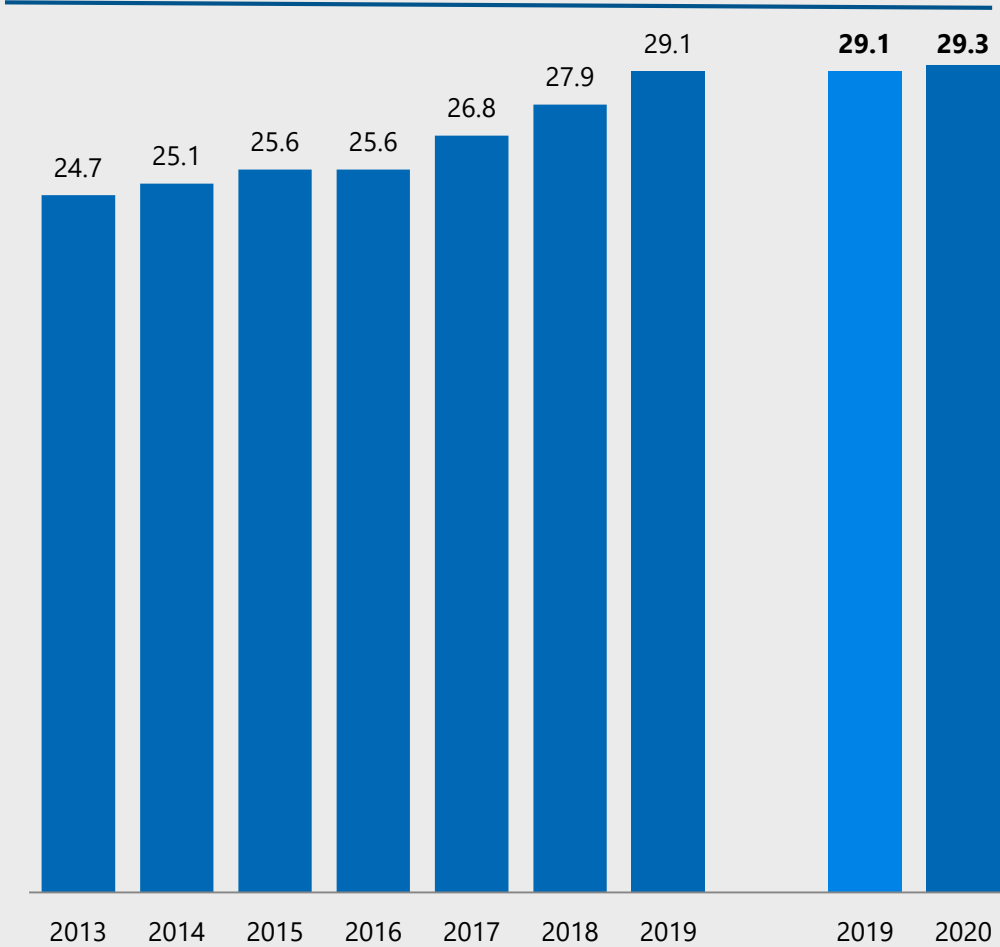
2020 Financial Highlights



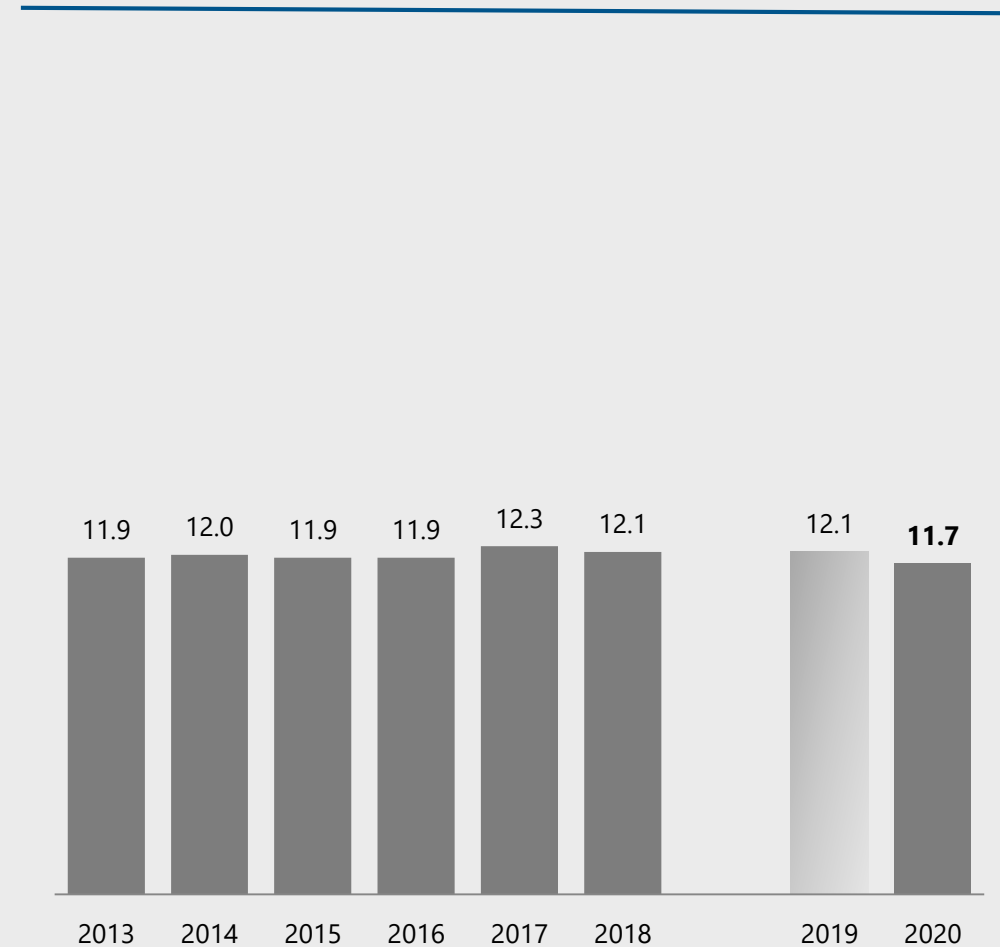
■ 2019
■ 2020

*Cash Conversion rate: Equity FCF/(EBITDA + income from associates)

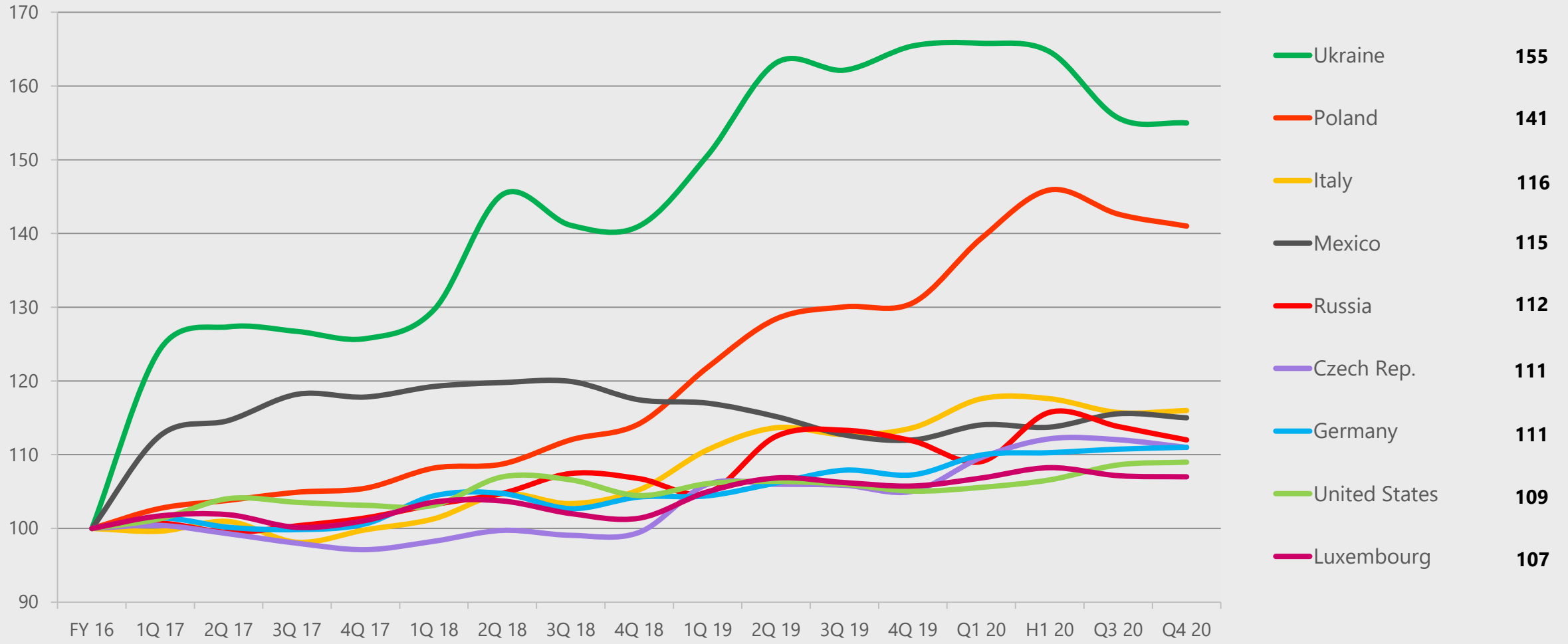
Cement (m ton)










Ready-mix concrete (m m3)



Price Index by country



In local currency; FY16 = 100

		2020	2019	Δ	2018	Current
EUR 1 =		avg	avg	%	Avg	
	USD	1.14	1.12	-2.0	1.18	1.19
	RUB	82.72	72.46	-14.2	74.04	92.02
	UAH	30.85	28.92	-6.7	32.11	33.29
	CZK	26.46	25.67	-3.1	25.65	26.05
	PLN	4.44	4.30	-3.4	4.26	4.53
	MXN	24.52	21.56	-13.7	22.71	23.97
	BRA	5.89	4.41	-33.6	4.31	6.73

Italy

- Decline in cement volumes (-2.8%) due to the significant pandemic impact. Ready-mix recorded a more marked contraction (-5.4%)
- Positive trend in prices
- Production costs down thanks to savings in fuel and energy

USA

- Strong demand and favorable weather conditions pushed up volumes (+5.0%). Ready-mix weaker (-4.2%)
- Prices slightly up
- Favorable trend in energy costs. Ebitda margin at top level of the group

EURm	2020	2019	Δ%	Δ lfl %
Net Sales	501.1	504.7	(0.7)	(2.1)
EBITDA	33.8	43.4	(22.1)	(17.2)
EBITDA margin (%)	6.7	8.6		

EURm	2020	2019	Δ%	Δ lfl %
Net Sales	1,260.6	1,242.5	1.5	3.5
EBITDA	444.2	402.7	10.3	12.5
EBITDA margin (%)	35.2	32.4		

Central Europe

- Stable cement volumes (-0.5%), despite pandemic restrictions. Ready-mix volumes increased (+3.1%), thanks to different scope
- Positive pricing development
- Favorable trend in production costs

Eastern Europe

- Cement volumes particularly weak in Poland (-5.3%) and Ukraine (-4.5%). In Russia cement volumes up (2.0%) thanks to good weather conditions and strong demand in Q4.
- Positive trend in prices, in local currency
- Negative fx impact, mainly due to ruble (-14.7%)

EURm	2020	2019	Δ%	Δ lfl %
Net Sales	875.5	843.7	4.1	3.5
EBITDA	145.6	125.0	20.6	16.0
EBITDA margin (%)	16.6	14.8		

EURm	2020	2019	Δ%	Δ lfl %
Net Sales	587.0	635.9	(7.7)	(0.8)
EBITDA	156.9	157.1	(0.1)	7.2
EBITDA margin (%)	26.7	24.7		

Mexico

- Increase in cement volumes (+12.4%) thanks to the marked recovery in public works sector
- Prices, in local currency, flat
- Negative FX impact (Mexican peso -13.7%)

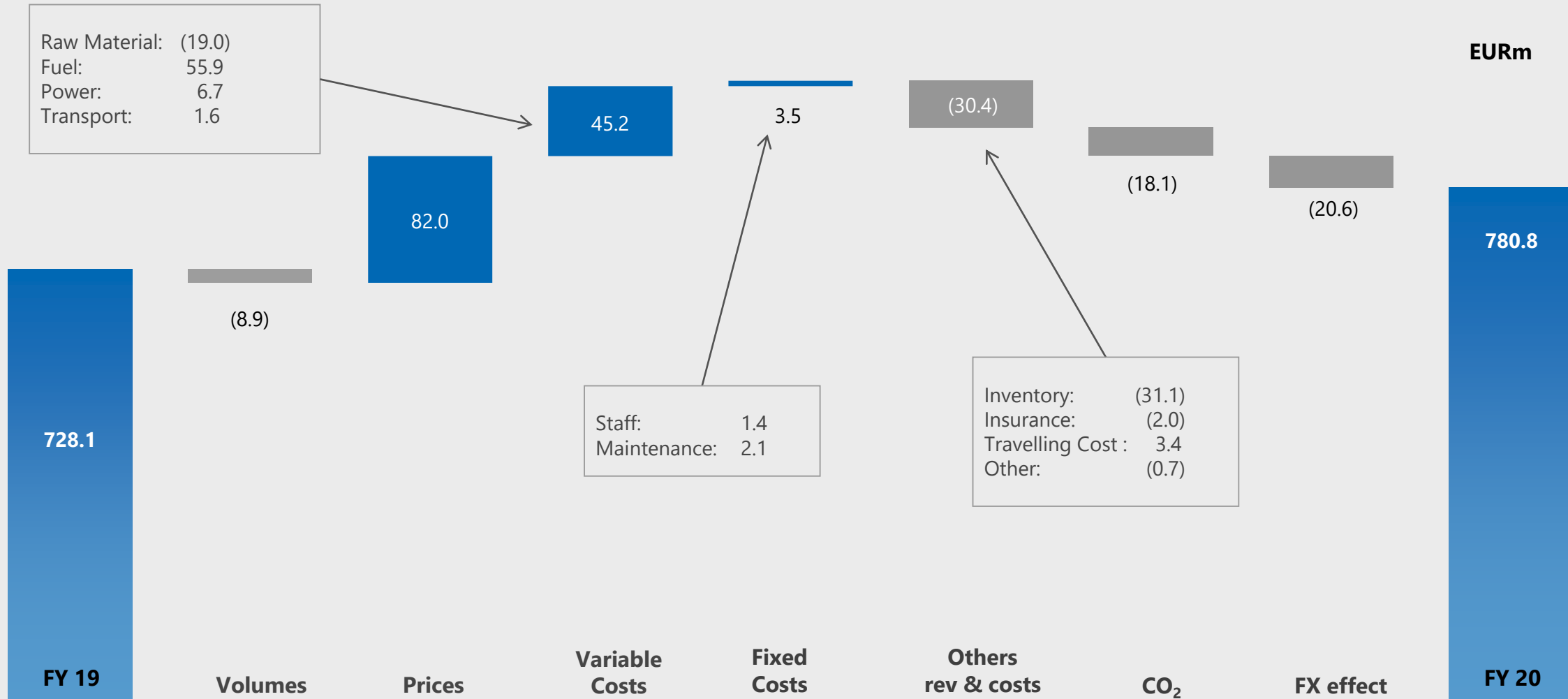
Brazil

- Cement volumes visibly improved (+9.3%)
- Strong trend in selling prices, in local currency
- Negative FX impact (Brazilian Real -33.6%)

EURm	2020	2019	Δ%	Δ Ifl %
Net Sales (100%)	573.8	593.2	(3.3)	10.0
EBITDA (100%)	265.0	252.2	5.1	19.5
EBITDA margin (%)	46.2	42.5		

EURm	2020	2019	Δ%	Δ Ifl %
Net Sales (100%)	139.1	134.7	3.2	37.9
EBITDA (100%)	48.0	23.4	>100	>100
EBITDA margin (%)	34.5	17.4		

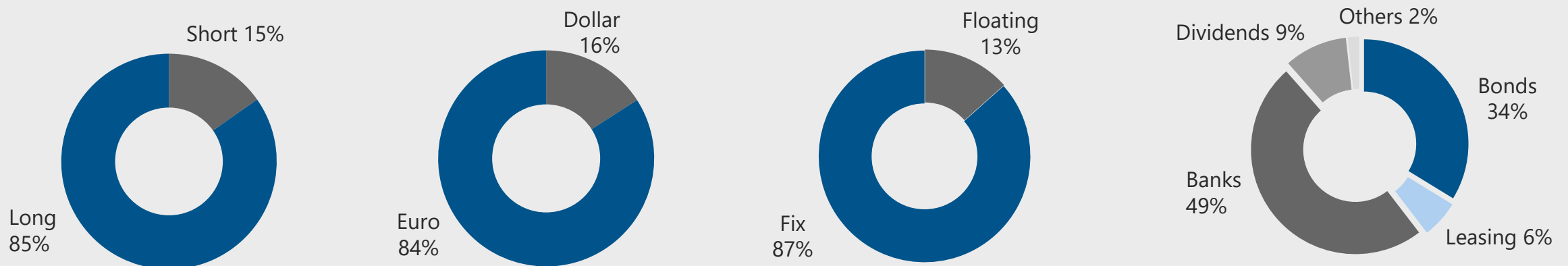
EBITDA variance analysis



Net Financial Position – FY 2020

EURm	Dec 20	Dec 19	Δ abs	Sept 20
Cash and other financial assets	1,220.9	840.9	380.0	1,133.0
Short-term debt	(214.2)	(72.3)	(141.9)	(47.9)
Short-term leasing	(21.4)	(22.5)	1.1	(21.6)
Net short-term cash	985.3	746.1	239.2	1,063.5
Long-term financial assets	11.0	2.9	8.1	2.3
Long-term debt	(1,173.4)	(1,242.1)	68.7	(1,276.3)
Long-term leasing	(64.5)	(74.7)	10.2	(71.2)
Net debt	(241.6)	(567.8)	326.2	(281.7)

Gross debt breakdown (1,473.5 €m)



Key points

- Headwind from energy cost inflation and exchange rates.
- Price of CO₂ rights hitting new record high.
- Italy: recovery in volumes thanks to easier comparison and growth in construction investments. Positive trend in selling prices
- Central Europe: volumes expected to decline slightly but prices still strengthening. Operating results in moderate decline.
- USA: Volumes expected to be supportive. Favorable price variance hampered by specific regional issues. Rising cost inflation likely to drive down EBITDA around 2019 level.
- Eastern Europe: subdued cement demand in Poland, Czech Republic and Ukraine. Russia should achieve a positive development of volumes thanks to a fairly brisk demand and a more positive outlook for oil prices.
- Capex: higher capex vs 2020, including several projects aimed at continuous improvement of the operation efficiency as well as at the challenging CO₂ emission reductions.

Recurring EBITDA 2021

- Recurring EBITDA expected to soften. The slowdown may be more or less significant depending on how the pandemic will evolve in the coming months, as well as its impact on economic activity in the geographic areas where the group operates

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

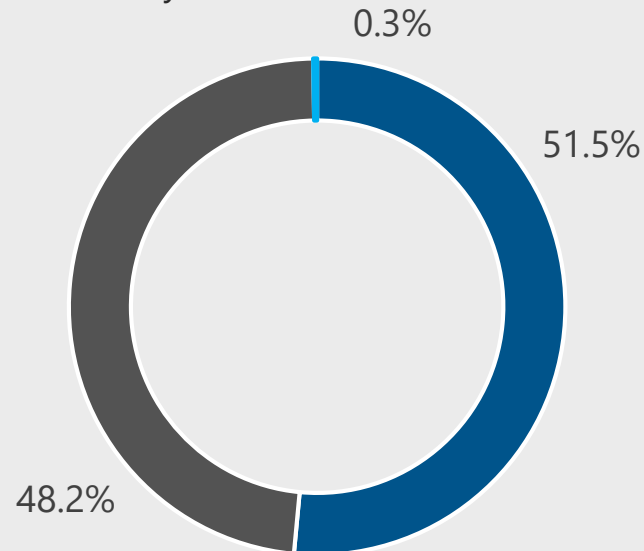
“Value creation through lasting, experienced know-how and operating efficiency”

Shares & Shareholders | Dividends

Share Capital

Number of shares 192,626,154

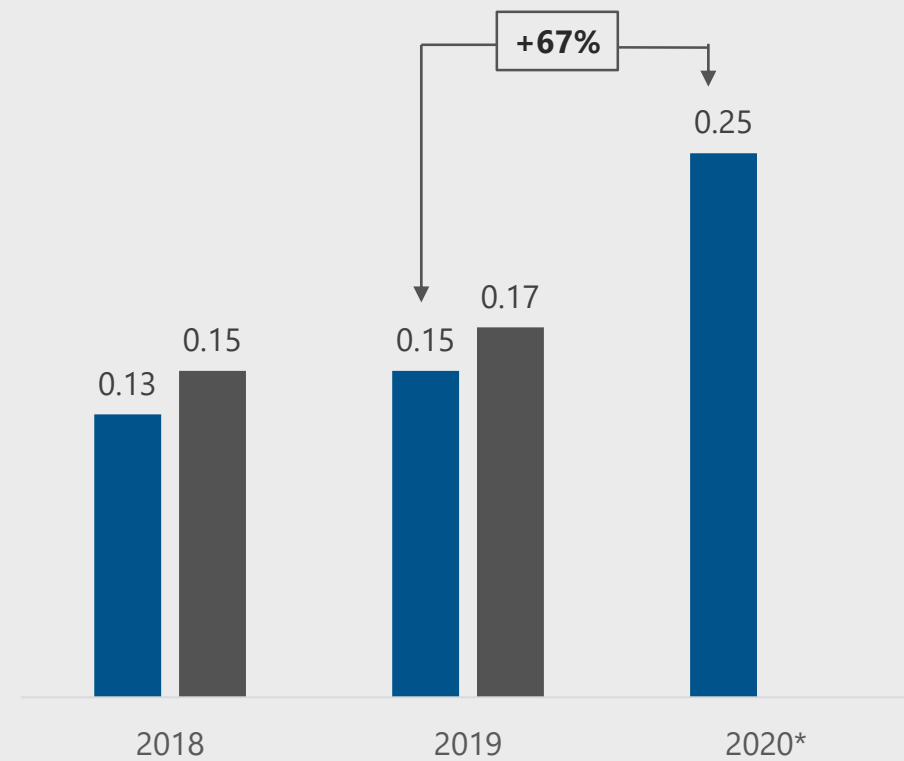
- Buzzi Family Holdings
- Free Float
- Treasury shares



*As at 15 April 2021

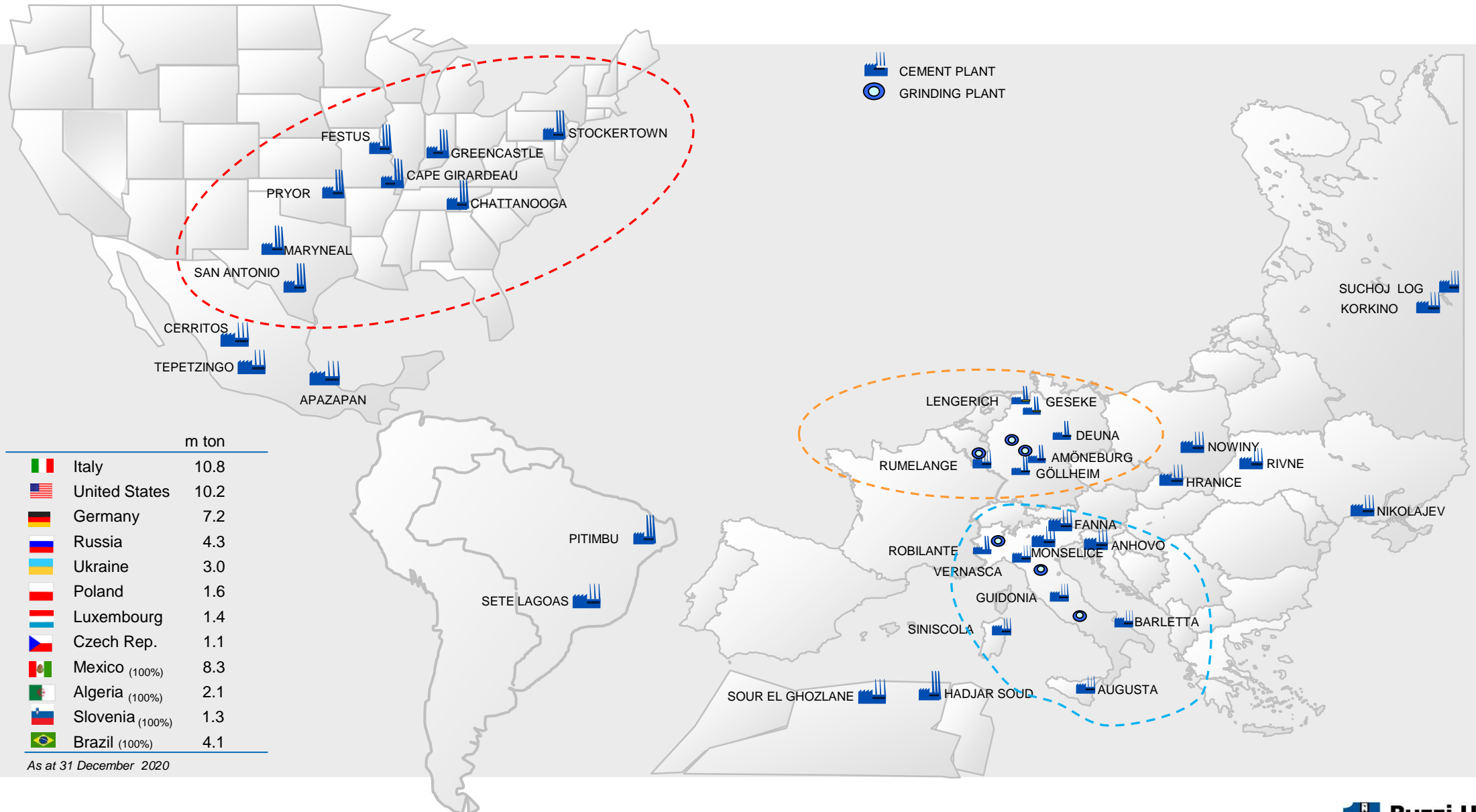
Dividend per Share (Eur)

- Ordinary shares
- Savings shares












*Dividend proposal to AGM at 7th May 2021











Cement plants location and capacity



Net Sales by country – FY 2020

EURm		2020	2019	Δ	Δ	Forex	Scope	Δ l-f-l
				abs	%	abs	abs	%
	Italy	501.1	504.1	(3.6)	-0.7	-	6.9	-2.1
	United States	1,260.6	1,242.5	18.1	+1.5	(25.6)	-	+3.5
	Germany	717.0	679.6	37.4	+5.5	-	5.7	+4.7
	Lux / Netherlands	191.7	192.5	(0.8)	-0.4	-	-	-0.4
	Czech Rep / Slovakia	159.5	168.2	(8.7)	-5.2	(4.2)	-	-2.7
	Poland	117.8	123.4	(6.0)	-4.8	(4.0)	-	-1.6
	Ukraine	116.1	131.9	(15.8)	-12.0	(7.7)	-	-6.1
	Russia	195.8	214.5	(18.7)	+8.7	(27.8)	-	+4.2
	<i>Eliminations</i>	<i>(37.1)</i>	<i>(36.1)</i>	<i>(1.0)</i>				
	Total	3,222.4	3,221.4	1.0	+0.03	(69.2)	12.6	+1.8
	Mexico (100%)	573.8	593.2	(19.4)	-3.3	(78.9)	-	-10.0
	Brazil (100%)	139.1	134.7	4.4	+3.2	(46.7)	-	+37.9

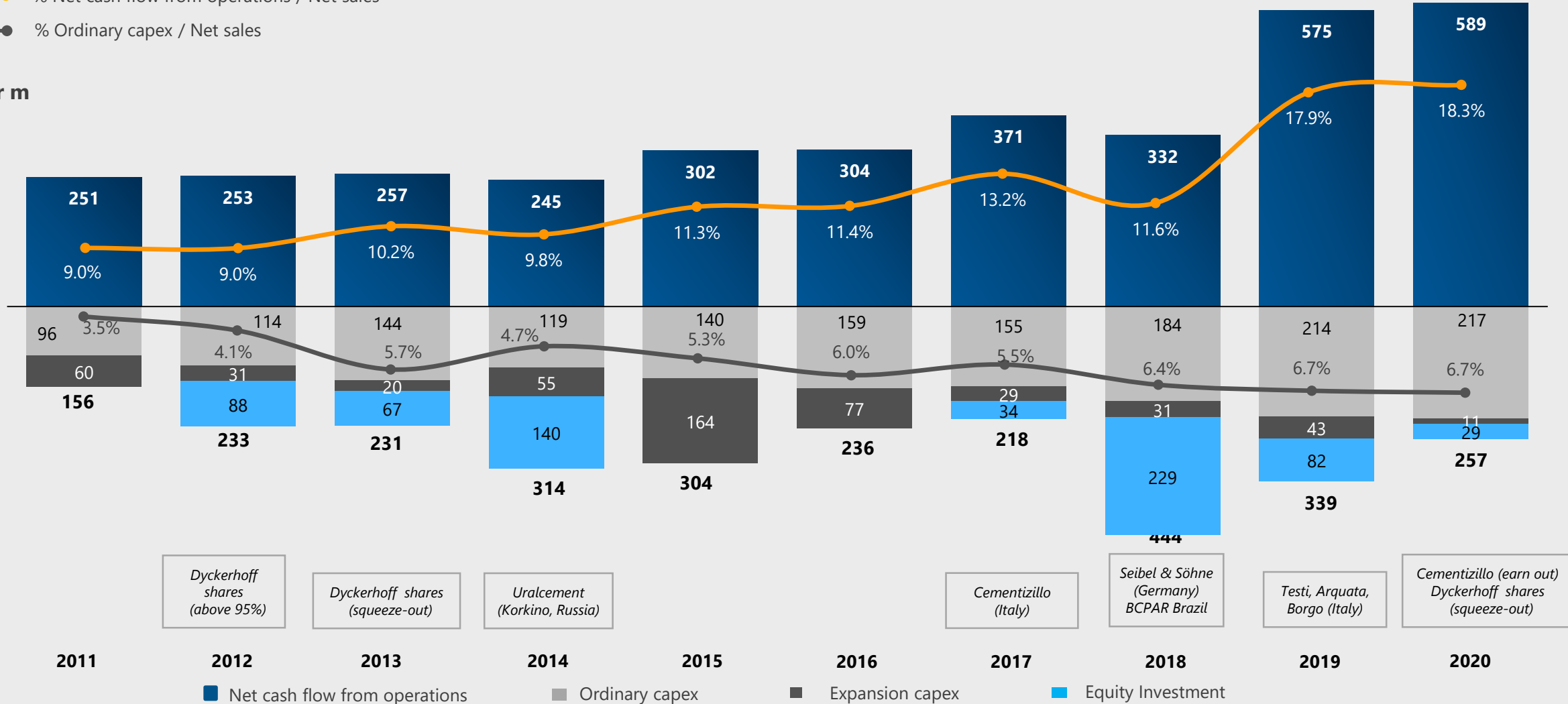
EBITDA by country – FY 2020

EURm	2020	2019	Δ	Δ	Forex	Scope	Δ I-f-I
			abs	%	abs	abs	%
 Italy	33.8	43.4	(9.6)	-22.1	-	(2.1)	-17.2
 United States	444.2	402.7	41.5	+10.3	(9.0)	-	+12.5
 Germany	123.8	102.3	21.5	+21.0	-	0.6	+20.5
 Lux / Netherlands	21.7	22.7	(1.0)	-4.0	-	-	-4.0
 Czech Rep / Slovakia	46.8	46.3	0.5	+1.1	(1.4)	-	+4.2
 Poland	35.3	32.1	3.2	+10.0	(1.2)	-	+13.5
 Ukraine	21.9	21.0	0.9	+4.3	(1.5)	-	+11.0
 Russia	52.9	57.7	(4.8)	-8.3	(7.5)	-	+4.8
<i>Eliminations</i>	(0.4)	(0.2)					
Total	780.8	728.1	52.7	+7.2	(20.6)	(1.5)	+10.3
 Mexico (100%)	265.0	252.2	12.8	+5.1	(36.4)	-	+19.5
 Brazil (100%)	48.0	23.4	24.5	+> 100	(16.1)	-	+> 100

Net Cash Flow from Operations and Capex development

● % Net cash flow from operations / Net sales
● % Ordinary capex / Net sales

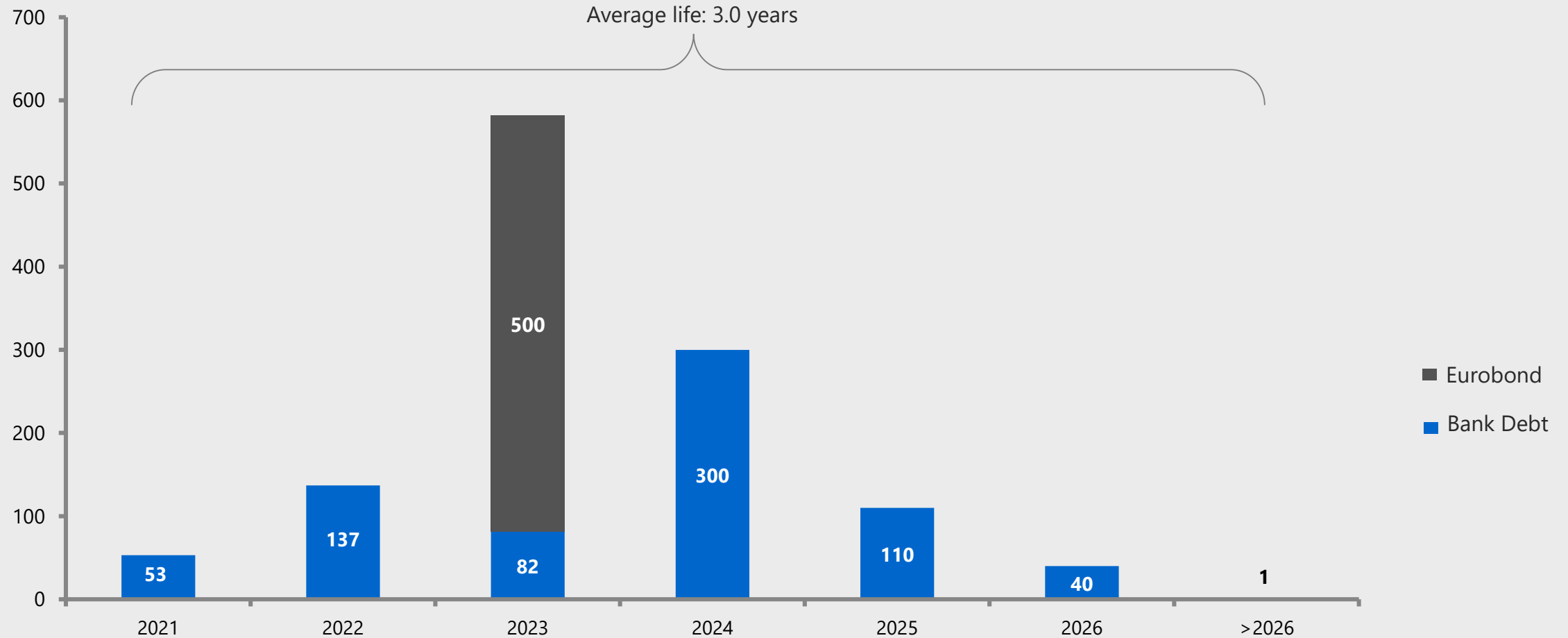
Eur m












Dyckerhoff shares (above 95%)
Dyckerhoff shares (squeeze-out)
Uralcement (Korkino, Russia)
Cementizillo (Italy)
Seibel & Söhne (Germany) BCPAR Brazil
Testi, Arquata, Borgo (Italy)
Cementizillo (earn out) Dyckerhoff shares (squeeze-out)

Debt Maturity Profile – FY 2020

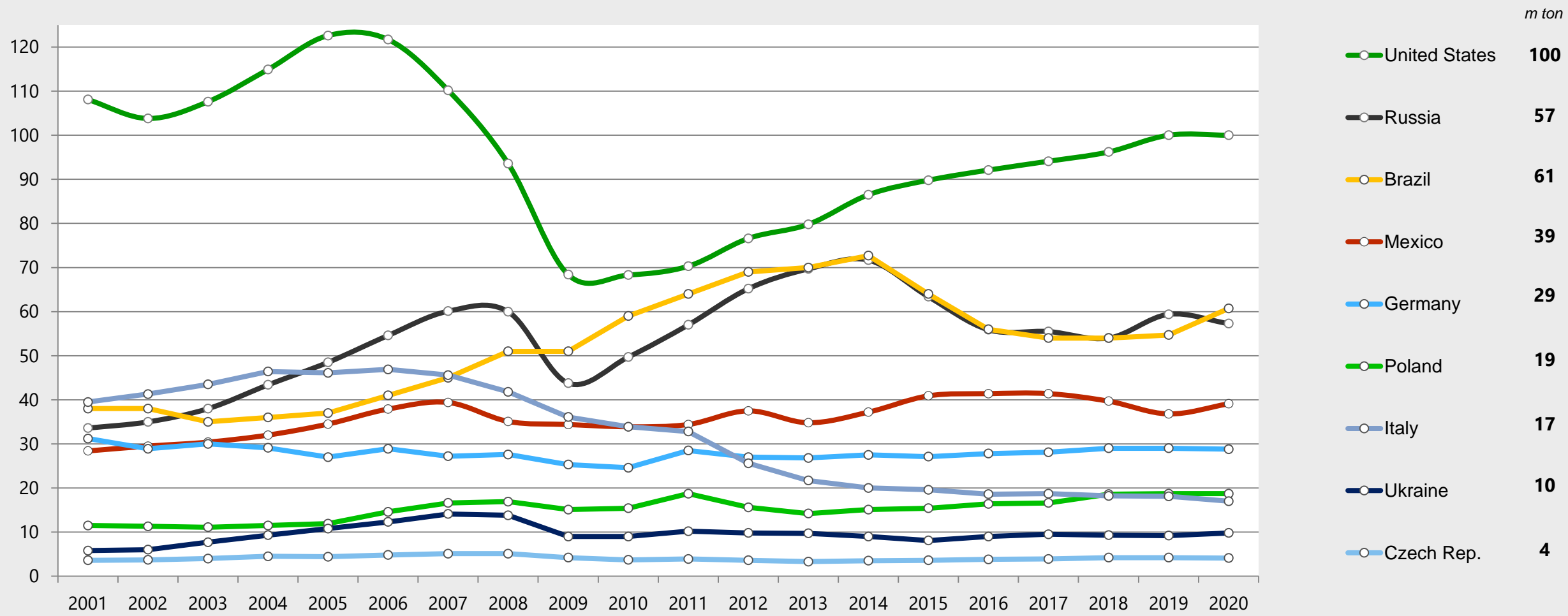
- Total nominal value of debt and borrowings stood at €m 1,223 at December 2020
- As at December 2020 available €m 321m of undrawn committed facilities (€m 299 for Buzzi Unicem, €m22 for Dyckerhoff)



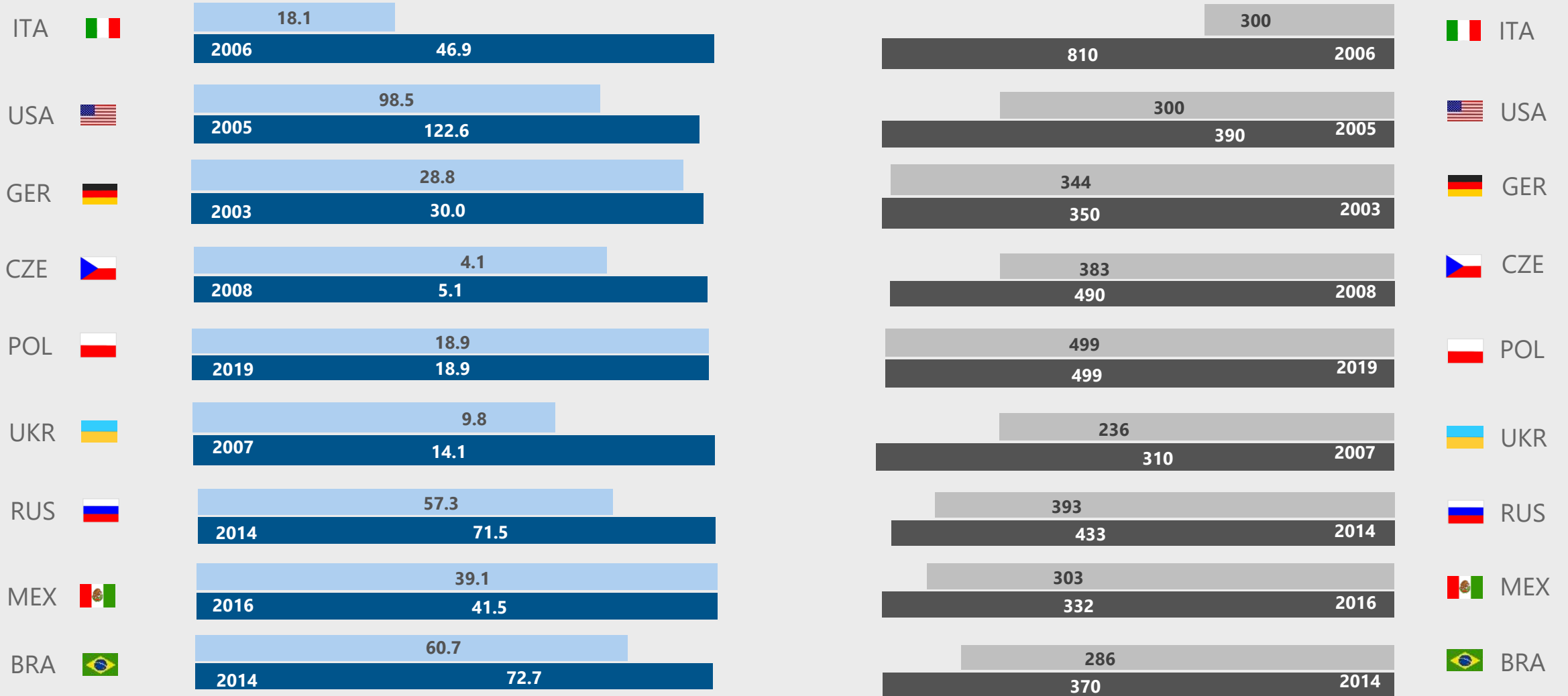
Historical EBITDA development by country

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
 Italy	EBITDA	10,3	-5,9	-18,1	-18,7	-37,2	-22,2	-79,7	-1,7	43,4	33,8
	margin	1,8%	-1,2%	-4,2%	-4,8%	-9,8%	-5,9%	-18,6%	-0,4%	8,6%	6,8%
 Germany	EBITDA	90,3	72,2	108,1	88,6	72,1	76,8	78,1	82,5	102,3	123,8
	margin	14,2%	12,0%	18,0%	14,7%	12,6%	13,4%	13,3%	13,0%	15,1%	17,3%
 Lux/ Netherlands	EBITDA	35,0	8,3	11,5	15,9	19,7	25,8	17,6	23,1	22,7	21,7
	margin	15,7%	4,3%	6,3%	9,7%	11,7%	14,7%	9,4%	11,7%	11,8%	11,3%
 Czech Rep/ Slovakia	EBITDA	35,2	25,4	19,2	27,0	32,6	34,4	36,5	43,6	46,3	46,8
	margin	20,5%	17,0%	14,6%	20,2%	24,0%	25,2%	24,7%	26,5%	27,5%	29,4%
 Poland	EBITDA	36,9	21,8	27,1	18,2	22,7	23,4	24,1	31,9	32,1	35,3
	margin	26,6%	20,0%	26,8%	20,4%	20,4%	24,6%	24,9%	28,6%	25,9%	29,9%
 Ukraine	EBITDA	6,9	15,8	12,3	11,0	4,0	12,8	16,0	7,0	21,0	21,9
	margin	6,2%	11,8%	10,0%	12,5%	5,7%	16,1%	16,9%	8,0%	15,9%	18,9%
 Russia	EBITDA	65,7	96,1	92,6	73,4	48,4	43,2	46,0	50,1	57,7	52,9
	margin	37,4%	41,0%	37,2%	35,0%	29,0%	28,0%	24,9%	27,0%	26,9%	28,3%
 USA	EBITDA	71,4	123,9	151,0	207,3	311,7	356,5	369,6	341,2	402,7	444,2
	margin	12,8%	18,2%	20,7%	24,2%	28,1%	31,9%	33,0%	31,9%	32,4%	35,2%
 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	780,8
	margin	15,6%	16,2%	17,5%	16,9%	17,8%	20,6%	18,1%	20,1%	22,6%	24,2%

Historical series of cement consumption by country



2020 cement consumption vs peak



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