

Facts and Figures 2016



HEIDELBERGCEMENT

Preface



Dr. Bernd Scheifele, Chairman of the Managing Board

Dear readers,

2015 was the best year for HeidelbergCement since the financial crisis. We were able to substantially increase operating income, profit for the financial year, and earnings per share. We have significantly reduced net debt, and for the first time since the financial crisis earned a premium on the cost of capital once again.

- Profit for the financial year rose by 43 % to €983 million.
- Dividend per share increased by 73 % to €1.30.

In 2015, HeidelbergCement set new strategic points of focus: "shareholder returns" and "continuous growth". In specific terms, this means that we now intend to put the emphasis of capital allocation on higher income for our shareholders and growth opportunities.

The takeover of Italcementi, one of the leading international cement companies, provided such a growth opportunity. HeidelbergCement and Italcementi complement each other perfectly from a geographical perspective. With this purchase, we have clearly strengthened our market positions in North America, Europe, Africa, and Asia. As part of the takeover of Italcementi, we have also partially restructured our six Group areas to include the newly added countries. We will present the Group areas briefly on the following pages.

HeidelbergCement is well on track. With the acquisition of Italcementi, we are strengthening our global presence in an ideal manner. In the next few years, we intend to consistently develop the characteristics that set us apart from the competitors: cost leadership and operational excellence.

Yours sincerely,



Dr. Bernd Scheifele
Chairman of the Managing Board

Competence and quality

In around 60 countries across the world, HeidelbergCement stands for competence and quality.

Over the more than 140 years since its founding in 1873, HeidelbergCement has grown from a regional cement manufacturer, with one plant in Heidelberg, to one of the world's leading building materials groups. With the takeover of Italian cement producer Italcementi, HeidelbergCement has become the number 1 in aggregates production, number 2 in cement, and number 3 in ready-mixed concrete worldwide. The two companies complement one another ideally, given the close similarities in product areas and organisational structures, but also because of their different geographical footprints, without any major overlaps. In the significantly expanded HeidelbergCement Group, 63,000 employees work at more than 3,000 production sites in around 60 countries on five continents.

The core activities of HeidelbergCement include the production and distribution of cement and aggregates, the two essential raw materials for concrete. Our downstream activities include mainly the production of ready-mixed concrete, but also of asphalt and other building products in some countries. With the acquisition of Italcementi, we have significantly expanded our maritime trading activities.

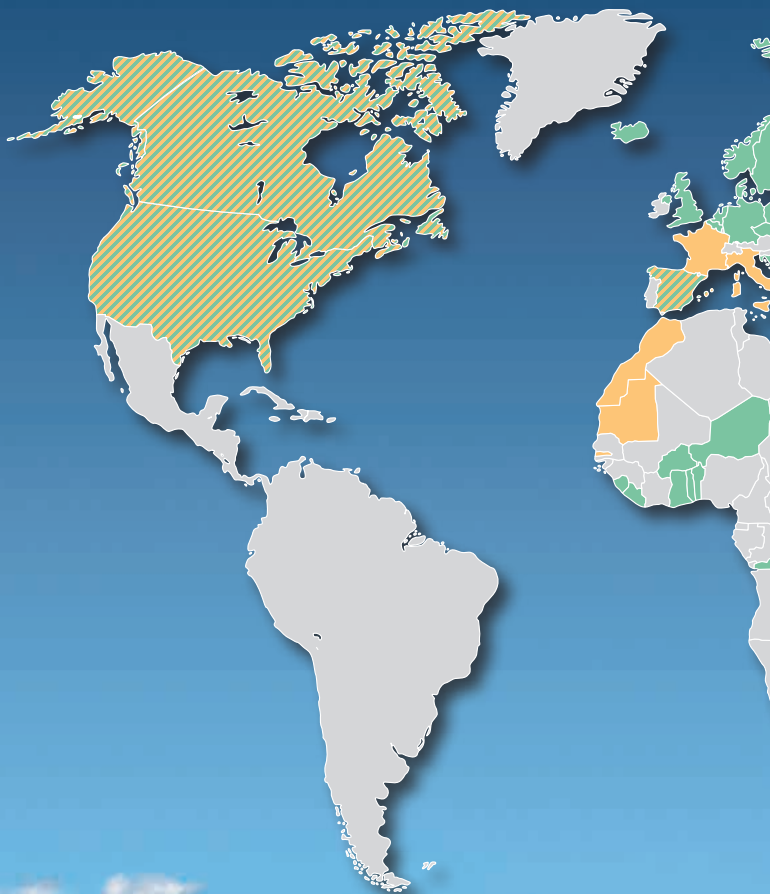
History and development

1873	Founding
1977	Lehigh, USA
1989	Central and Eastern Europe
1993	Acquisition of CBR
1995/96	China/Turkey
1999	Acquisition of Scancem
2001	Acquisition of Indocement, Indonesia
2002/03	Market leader in Romania, Ukraine, and Germany
2005/06	Involvement in Kazakhstan, India, and Georgia
2007	Acquisition of Hanson
2010	Democratic Republic of the Congo
2015	Disposal of building products business in North America and the United Kingdom
2016	Acquisition of Italcementi

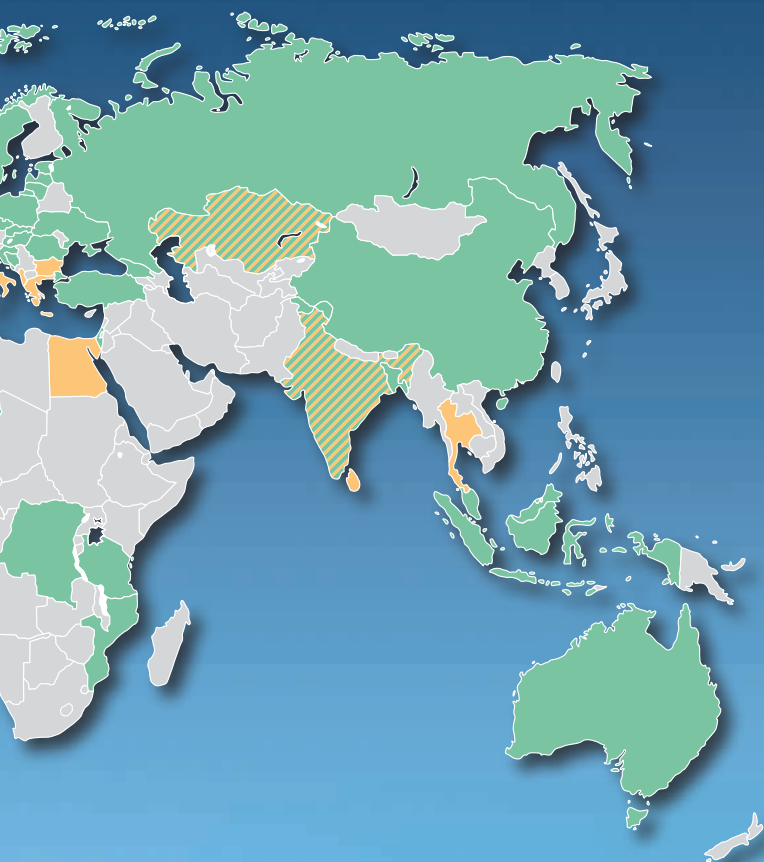
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HeidelbergCement in the world



- HeidelbergCement
- Italcementi
- HeidelbergCement and Italcementi





Western and Southern Europe



Western and Southern Europe

Belgium, France, Germany, Italy, Netherlands, Spain, United Kingdom

Following the acquisition of Italcementi, the new Western and Southern Europe Group area consists of seven countries. This includes the addition of France and Italy, two extremely strong market regions.

As a fully integrated building materials company, we primarily manufacture cement, aggregates, and ready-mixed concrete in all these mature markets, as well as various building products in some countries and asphalt in the United Kingdom. In most countries, we are the market leader in the cement business. We also have a dense network of production facilities for ready-mixed concrete and quarries for the extraction of aggregates.



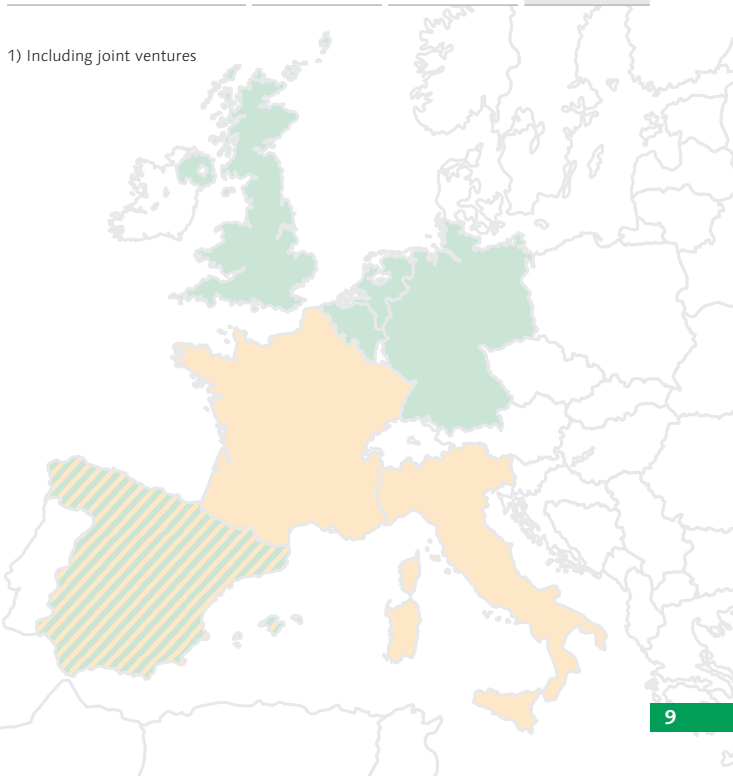
Paris Bruneseau cement distribution center, France



Capacities and reserves	Heidelberg-Cement	Italcementi	Total
Cement capacities	25.9 mt	25.2 mt	51.1 mt
Aggregates reserves	2.9 bnt	0.4 bnt	3.3 bnt

Number of plants ¹⁾	Heidelberg-Cement	Italcementi	Total
Cement	14	19	33
Grinding plants	7	9	16
Blast furnace slag	2		2
Cement terminals	5	13	18
Aggregates	120	94	214
Aggregates terminals	38	14	52
Ready-mixed concrete	474	304	778
Asphalt	42		42
Concrete products	22		22
Sand-lime bricks	14		14
Lime		5	5

1) Including joint ventures





Northern and Eastern Europe-Central Asia

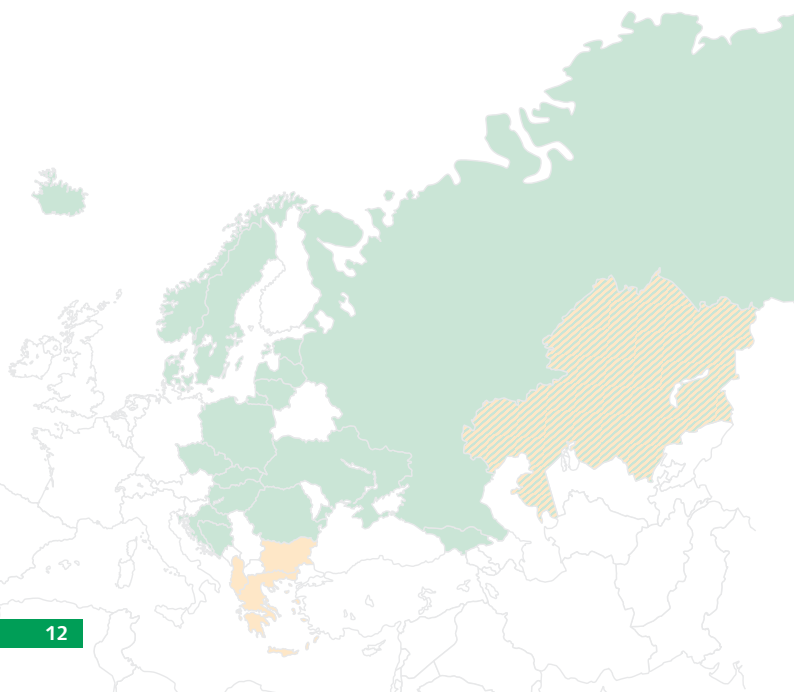


Northern and Eastern Europe- Central Asia

Denmark, Estonia, Iceland, Latvia, Lithuania, Norway, Sweden; Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Czech Republic, Georgia, Greece, Hungary, Kazakhstan, Poland, Romania, Russia, Slovakia, Ukraine

Including the activities of Italcementi, HeidelbergCement is active in 21 countries in the new Northern and Eastern Europe-Central Asia Group area. Important market positions in Bulgaria and Greece have been added.

We are either the market leader or hold leading positions in most of the countries in which we produce cement. Particularly in Northern and Eastern Europe, we also have a dense network of ready-mixed concrete plants. The quarrying of aggregates is also steadily growing in importance.



Capacities and reserves	Heidelberg-Cement	Italcementi	Total
Cement capacities ¹⁾	36.9 mt	5.2 mt	42.1 mt
Aggregates reserves	1.2 bnt	0.1 bnt	1.3 bnt

Number of plants ¹⁾	Heidelberg-Cement	Italcementi	Total
Cement	25	3	28
Grinding plants	3	1	4
Cement terminals	76	4	80
Aggregates	102	2	104
Aggregates terminals	15		15
Ready-mixed concrete	329	4	333
Concrete products	20		20

1) Including joint ventures

Novogurovsky cement plant, Russia



North America





North America

Canada, USA ¹⁾

The USA and Canada form the North America Group area. In our largest market area, we are one of the leading manufacturers of aggregates, cement, and ready-mixed concrete. Asphalt is also manufactured in a few US states, and concrete pipes are produced in Western Canada. With the acquisition of Italcementi, our activities have expanded considerably in the northeastern USA in particular and have extended into the Canadian province of Quebec through a joint venture.

HeidelbergCement has production sites across the continent with a focus on the eastern half of the USA, Texas, the Gulf Coast, the Pacific Coast, as well as Western Canada and Quebec.



Union Bridge cement plant, USA



Capacities and reserves	Heidelberg-Cement	Italcementi	Total
Cement capacities ²⁾	13.5 mt	5.1 mt	18.6 mt
Aggregates reserves	12.8 bnt		12.8 bnt

Number of plants ²⁾	Heidelberg-Cement	Italcementi	Total
Cement	14	7	21
Grinding plants	2		2
Blast furnace slag	1	2	3
Cement terminals	49	18	67
Aggregates	187	3	190
Aggregates terminals	17		17
Ready-mixed concrete	149	30	179
Asphalt	51		51
Concrete products	3		3

1) Including Puerto Rico 2) Inkl. Joint Ventures



Asia-Pacific



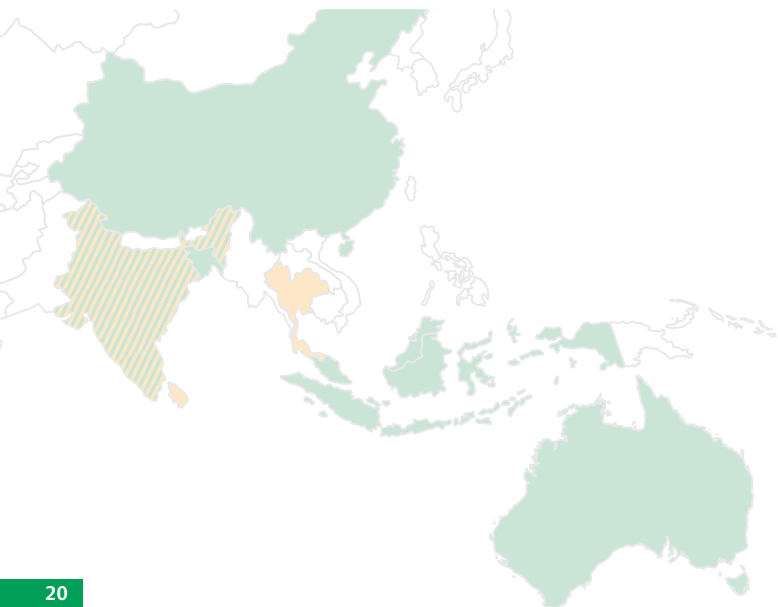


Asia-Pacific

Bangladesh, Brunei, China, India, Indonesia, Malaysia, Singapore, Sri Lanka, Thailand; Australia

Taking into account the activities of Italcementi, the Asia-Pacific Group area includes nine Asian countries and Australia. In most of the growth countries of Asia, the focus is on cement production. Through the addition of Italcementi, Heidelberg-Cement has considerably expanded its market presence in the Indian cement market and gained a key position in Thailand. In Malaysia, Thailand, Hong Kong, and Indonesia, we maintain strong market positions in ready-mixed concrete. In some countries, particularly Malaysia, we also produce aggregates.

In Australia, we have significant market positions in ready-mixed concrete and aggregates, with a dense network of production sites. We further strengthened these positions with the acquisition of Rocla Quarry Products at the start of 2016. Moreover, we hold a 50% stake in Cement Australia, the largest cement company in Australia.



Capacities and reserves	Heidelberg-Cement	Italcementi	Total
Cement capacities ¹⁾	39.1 mt	12.0 mt	51.1 mt
Aggregates reserves	1.3 bnt		1.3 bnt

Number of plants ¹⁾	Heidelberg-Cement	Italcementi	Total
Cement	11	5	16
Grinding plants	7	2	9
Cement terminals	10	2	12
Aggregates	104	1	105
Ready-mixed concrete	304	35	339
Asphalt	19		19
Concrete products	2		2

1) Including joint ventures

Sitapuram cement plant, India



Africa-Eastern Mediterranean Basin



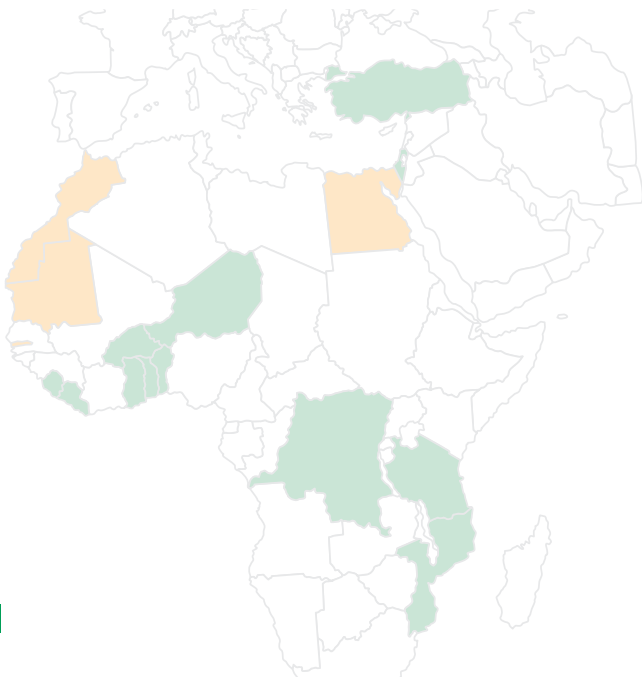


Africa-Eastern Mediterranean Basin

Benin, Burkina Faso, DR Congo, Egypt, Gambia, Ghana, Liberia, Mauritania, Morocco, Mozambique, Sierra Leone, Tanzania, Togo; Israel, Turkey

The recently added countries of Italcementi have expanded the Africa-Eastern Mediterranean Basin Group area to include 15 countries. We are one of the market leaders in Egypt and Morocco in particular. HeidelbergCement mainly manufactures cement in the African countries south of the Sahara – and in most of them we are the market leader. Based on the good growth prospects, we have significantly expanded our production capacities in several countries over the last few years. In 2016, HeidelbergCement also entered the market in Mozambique.

In the Eastern Mediterranean Basin, the joint venture Akçansa is one of Turkey's leading cement manufacturers. It also has a dense network of ready-mixed concrete plants and manufactures aggregates. In Israel, we produce ready-mixed concrete, aggregates, and asphalt.

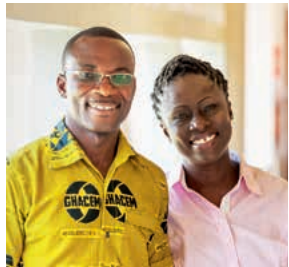


Capacities and reserves	Heidelberg-Cement	Italcementi	Total
Cement capacities ¹⁾	13.9 mt	20.0 mt	33.9 mt
Aggregates reserves	0.1 bnt		0.1 bnt

Number of plants ¹⁾	Heidelberg-Cement	Italcementi	Total
Cement	7	8	15
Grinding plants	9	3	12
Cement terminals	7	1	8
Aggregates	7	5	12
Ready-mixed concrete	64	49	113
Asphalt	2		2

1) Including joint ventures

Tema grinding plant, Ghana



Group Services



Group Services

Group Services comprises the international trading activities of HeidelbergCement. Our subsidiary HC Trading is one of the largest international trading companies for cement and clinker. It is also responsible for purchasing and delivering coal and petroleum coke via sea routes to our own locations and to other cement companies around the world.

Overall, more than 950 ships transported the goods in 2015, mostly via the main sea routes of Asia, the Mediterranean Basin, and Continental Europe to their destinations in Africa, the Middle East, and South America. Thanks to its sophisticated logistics, HC Trading is able to respond quickly to changing market conditions.

With the acquisition of Italcementi, we have expanded our trade network to include the activities of Interbulk Trading. The company also trades globally with cement and clinker as well as with solid fuels via sea routes.



Sustainability





Building on sustainability

HeidelbergCement is committed to sustainability and builds on the three pillars of economy, ecology, and social responsibility. The corporate strategy of Italcementi is also based on an obligation to sustainable development and requires employees and subsidiaries to act in a responsible manner towards society.

Our sustainable corporate governance places the primary focus on customers, employees, shareholders, and local partners at all locations. With the Sustainability Ambitions 2020 programme, we demonstrate our long-term commitment.

As a company that makes intensive use of raw materials, we regard climate protection and the securing of resources as the basis for our future development. We are constantly reducing our CO₂ emissions through efficient production processes and the use of alternative fuels and raw materials. Occupational health and safety are our utmost priority and an integral part of all our business activities. We supply sustainable building materials that benefit society. After activities have ceased, the quarries and sand and aggregate pits from which we extract our raw materials are returned to a natural state or put to agricultural use. We are increasingly opting for renaturation, thus helping to preserve biodiversity.

In order to increase knowledge about the biological value of the quarrying sites, we launched the third round of our Quarry Life Award education and research competition in 2015. Overall, 454 project proposals were submitted in the 22 participating countries. The projects, which were selected by juries in the individual countries and implemented in our raw material quarries, compete both nationally and internationally. The winners will be revealed at the end of 2016.



HeidelbergCement is member of:



World Business Council for
Sustainable Development

econsense
Forum Nachhaltige Entwicklung

BIO DIVERSITY
IN GOOD
COMPANY
BUSINESS AND BIODIVERSITY

Financial highlights: HeidelbergCement

€m	2014	2015
Group revenue	12,614	13,465
Operating income before depreciation	2,288	2,613
Operating income	1,595	1,846
Profit for the financial year	687	983
Cement and clinker sales volumes (mt)	81.8	81.1
Aggregates sales volumes (mt)	243.6	249,2
Ready-mixed concrete sales volumes (mm ³)	36.6	36.7
Asphalt sales volumes (mt)	9.3	9.1
Number of employees	44,909	45,453

Financial highlights: Italcementi

€m	2014	2015
Group revenue	4,156	4,302
EBITDA	651	584
EBIT	234	148
Loss for the financial year	-49	-69
Cement and clinker sales volumes (mt)	43.4	43.4
Aggregates sales volumes (mt)	30.8	32.7
Ready-mixed concrete sales volumes (mm ³)	11.5	11.5
Number of employees	17,779	17,525

Matera cement plant, Italy



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Photographs

HeidelbergCement and Italcementi photo archives;
Jarle Andersen, Asker/Norway: page 25 top and bottom right; Giuseppe Cella, Bergamo/Italy: pages 3 and 32; Lars Clason, Stockholm/Sweden: pages 10/11 and 13 bottom right; Steffen Fuchs, Heidelberg/Germany: cover, pages 6/7, 8 top left, and 28/29; Mark Humphries, San Antonio/USA: pages 14/15; Paul Kozlowski, Paris/France: page 8 bottom; Matthias Müller, Ilvesheim/Germany: inside cover; Antonius Oey, Tarjun/Indonesia: page 26; Jochen Roeder, Heidelberg/Germany: page 31 bottom right; David A Trim: pages 4/5; Petr Zikmund, Ceské Budejovice/Czech Republic: page 31 bottom left



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