INTERIM FINANCIAL REPORT
JANUARY TO SEPTEMBER 2014

HEIDELBERGCEMENT

- **Strong operating performance compared with previous year:**
  - **Increased sales volumes in all business lines**
  - **Group revenue rose by 2.7 % to €10.1 billion (like-for-like*) +9.1 %)**
  - **Operating income improved by 10.9 % to €1,241 million despite negative exchange rate effects (like-for-like*) +23.0 %)**

- **Operating cash flow improved significantly and net debt reduced**

- **Prospects for 2014 confirmed:**
  - **Positive outlook for global economy due to recovery in the mature markets of North America as well as Western and Northern Europe, esp. USA and UK**
  - **Growth in sales volumes of cement, aggregates, and ready-mixed concrete**
  - **Increase in revenue, operating income, and profit for the financial year before exchange rate, consolidation and one-time effects**

*) like-for-like: excluding exchange rate and consolidation effects

Overview January to September 2014	July - September		January - September	
€m	2013 [1]	**2014**	2013 [1]	**2014**
Revenue	3,675	**3,809**	9,862	**10,127**
Result from joint ventures	32	**38**	66	**98**
Operating income before depreciation (OIBD)	789	**866**	1,697	**1,794**
OIBD margin in %	21.5 %	**22.7 %**	17.2 %	**17.7 %**
Operating income	595	**675**	1,119	**1,241**
Additional ordinary result	269	**-5**	223	**7**
Result from participations	11	**12**	20	**17**
Earnings before interest and income taxes (EBIT)	875	**681**	1,363	**1,266**
Profit before tax	746	**527**	949	**803**
Net income from continuing operations	661	**418**	806	**604**
Net income / loss from discontinued operations	-1	**-1**	96	**-5**
Profit for the period	660	**417**	901	**599**
Group share of profit	612	**368**	745	**454**
Investments	203	**297**	914	**733**

1) Amounts were restated due to the retrospective application of IFRS 10 and IFRS 11

Due to rounding, numbers presented in the Interim Financial Report may not add up precisely to the totals provided.

Interim Group management report

Business trend January to September 2014

Economic environment

The recovery of the global economy is continuing, albeit at a slower pace than expected. The national economies of Asia and the African countries south of the Sahara remain on a growth trajectory even though economic momentum has slowed down. In Europe, economic recovery slowed down significantly in recent months. In the USA, economic growth picked up again and recovery is continuing after the first-quarter setback caused by the harsh winter.

Sales volumes benefit from recovery in North America and Europe, as well as continued growth in Asia

In the first nine months, the continued recovery of the construction sector in HeidelbergCement's markets have led to a significant increase in sales volumes in all business lines in Europe. In North America, construction activities were affected by the cold and snowy winter, but our sales volumes were noticeably above the previous year's level in all business lines at the end of the third quarter. The markets in Asia and Africa continued to develop positively. Overall, sales volumes rose in all business liens.

The Group's cement and clinker sales volumes rose by 5.4 % to 62.9 million tonnes (previous year: 59.6). The strongest growth was achieved in the Eastern Europe-Central Asia Group area, followed by North America and Western and Northern Europe. In Africa, our cement shipments were slightly below the previous year's level due to the sale of our Gabon activities. Asia, however, was able to build on the positive development in sales volumes of the previous years.

Deliveries of aggregates across the Group amounted to 180.8 million tonnes (previous year: 172.3), an increase of 4.9 %. Ready-mixed concrete deliveries rose by 4.7 % to 27.0 million cubic metres (previous year: 25.8). Asphalt sales volumes grew by 13.9 % to 6.9 million tonnes (previous year: 6.1).

Sales volumes	July - September			January - September		
	2013 [1]	2014	Change	2013 [1]	2014	Change
Cement and clinker (million tonnes)	22.4	**23.1**	3.3 %	59.6	**62.9**	5.4 %
Aggregates (million tonnes)	70.3	**72.1**	2.5 %	172.3	**180.8**	4.9 %
Asphalt (million tonnes)	2.8	**3.1**	10.2 %	6.1	**6.9**	13.9 %
Ready-mixed concrete (million cubic metres)	9.5	**9.8**	3.7 %	25.8	**27.0**	4.7 %

1) Amounts were restated due to the retrospective application of IFRS 10 and IFRS 11

Relevant changes in accounting

Since the first quarter of 2014 HeidelbergCement has applied the new IFRS standards 10 and 11. According to the new rules the proportionate consolidation is abolished. Instead, joint ventures are to be accounted for using the equity method. Assets and liabilities as well as income and expenses of joint ventures will no longer be shown proportionately in the relevant balance sheet or income statement items, but will only be shown in a separate line using the equity method: the carrying amount in the balance sheet and the result from joint ventures in the income statement. Among the joint ventures of HeidelbergCement are important operations in Turkey, China, Hungary, Bosnia and the USA (Texas), which have contributed significant results to the operating income in the past. In order to continue with a comprehensive presentation of the operational performance, HeidelbergCement has included the result from joint ventures in operating income before depreciation since the first quarter of 2014.

Development of revenue and results

Group revenue for the period of January to September 2014 rose by 2.7 % to €10,127 million (previous year: 9,862). Excluding consolidation and exchange rate effects, the increase amounted to 9.1 %. This primarily reflects the positive development of sales volumes in all business lines and the successfully implemented price increases in major markets. While effects from changes in the consolidation scope to the amount of €-5.3 million were negligible, the weakening of numerous currencies against the euro amounting to €-571 million had a considerable negative impact on the development of revenue.

In the reporting period, material costs rose by 2.5 % to €4,122 million (previous year: 4,022) as a result of the higher revenue. While expenses for energy (-3.3 %) declined and expenses for raw materials (+2.9 %) were only marginally above the previous year's level, expenses for goods purchased for resale (+9.1 %) rose strongly. Other operating expenses and income were 1.7 % above the previous year's level at €-2,548 million (previous year: -2,504).Personnel costs rose slightly by 2.3 % to €1,715 million (previous year: 1,677). Income from joint ventures rose by 49.2 % to €98 million (previous year: 66), primarily due to a positive business development in Turkey and China.

Operating income before depreciation (OIBD) improved by 5.7 % to €1,794 million (previous year: 1,697). Operating income rose by 10.9 % to €1,241 million (previous year: 1,119).

The additional ordinary result declined by €216 million to €7 million (previous year: 223). The income of €22 million originates for the most part from the sale of subsidiaries and other business units. Expenses of €15 million mainly related to restructuring measures (€6 million), impairment losses of property, plant, and equipment (€5 million) and losses on the disposal of a subsidiary (€3 million). In the previous year, the repayment of capital and the associated deconsolidation of a foreign finance company, as well as the divestment of a non-controlling interest in a precast concrete producer in Saudi Arabia resulted in extremely high non-recurring income. This was primarily offset by expenses in connection with a preliminary assessment due to a gradual business acquisition and the decision of the German Federal Court of Justice in the German antitrust proceedings.

The result from participations declined marginally by €3 million to €17 million (previous year: 20). This led to an overall decrease in earnings before interest and taxes (EBIT) of €97 million to €1,266 million (previous year: 1,363). The financial result fell by €49 million to €-463 million (previous year: -413). This was mainly due to currency losses in countries with disrupted local foreign exchange markets (primarily Ukraine and Ghana), interest effects from the measurement of provisions, and the non-recurring depreciation of the acquisition fee of the prematurely refinanced syndicated facility agreement, while interest income rose particularly in Indonesia and Canada.

Profit before tax from continuing operations declined by €146 million to €803 million (previous year: 949). Expenses relating to taxes on income increased by €55 million to €199 million (previous year: 144). This corresponds to an effective tax rate of 24.8 % (previous year: 15.1 %). In the previous year, results from the capitalisation of deferred current income tax assets, in particular, had a positive impact on losses carried forward in the United States, which were offset by tax expenses resulting from discontinued operations. As a result, net income from continuing operations declined by €202 million to €604 million (previous year: 806).

Income from discontinued operations decreased by €100 million to €-5 million (previous year: 95). The income in the same period of the previous year resulted principally from the set-up of receivables against primary insurers based on a positive court ruling.

Overall, the profit for the period amounts to €599 million (previous year: 901). The profit attributable to non-controlling interests fell by €11 million to €145 million (previous year: 156). The Group share therefore amounts to €454 million (previous year: 745). Earnings per share – Group share – in accordance with IAS 33 changed to €2.44 (previous year: 3.47).

Excluding the one-off effect from the set-up of receivables against primary insurers and the capitalization of deferred tax, profit, Group share and earnings per share have improved compared with the previous year.

The statement of comprehensive income and the derivation of the earnings per share are shown in detail in the Notes.

Margin improvement initiatives progressing according to plan

The projects launched in order to improve margins – "PERFORM" for cement, "CLIMB Commercial" for aggregates, and "LEO" to reduce logistics costs – are progressing according to plan and have contributed to margin improvements. In June, HeidelbergCement additionally launched the CIP (Continuous Improvement Program) for the continuous improvement of work processes in cement production. The new programme aims to introduce a systematic approach in 65 cement plants around the world to generate, prioritise, and implement employee ideas. Process improvements are expected to achieve a sustainable improvement in results of at least €120 million by the end of 2017.

Statement of cash flows

In the first nine months from January to September 2014, the cash inflow from operating activities rose significantly by €482 million to €718 million (previous year: 236). In addition to the increase in operating performance, the reduction of €51 million in income tax payments to €248 (previous year: 299) and the decrease of €158 million in payments for provisions to €165 million (previous year: 323) also contributed to the increase in cash inflow from operating activities. In the previous year, the payments for provisions essentially related to the penalty of €161 million for antitrust violations between 1990 and 2002, which was paid in the second quarter of 2013. Interest proceeds rose by €79 million to €167 million (previous year: 88), mainly due to special items from the settlement of interest rate swaps, whereas interest payments declined slightly at the same time by €5 million to €433 million (previous year: 438). At €88 million (previous year: 89), dividend proceeds remained almost the same as in the previous year. Changes in working capital decreased by €165 million to €-492 million (previous year: -327), which is largely attributable to the revenue-related rise in trade receivables.

Cash flow from investing activities declined by €161 million to €616 million (previous year: 777). The decrease is mainly attributable to the previous year's acquisition of an additional 25 % in the Australian company Cement Australia within the context of other financial assets.

Financing activities generated a cash outflow of €346 million (previous year: cash inflow of 438) in the reporting period. Proceeds from and repayments of bonds and loans primarily include the issue of a new bond with a volume of €500 million in the first quarter of 2014 as well as the repayment of two debt certificates in a total amount of €43 million. In the previous year, this item primarily included drawings as part of the syndicated facility agreement as well as the repayment of a US$750 million bond and of several debt certificates. The changes in current financial liabilities relate mainly to outflows (previous year: inflows) from the repayment of commercial papers and current bank loans. The cash outflow of €107 million from the rise in ownership interests in subsidiaries in the previous year was due to the increase in the participation in the Russian cement company CJSC "Construction Materials" from 51 % to 100 %. Dividend payments led to a cash outflow of €272 million (previous year: 172), with HeidelbergCement AG dividend payments making up €113 million (previous year: 88) of this figure.

Investments

Cash flow investments decreased in the first nine months to €733 million (previous year: 914). Investments in property, plant, and equipment, including intangible assets, which primarily related to optimisation and environmental protection measures at our production sites, but also expansion projects in growing markets, accounted for €589 million (previous year: 540) of this total. Investments in financial assets and other business units fell to €144 million (previous year: 374); these related primarily to the increase in shares in the Belgian Cimescaut Group, the acquisition of Espabel NV, also based in Belgium, and of a majority stake in Cindercrete Products Group, Canada, as well as smaller acquisitions to round off shareholdings.

Balance sheet
The balance sheet total rose by €1,773 million to €28,210 million (previous year: 26,437) as at 30 September 2014.

Non-current assets increased by €1,227 million to €23,179 million (previous year: 21,953). The increase of €1,166 million in fixed assets to €22,179 million (previous year: 21,013) is mainly owing to additions from business combinations and exchange rate effects amounting to €998 million. The rise of €618 million in goodwill to €10,388 million (previous year: 9,770) was primarily related to currency exchange fluctuations of €541 million in addition to acquisitions of €78 million. The change of €460 million in property, plant, and equipment to €10,167 million (previous year: 9,708) is largely attributable to exchange rate effects of €395 million. Additions of €592 million to property, plant, and equipment were offset by depreciation and amortisation of €532 million. The change of €75 million in financial assets to €1,365 million (previous year: 1,289) primarily resulted from the €94 million increase in shares in joint ventures.

Current assets rose by €576 million to €5,030 million (previous year: 4,454). As a result of seasonal factors, trade receivables grew by €465 million to €1,602 million (previous year: 1,137). Cash and cash equivalents declined by €184 million to €1,168 million (previous year: 1,352). The changes are explained in the Statement of cash flows section.

On the equity and liabilities side, equity increased by €1,411 million to €13,934 million (previous year: 12,523). This is essentially attributable to the comprehensive income of €1,652 million, which is composed of the €599 million profit for the period, as well as of the considerable currency translation differences of €1,143 million recognised in other comprehensive income and actuarial losses of €121 million. The capital increase in return for contributions in kind of €1.25 million and the related conversion of a purchase price liability in retained earnings to the amount of €22 million also led to an increase in equity, whereas dividend payments of €113 million to the shareholders of HeidelbergCement AG and €160 million to non-controlling shareholders reduced equity by a total of €272 million.

The rise of €98 million in interest-bearing liabilities to €8,927 million (previous year: 8,829) primarily resulted from the issuance of a new bond of €500 million, while repaying commercial papers at the same time. The increase in provisions by €144 million to €2,255 million (previous year: 2,112) related to €120 million for pension provisions and to €24 million for other provisions. The increase of €113 million in operating liabilities to €2,575 million (previous year: 2,462) relates mainly to other operating liabilities and trade payables. The changes are explained in more detail in the Statement of cash flows section.

Financing
On 25 February 2014, HeidelbergCement signed a new €3 billion syndicated credit facility with a term of five years to refinance the existing credit facility which would have expired in December 2015. The revolving credit line was early refinanced due to favourable market conditions. The new multicurrency credit facility is intended as liquidity back-up and can be used for cash drawdowns as well as for letters of credit and guarantees.

Out of the box margin is reduced from 125 to 95 basis points. In addition, formerly existing upstream guarantees and share pledges could be removed.

The new syndicated credit facility agreement secures sufficient liquidity back-up for our company until 2019 at clearly better conditions. The fact that we were able to maintain the same banking group while securing better terms and conditions without any security reiterates the excellent reputation of HeidelbergCement in the banking sector and reflects the strength of our relationships with the banks. The removal of all securities and upstream guarantees is another important milestone on our way back to improved credit ratings and benefits all bondholders who now rank pari passu with all bank lenders.

The following banks were mandated as bookrunners and Mandated Lead Arrangers in this transaction: Bank of America Merrill Lynch, Bayern LB, BNP Paribas, Citigroup, Commerzbank, Danske Bank, Deutsche Bank, Svenska Handelsbanken, Helaba, ING Bank, Intesa Sanpaolo, LBBW, Mediobanca, Morgan Stanley, Nordea, RBI, RBS, SEB and Standard Chartered. Deutsche Bank is acting as documentation and facility agent.

On 12 March 2014, HeidelbergCement issued a Eurobond under its €10 billion EMTN Programme with an issue volume of €500 million and a maturity date of 12 March 2019. The 5 year bond bears a fixed coupon of 2.25 % p.a. The issue price was at 98.84 %, resulting in a yield to maturity of 2.50 %. The bond is unsecured and ranks pari passu with all other financial liabilities. The proceeds of the transaction will be used for general corporate purposes.

According to the terms and conditions of all the bonds issued since 2009 (including the new bond issued on 12 March 2014) and the debt certificate issued in December 2011, there is a limitation on incurring additional debt if the consolidated coverage ratio (i.e. the ratio of the aggregate amount of the consolidated EBITDA to the aggregate amount of the consolidated interest expense) of the HeidelbergCement Group is below 2. The consolidated EBITDA of €2,459 million and the consolidated interest expense of €595 million are calculated on a pro forma basis in accordance with the terms and conditions of the bonds. As at 30 September 2014, the consolidated coverage ratio amounted to 4.13.

Net debt decreased by €243 million in comparison with 30 September 2013, amounting to €7,629 million (previous year: 7,872) as at 30 September 2014. The increase of €224 million in comparison with the end of 2013 is primarily due to the rise in working capital, related to seasonal factors.

The available liquidity from cash and cash equivalents, liquidable financial investments and derivative financial instruments, and unused credit lines amounted to €4,059 million as at the end of September 2014.

Capital increase against contributions in kind

In February 2014, HeidelbergCement AG increased its share capital in return for contributions in kind when it raised its participation from 30 % to 100 % in the logistics company Kerpen & Kerpen GmbH & Co. KG. The issuance of 416,477 new shares resulted from the Authorised Capital II excluding the subscription right of shareholders. The Company's subscribed share capital rose slightly by €1,249,431 (equivalent to 0.22 %) to €563,749,431. The implementation of the capital increase was recorded in the commercial register on 13 February 2014.

Western and Northern Europe

The economic recovery in Germany and the Nordic countries Sweden and Norway is continuing. The German economy clearly lost momentum after the strong first quarter, but is in good shape as a whole. Belgium and the Netherlands are showing increasing signs of a recovery in the economic situation and construction activities. In the third quarter of 2014, the British economy expanded for the sixth quarter in a row; gross domestic product grew by 0.7 % and construction output was up by 0.8 %.

The cement business line experienced positive development in sales volumes during the first nine months. Our plants in the United Kingdom and the Baltic States achieved the highest growth in volumes with an increase of around 10 %, respectively. Our deliveries in Germany, Benelux, and Norway also were above the previous year's level. In Sweden, our domestic sales volumes were adversely affected by rising imports, whereas export deliveries rose sharply. Overall, our cement and clinker sales volumes in the Western and Northern Europe Group area increased by 4.3 % in the reporting period to 16.3 million tonnes (previous year: 15.6). In January 2014, HeidelbergCement acquired the Belgian cement company Espabel NV, which operates a cement grinding plant in Ghent.

In the aggregates business line, all countries recorded a significant growth in sales volumes, except for Norway and Germany. The largest increase in volumes was recorded by the Baltic States, followed by the United Kingdom and Sweden. While Norway recorded a significant decline in sales volumes due to lower export deliveries, the volumes remained only slightly below the previous year's level in Germany. The Group area's deliveries of aggregates rose by 6.5 % overall to 48.8 million tonnes (previous year: 45.9). Excluding consolidation effects, the growth amounted to 0.9 %. To strengthen the market position in the field of aggregates, HeidelbergCement purchased an additional 62.91 % of shares in the Cimescaut Group, Tournai, Belgium – previously accounted for at equity – in January 2014 and the remaining 3.07 % of shares in July, thereby raising its shareholding to 100 %.

In the ready-mixed concrete operating line, all countries reported higher sales volumes except for Norway where our deliveries were at the previous year's level. Overall, ready-mixed concrete sales volumes rose by 7.6 % to 9.6 million cubic metres (previous year: 8.9). Excluding consolidation effects, the increase in volumes amounted to 9.2 %. The sales volumes of the asphalt operating line were 22.9 % higher than the previous year. Excluding consolidation effects, the growth amounted to 5.0 %.

The building products business line, which consists primarily of the building products from Hanson in the United Kingdom and is heavily dependent on residential construction, benefited from the recovery in British residential construction. Whilst there was a marginal decline in the sales volumes of masonry blocks, the deliveries of pre-cast concrete parts saw a slight upturn and the bricks, lightweight blocks and concrete paving blocks operating lines achieved pleasing increases in volumes. The business line's revenue and particularly results rose strongly in the first nine months.

Revenue of the Western and Northern Europe Group area rose by 7.7 % to €3,232 million (previous year: 3,001); excluding consolidation and exchange rate effects, the increase amounted to 6.4 %.

Eastern Europe-Central Asia

Favourable weather conditions at the beginning of the year encouraged construction activity in large parts of the Group area. Furthermore, the economic recovery in several countries, such as the Czech Republic and especially Poland, has had a positive impact on the construction sector. The Ukraine crisis is adversely affecting the Ukrainian and Russian economies, in particular due to capital outflow resulting in weak investment activities and the depreciation of the currencies in both countries.

In the cement business line, Poland, Kazakhstan, and Georgia recorded double-digit percentage increases in sales volumes. We achieved our strongest growth in sales volumes in Poland. Favourable weather conditions and the continuing recovery of the construction industry contributed to this development. In Russia, the Czech Republic, and Romania, our cement deliveries were also above the previous year's level. The Ukraine recorded significant volume losses as a result of the conflict in the eastern part of the country. Overall, the cement and clinker sales volumes of the Group area grew by 10.7 % to 13.2 million tonnes (previous year: 12.0) in the first nine months.

The newly built CaspiCement plant in western Kazakhstan is in the commissioning phase. The plant with a capacity of 0.8 million tonnes will strengthen our nationwide presence and allow us to supply the oil- and gas-rich region on the Caspian Sea more cost-effectively.

In the aggregates business line, our deliveries in all countries with the exception of Romania benefited from a significant increase in demand. The strongest growth was recorded by Kazakhstan, where our volumes almost doubled, Slovakia, and the Ukraine. In Russia, our deliveries were slightly below the previous year's level due to a divestment: In February 2014, HeidelbergCement sold its stake in the Russian aggregates company OAO Voronezhskoe Rudoupravlenije in the Voronezh region. Overall, deliveries of aggregates in the Group area rose by 12.0 % to 14.6 million tonnes (previous year: 13.1). Excluding consolidation effects, the increase in volumes amounted to 15.5 %.Deliveries of ready-mixed concrete increased by 8.6 % to 2.1 million cubic metres (previous year: 1.9).

Revenue of the Eastern Europe-Central Asia Group area declined by 2.1 % to €918 million (previous year: 938); excluding consolidation and exchange rate effects, revenue rose by 9.7 %.

North America

In the North America Group area, HeidelbergCement is represented in the USA and Canada. In the USA, economic recovery is continuing after the first-quarter setback caused by the harsh winter. Gross domestic product increased by 3.5 % in the third quarter. The unemployment rate decreased to 5.9 % in September and significantly more new jobs were created than expected. Residential construction is further recovering: Housing starts in September were at an annual rate of 1,017,000. This is 6.3 % above the previous month rate and is 17.8 % above the September 2013 rate. Building permits were 1.5 % above the August rate and 2.5 % above the September 2013 rate.

In the first quarter of 2014, construction activities and the ensuing demand for our building materials in North America were adversely affected by the long, cold winter, particularly in the eastern and northern United States as well as in Canada. As a result of solid economic growth and the continued recovery of the construction sector in the second and third quarter, our sales volumes exceeded noticeably the previous year's level in all business lines in the reporting period.

The cement sales volumes of our North American plants rose by 5.1 % in the first nine months to 9.2 million tonnes (previous year: 8.7). In the Canada market region, the growth in sales volumes in the second and third quarters more than compensated the winter-related decrease in volumes of the first three months. The South region achieved the greatest increase in volumes due to the good market performance in Florida and Georgia, followed by the West and North regions. Price increases were successfully carried out in all key markets in both the United States and in Canada.

In the aggregates business line, a slight decrease in volumes in the Canada region was offset by a growth in sales volumes in the remaining regions. The West region, in particular, benefited from favourable market conditions. Altogether, aggregates sales volumes rose in the first nine months of the year by 3.8 % to 82.1 million tonnes (previous year: 79.1). In the ready-mixed concrete operating line, the West region benefited from a healthy development in demand in Southern California and Arizona. The strong increase in sales volumes generated there as well as the growth in volumes in the North and Canada regions more than offset the slight decline in deliveries in the South region. In order to strengthen the market position in Canada, we acquired the majority participation in the Cindercrete Products Group, Saskatchewan, in July 2014. Overall, ready-mixed concrete sales volumes increased by 8.3 % to 4.8 million cubic metres (previous year: 4.4). Excluding consolidation effects, the increase in volumes amounted to 7.7 %. Asphalt deliveries rose by 17.4 % to 2.7 million tonnes (previous year: 2.3); the increase in sales volumes in the North region could more than offset the volume decline in the West region.

In the building products business line, which is dependent on infrastructural as well as residential construction, the bricks and pressure pipes operating lines recorded slight decreases in volumes and the roof tiles operating line experienced significant losses in volumes. In contrast, the sales volumes of precast concrete parts exceeded the level of the previous year, and the concrete pipes operating line noted strong growth. Due to the good development in the concrete pipes operating line, in particular, the revenue and results of the business line rose significantly in comparison with the previous year.

Total revenue in North America increased by 5.9 % to €2,653 million (previous year: 2,505); excluding consolidation and exchange rate effects, it rose by 10.5 %.

Asia-Pacific

The emerging countries of Asia remain on course for growth even though the International Monetary Fund expects a slight slowdown in economic momentum for the current year. The Chinese economy has slowed down noticeably; in the third quarter, the gross domestic product growth rate declined to 7.3 %. A slight economic upturn is anticipated in India following the weak growth of the previous year. The Indonesian economy continues on its expansion course, but its growth is affected by the high interest rates. Despite declining investments in the raw materials sector, Australia is showing robust economic development.

In the first nine months, cement and clinker deliveries of the Asia-Pacific Group area grew by 4.0 % to 19.4 million tonnes (previous year: 18.6). Excluding consolidation effects, the rise amounted to 5.9 %. In Indonesia, domestic cement consumption increased in the first nine months of 2014 by 3.4 % in comparison with the previous year. Indocement's domestic sales volumes rose by 2.1 %. In the first nine months, Indocement's sales prices were higher than those of the previous year due to successful price increases. As Indocement focuses on domestic demand, low-margin export deliveries remained at a very low level, as in the previous year. Overall, Indocement's cement and clinker sales volumes rose by 1.6 %. Due to the ongoing promising growth prospects in Indonesia, Indocement is continuing to expand its cement capacity. The construction of an additional cement grinding facility at the Citeureup plant was completed and test runs were started at the end of 2013. The grinding installation with a capacity of 1.9 million tonnes was put into operation in May 2014. In addition, further expansion of the Citeureup plant has begun. In October 2013, the foundation stone was laid for the construction of a new integrated production line with a cement capacity of 4.4 million tonnes, which is to be completed by 2015.

Under the new accounting standard IFRS 11, our Chinese joint ventures in the provinces of Guangdong and Shaanxi are to be accounted for using the equity method as of 1 January 2014. In the first nine months, the sales volumes of our joint ventures remained marginally below the previous year. While our deliveries in Shaanxi rose moderately, a noticeable decrease in volumes was recorded in Guangdong. However, the substantially higher sales prices in Guangdong, in comparison with the previous year, more than offset the decline in sales volumes.

In India, construction activity and cement demand continue to be adversely affected by insufficient investment in infrastructural projects as well as by high interest rates. Nonetheless, deliveries of our Indian cement plant rose significantly by 15.2 % in the first nine months, mainly as a result of the expansion of our cement capacities in central India by 2.9 million tonnes. The official commissioning of the new facilities at our Damoh plant in the state of Madya Pradesh and at our Jhansi plant in the state of Uttar Pradesh was February 2013. Subsequently, the production was ramped up. The sale of the Raigad cement grinding plant in the western Indian state of Maharashtra, which was initiated in 2013, was completed on 3 January 2014. HeidelbergCement now has a total annual cement capacity of 5.6 million tonnes in India. Excluding the consolidation effect, cement sales volumes rose by 31.5 % in the first nine months.

In Bangladesh, our cement deliveries recorded a significant increase, even though sales prices were below the previous year's level.

In Australia, our joint operation Cement Australia achieved a moderate growth in sales volumes. After the successful completion of grinding tests, the new grinding facility in Port Kembla with a capacity of 1.1 million tonnes has started production.

In the aggregates business line, our deliveries in Malaysia remained slightly below the previous year's level, while Australia and Indonesia, in particular, recorded a significant increase in volumes. Overall, sales volumes of aggregates rose by 4.0 % to 27.9 million tonnes (previous year: 26.8). Excluding consolidation effects, the rise amounted to 5.3 %. In the asphalt operating line, significantly increased demand from infrastructural construction in Malaysia led to an increase in sales volumes of 7.3 %. Deliveries of ready-mixed concrete declined marginally by 0.8 % to 8.3 million cubic metres (previous year: 8.4); while our deliveries fell slightly in Malaysia and a noticeable decrease in volumes was recorded in Indonesia due to the decline in demand in the run-up to the presidential elections in early July, our ready-mixed concrete activities in Australia achieved a significant growth in sales volumes.

Revenue of the Asia-Pacific Group area declined by 6.6 % to €2,210 million (previous year: 2,365); excluding consolidation and exchange rate effects, revenue rose by 6.4 %.

Africa-Mediterranean Basin

The African countries south of the Sahara are continuing to experience solid economic development and lively construction activity. In Turkey, the economy has slowed down noticeably, mainly due to weak domestic demand, high inflation, and the armed conflicts in the neighbouring countries. While the economy has come out of recession in Spain, construction activity is still suffering as a result of the property crisis, high unemployment, and the government's budget cuts, which resulted in a considerable reduction in infrastructure expenditure in the current year.

In Africa, our cement deliveries declined by 2.5 % to 4.8 million tonnes in the first nine months (previous year: 4.9). The decline is primarily attributable to the deconsolidation of our cement activities in Gabon and the heavy decline in export deliveries from Togo. At the end of March 2014, we sold our participation in the cement company Cimgabon S.A. in Gabon as part of the portfolio optimization. Excluding this consolidation effect, decline in volumes amounted to 0.5 %. In Togo, our export deliveries declined sharply compared to the record volumes of the previous year, whereas we achieved a significant growth in volumes in the domestic market. Our main market regions, Ghana and Tanzania, recorded a pleasing increase in sales volumes, as did Sierra Leone. In Liberia, our cement deliveries rose strongly, although heavy rainfalls and the Ebola outbreak impaired construction activity in recent months.

In light of the positive growth prospects, HeidelbergCement is expanding its activities in Africa. In Togo, HeidelbergCement's first greenfield clinker plant in Africa is in the commissioning phase. The plant, with an annual capacity of 1.5 million tonnes, is located near the town of Tabligbo, around 80 km to the northeast of the capital, Lomé. The plant will supply clinker to HeidelbergCement cement mills in Togo and the neighbouring countries of Benin, Burkina Faso, and Ghana, replacing expensive clinker imports. Moreover, we are constructing a cement grinding facility with a capacity of around 250,000 tonnes in the North of Togo which is scheduled for commissioning towards the end of 2016. In Tanzania, the new cement mill with a capacity of 0.8 million tonnes was commissioned in October 2014, increasing our cement capacity to around 2 million tonnes. We are also expanding our cement capacity in Ghana. With the scheduled commissioning of a new cement mill with a capacity of 0.8 million tonnes at the Takoradi plant in the beginning of 2015, our total cement grinding capacity in Ghana will increase to 4.4 million tonnes. In the last quarter of 2014, a new cement grinding plant in Burkina Faso with a capacity of 0.7 million tonnes will be inaugurated near the capital of Ouagadougou. We are also evaluating options for capacity expansions in other African countries.

Under the new accounting standard IFRS 11, our Turkish joint venture Akçansa is to be accounted for using the equity method as of 1 January 2014. The cement and clinker sales volumes of Akçansa increased in the first nine months by 3.8 % compared with the previous year.

Since the sales volumes of Akçansa are no longer proportionally included in the Group sales volumes, cement and clinker sales volumes of the Africa-Mediterranean Basin Group area only include the deliveries of our African subsidiaries. Consequently, cement and clinker sales volumes of the Group area declined by 2.5 % to 4.8 million tonnes (previous year: 4.9). Excluding consolidation effects, volumes decreased by 0.5 %.

In the aggregates business line, the decline in volumes in Israel could not be offset by the increase in sales volumes in Spain. As a whole, the deliveries of aggregates fell by 4.9 % to 8.2 million tonnes (previous year: 8.6). Asphalt activities recorded a decrease of 22.1 % in sales volumes. Our ready-mixed concrete activities in Israel as well as in Spain experienced a slight increase in volumes. Ready-mixed concrete deliveries increased by 3.0 % to 2.3 million cubic metres (previous year: 2.2).

Revenue of the Africa-Mediterranean Basin Group declined by 5.0 % to €679 million (previous year: 715); excluding consolidation and exchange rate effects, revenue rose by 11.5 %.

Group Services

Group Services comprises the activities of our subsidiary HC Trading, one of the largest international trading companies for cement and clinker. The company 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.

HC Trading's trading activities in cement, clinker, and other building materials such as lime and dry mortar increased by 13.3 % to 11.2 million tonnes in the first nine months (previous year: 9.9). Deliveries of coal and petroleum coke rose by 32.0 % to 4.0 million tonnes (previous year: 3.1).

Revenue of the Group Services business unit rose by 16.6 % to €764 million (previous year: 655); excluding exchange rate effects, revenue increased by 19.9 %.

Employees

At the end of September 2014, the number of employees at HeidelbergCement stood at 51,013 (previous year: 50,913). The increase of 100 employees essentially results from two opposing developments: on the one hand, more than 300 jobs were cut in some Eastern European countries, Benelux, Scandinavia, and India in connection with efficiency increases in sales and administration as well as location optimisations. Furthermore, the number of employees was reduced by around 1,400 due to the sale of the cement grinding plant in Raigad, India, the Russian aggregates company OAO Voronezhskoe Rudoupravlenije, and our participation in the cement company Cimgabon S.A. in Gabon as well as a result of further portfolio optimizations. On the other hand, more than 800 new employees were hired in growth markets such as Indonesia, Central Asia, and Africa. In the United Kingdom, Germany, North America, and Australia, the workforce grew by around 800 employees as a result of the good market development. Moreover, our number of employees increased by around 200 due to the increase in shares in Cimescaut Group, Belgium, which was previously accounted for at equity, and the acquisition of a majority stake in Cindercrete Products Group, Canada.

Changes to the Supervisory Board

With the conclusion of the Annual General Meeting on 7 May 2014, the term of office of the former Supervisory Board came to an end and that of the new Supervisory Board, elected by the Annual General Meeting and the employees respectively, commenced. No longer member of the Supervisory Board as employee representative is Mr. Robert Feiger, who did not stand for reelection in view of the tasks resulting from taking over as national chairman of IG Bauen-Agrar-Umwelt. He is succeeded by Mrs. Gabriele Kailing, DGB Regional Chairperson Hesse-Thuringia. Dr. Jürgen M. Schneider, former Chief Financial Officer of Bilfinger SE and since 2010 Dean of the Business School of the University of Mannheim, was elected as a new shareholder representative to HeidelbergCement's Supervisory Board; he succeeded Mr. Max Dietrich Kley, who did not stand for reelection after having reached the standard retirement age. As before, Mr. Fritz-Jürgen Heckmann remains Chairman of the Supervisory Board. Mr. Heinz Schmitt was reelected as Deputy Chairman of the Supervisory Board.

Events after the balance sheet date

After the balance sheet date, there were no reportable events.

Outlook

In its latest forecast, the International Monetary Fund (IMF) has once again slightly reduced growth rates for the world economy and now anticipates economic growth that is comparable with the previous year. The slowdown is attributable to weaker performance in the emerging countries of Latin America and Africa and in some core markets of Europe. In contrast, growth rates have been increased for North America, after the economy has improved noticeably again following the harsh winter. The necessary budgetary consolidation measures in the industrial countries and their effects on the emerging countries continue to threaten the recovery of the global economy. The tapering of the US Federal Reserve led to capital outflows and exchange rate adjustments in the last eighteen months. In addition, the armed conflicts in the Middle East and Ukraine pose risks to the economic development.

In North America, HeidelbergCement expects a continuing economic recovery and consequently a further growth in demand for building materials. Besides residential construction, commercial and infrastructural construction are increasingly making a contribution to this growth. A stabilisation of the Eastern European market is anticipated following the weak phase experienced during 2013. Poland is the first country in this Group area to profit from an incipient recovery. We project a further rise in demand for building materials in Central Asia. The crisis in eastern Ukraine is impairing the sales volumes and result of the country, but has not yet had a significant effect on the operating activities of HeidelbergCement in Russia. However, the currencies of both countries have depreciated considerably against the euro since the crisis began. In Western and Northern Europe, a positive market development is expected. This is based on the recovery in the United Kingdom, the healthy economy in Germany, and the stable economic development in Northern Europe, and Benelux. In Asia and Africa, the Group still counts on sustained growth in demand. In view of the positive development of demand and the commissioning of new capacities, HeidelbergCement anticipates an increase in the overall sales volumes of the core products cement, aggregates, and ready-mixed concrete. The negative impact of exchange rate effects on revenue and results has already eased in the third quarter.

In terms of costs, the Group expects a light to moderate rise in the cost base for raw materials and personnel. For energy costs, we anticipate a stable to slightly declining development for 2014 as a whole, after the first nine months saw a slight decrease. The objective remains to improve our margins in the cement and aggregates business lines by means of suitable measures, bringing them back to pre-crisis levels. To this end, HeidelbergCement will continue pursuing its two price initiatives "PERFORM" for the cement business in the United States and Europe, and "CLIMB Commercial" for the aggregates business. Another area of focus in 2014 is to not only safeguard but continuously improve the cost savings and efficiency increases in cement and aggregates that were achieved in the past few years with "OPEX" and "CLIMB". For this purpose, the CIP (Continuous Improvement Program) was launched for the cement business. Moreover, the "LEO" programme aims to optimise logistics with the goal of reducing costs by €150 million over the next few years. Despite the higher level of net debt at the start of the year, HeidelbergCement projects for 2014 a slight decline in financing costs due to the improved financing structure.

On the basis of these assumptions, the Managing Board has set the goal of increasing revenue and operating income for the financial year in 2014 on a like-for-like basis, i.e. adjusted for exchange rate and consolidation effects, and further improving profit adjusted for non-recurring effects.

Due to the strong operating development in the first nine months, we are very confident that we will achieve our results outlook for 2014. The HeidelbergCement management continues to focus on operational improvements, cost efficiency, customer excellence and financial discipline. In this context we will furthermore pursue the objective of improving our key financial ratios in order to qualify again for an investment grade credit rating. To this end, we will continue to be very disciplined in our spending and focus more intensively on the sale of the building products business line in the United Kingdom, the United States, and Eastern Canada, as well as other assets that do not belong to our core business. At the same time, we will remain on course with our successful strategy of targeted expansion of our cement capacities in growth markets. Furthermore, we will move along unabated with our existing programmes for margin improvement and simultaneously gather and implement new ideas from our employees to improve our business processes with the help of the Continuous Improvement Program (CIP).

In 2014, we benefit from the economic development in the industrial countries, particularly in North America and the United Kingdom, but also in Germany and Northern Europe. These countries generate almost 50 % of our revenue. Furthermore, we are improving our market position in growth markets with the commissioning of modern production facilities. In view of these factors as well as our high operational efficiency, we consider ourselves well-equipped to benefit over-proportionally from the accelerating economic growth in the interests of our shareholders.

Additional statements on the outlook

The Managing Board of HeidelbergCement has not seen evidence of developments beyond those mentioned in the previous paragraph that would suggest changes for the business year 2014 regarding the forecasts and other statements made in the 2013 Annual Report in the Outlook chapter on page 101 ff. on the expected development of HeidelbergCement and its business environment.

The expected future development of HeidelbergCement and the business environment over the course of 2014 is described in the outlook. As such, please note that this Interim Financial Report contains forward-looking statements based on the information currently available and the current assumptions and forecasts of the Managing Board of HeidelbergCement. Such statements are naturally subject to risks and uncertainties and may therefore deviate significantly from the actual development. HeidelbergCement undertakes no obligation and furthermore has no intention to update the forward-looking statements made in this Interim Financial Report.

Risk and opportunity report

HeidelbergCement's risk policy is based on the business strategy, which focuses on safeguarding the Group's existence and sustainably increasing its value. Entrepreneurial activity is always forward-looking and therefore subject to certain risks. Identifying risks, understanding them, and reducing them systematically is the responsibility of the Managing Board and a key task for all managers. HeidelbergCement is subject to various risks that are not fundamentally avoided, but instead accepted, provided they are consistent with the legal and ethical principles of entrepreneurial activity and are well balanced by the opportunities they present. Opportunity and risk management at HeidelbergCement is closely linked by Group-wide planning and monitoring systems. Opportunities are recorded in the annual operational plan and followed up as part of monthly financial reporting. Operational management in each country and the central Group departments are directly responsible for identifying and observing opportunities at an early stage.

In a holistic view of individual risks and the overall risk situation, there are, from today's perspective, no identifiable risks that could threaten the existence of the Group or any other apparent significant risks. Our control and risk management system standardised across the Group ensures that major risks, which, if they occurred, would lead to a considerable deterioration of the Group's economic position, are identified at an early stage.

Risks that may have a significant impact on our financial position and performance in the 2014 financial year and in the foreseeable future as well as the opportunities are described in detail in the 2013 Annual Report in the risk and opportunity report chapter on page 109 ff.

The risks arising from volatile energy and raw material prices as well as from exchange rates remain high. Although the International Monetary Fund (IMF) has only slightly lowered the 2014 growth rate for the global economy in its latest forecast, ongoing development is subject to uncertainties and risks, amongst other things, due to the armed conflicts in the Ukraine and in the Middle East. In the industrialised countries, the most pressing task is to consolidate state finances, reform the financial sector and tackle unemployment. The emerging countries face the challenge of slowing growth rates and risks of further capital outflows and currency depreciation. Uncertainties still remain with regard to the stability of the global financial system.

Interim consolidated financial statements

Consolidated income statement

	July - September		January - September	
€m	2013 [1]	2014	2013 [1]	2014
Revenue	3,675.4	**3,808.7**	9,862.5	**10,126.7**
Change in finished goods and work in progress	-35.1	**-30.1**	-35.6	**-51.7**
Own work capitalised	2.7	**1.5**	7.7	**5.2**
Operating revenue	3,643.1	**3,780.1**	9,834.6	**10,080.3**
Other operating income	78.5	**62.1**	215.5	**200.1**
Material costs	-1,428.6	**-1,458.3**	-4,021.9	**-4,121.8**
Employee and personnel costs	-564.5	**-587.8**	-1,677.1	**-1,715.3**
Other operating expenses	-971.8	**-968.4**	-2,719.9	**-2,748.1**
Result from joint ventures	32.3	**38.4**	66.0	**98.4**
Operating income before depreciation (OIBD)	788.9	**866.0**	1,697.2	**1,793.6**
Depreciation and amortisation	-193.6	**-191.0**	-577.8	**-552.4**
Operating income	595.3	**675.0**	1,119.4	**1,241.1**
Additional ordinary income	267.5	**0.2**	314.3	**22.3**
Additional ordinary expenses	1.9	**-5.4**	-91.3	**-15.3**
Additional ordinary result	269.5	**-5.2**	223.0	**7.0**
Result from associates	10.1	**11.0**	15.9	**16.3**
Result from other participations	0.6	**0.7**	4.3	**1.0**
Result from participations	10.6	**11.7**	20.2	**17.3**
Earnings before interest and taxes (EBIT)	875.4	**681.5**	1,362.6	**1,265.5**
Interest income	17.0	**20.3**	54.4	**69.7**
Interest expenses	-136.7	**-136.8**	-426.8	**-430.9**
Foreign exchange gains and losses	6.7	**-12.4**	9.3	**-23.1**
Other financial result	-16.7	**-25.2**	-50.1	**-78.2**
Financial result	-129.7	**-154.1**	-413.3	**-462.5**
Profit before tax from continuing operations	745.8	**527.4**	949.3	**803.0**
Income taxes	-84.9	**-109.0**	-143.7	**-199.2**
Net income from continuing operations	660.9	**418.3**	805.6	**603.8**
Net income / loss from discontinued operations	-0.6	**-1.5**	95.5	**-4.7**
Profit for the period	660.3	**416.8**	901.2	**599.2**
Thereof non-controlling interests	48.1	**49.3**	155.8	**144.8**
Thereof Group share of profit	612.2	**367.5**	745.4	**454.3**
Earnings per share in € (IAS 33)				
Earnings per share attributable to the parent entity	3.27	**1.96**	3.98	**2.42**
Earnings per share – continuing operations	3.27	**1.96**	3.47	**2.44**
Earnings / loss per share – discontinued operations	0.00	**0.00**	0.51	**-0.02**

1) Amounts were restated due to the retrospective application of IFRS 10 and IFRS 11.

Consolidated statement of comprehensive income

	July - September		January - September	
€m	2013 [1]	2014	2013 [1]	2014
Profit for the period	660.3	**416.8**	901.2	**599.2**
Other comprehensive income:				
Items not being reclassified to profit or loss in subsequent periods				
Remeasurement of the defined benefit liability (asset)	-7.5	**-72.3**	165.1	**-167.7**
Income taxes	7.7	**17.4**	-26.7	**47.1**
	0.2	**-54.9**	138.4	**-120.6**
Items that may be reclassified subsequently to profit or loss				
Cash Flow Hedges - change in fair value	14.4	**-4.2**	16.5	**-5.9**
Reclassification adjustments for gains / losses included in profit or loss	-0.7	**-0.8**	2.4	**-1.8**
Income taxes	-3.5	**1.3**	-4.4	**1.9**
	10.2	**-3.7**	14.5	**-5.8**
Currency translation	-901.7	**929.0**	-1,499.2	**1,147.6**
Income taxes	5.8	**-6.4**	20.1	**-5.0**
	-895.9	**922.6**	-1,479.1	**1,142.6**
Net gains / losses arising during the period from equity method investments	-22.8	**26.3**	-13.3	**36.2**
	-908.5	**945.3**	-1,477.9	**1,173.1**
Other comprehensive income	-908.3	**890.4**	-1,339.5	**1,052.4**
Total comprehensive income	-248.0	**1,307.2**	-438.3	**1,651.6**
Relating to non-controlling interests	-93.7	**98.9**	3.6	**234.7**
Relating to HeidelbergCement AG shareholders	-154.3	**1,208.3**	-442.0	**1,416.9**

1) Amounts were restated due to the retrospective application of IFRS 10 and IFRS 11.

Consolidated statement of cash flows

	July - September		January - September	
€m	2013 [1]	2014	2013 [1]	2014
Net income from continuing operations	660.9	**418.3**	805.6	**603.8**
Income taxes	84.9	**109.0**	143.7	**199.2**
Interest income / expenses	119.7	**116.5**	372.4	**361.2**
Dividends received	24.3	**22.4**	89.4	**87.8**
Interest received	24.2	**84.5**	88.3	**166.8**
Interest paid	-106.0	**-81.5**	-438.1	**-432.7**
Income taxes paid	-57.8	**-61.3**	-299.2	**-248.0**
Depreciation, amortisation, and impairment	200.2	**191.4**	583.0	**557.1**
Elimination of other non-cash items	-332.1	**37.0**	-459.1	**80.1**
Cash flow	618.2	**836.2**	886.0	**1,375.3**
Changes in operating assets	-99.4	**-81.9**	-381.4	**-512.9**
Changes in operating liabilities	69.1	**-40.5**	54.0	**20.4**
Changes in working capital	-30.3	**-122.4**	-327.4	**-492.4**
Decrease in provisions through cash payments	-65.9	**-72.4**	-322.8	**-164.7**
Cash flow from operating activities	521.9	**641.4**	235.9	**718.2**
Intangible assets	-2.0	**-5.8**	-6.0	**-7.6**
Property, plant and equipment	-192.0	**-238.6**	-534.2	**-581.7**
Subsidiaries and other business units	-7.4	**-44.0**	-67.8	**-124.3**
Other financial assets, associates, and joint ventures	-1.4	**-8.7**	-305.7	**-19.9**
Investments (cash outflow)	-202.9	**-297.1**	-913.8	**-733.4**
Subsidiaries and other business units	0.0	**3.7**	2.4	**20.5**
Other fixed assets	29.7	**33.1**	124.8	**75.4**
Divestments (cash inflow)	29.7	**36.8**	127.2	**95.9**
Cash from changes in consolidation scope	-0.1	**0.6**	9.8	**21.1**
Cash flow from investing activities	-173.3	**-259.7**	-776.8	**-616.4**
Capital increase - non-controlling shareholders	3.1	**0.4**	3.1	**0.4**
Dividend payments - HeidelbergCement AG			-88.1	**-112.5**
Dividend payments - non-controlling shareholders	-6.6	**-2.6**	-84.0	**-159.7**
Increase in ownership interests in subsidiaries	0.0		-107.0	**-9.1**
Proceeds from bond issuance and loans	-889.5	**-27.2**	323.3	**540.7**
Repayment of bonds and loans	-25.7	**-22.8**	-1,030.0	**-88.4**
Changes in short-term interest-bearing liabilities	498.0	**-568.5**	1,420.9	**-517.4**
Cash flow from financing activities	-420.6	**-620.7**	438.3	**-346.0**
Net change in cash and cash equivalents	-72.0	**-239.0**	-102.6	**-244.3**
Effect of exchange rate changes	-146.7	**57.1**	-162.4	**60.3**
Cash and cash equivalents at the beginning of period	1,321.4	**1,349.5**	1,367.7	**1,351.5**
Cash and cash equivalents at period end	1,102.7	**1,167.6**	1,102.7	**1,167.6**
Reclassification of cash and cash equivalents according to IFRS 5	-0.2		-0.2	
Cash and cash equivalents presented in the balance sheet at period end	1,102.5	**1,167.6**	1,102.5	**1,167.6**

1) Amounts were restated due to the retrospective application of IFRS 10 and IFRS 11.

Consolidated balance sheet

Assets			
€m	30 Sep. 2013 [1]	31 Dec. 2013 [1]	**30 Sep. 2014**
Non-current assets			
Intangible assets			
Goodwill	10,047.9	9,770.1	**10,388.3**
Other intangible assets	270.2	245.9	**258.4**
	10,318.1	10,016.0	**10,646.6**
Property, plant and equipment			
Land and buildings	4,828.6	4,764.1	**4,994.8**
Plant and machinery	3,878.9	3,787.9	**3,831.1**
Other operating equipment	297.7	295.6	**303.7**
Prepayments and assets under construction	799.4	860.1	**1,037.8**
	9,804.7	9,707.7	**10,167.4**
Financial assets			
Investments in joint ventures	857.5	818.3	**912.5**
Investments in associates	284.6	287.2	**275.6**
Financial investments	59.0	56.8	**61.0**
Loans and derivative financial instruments	129.2	126.9	**115.4**
	1,330.3	1,289.2	**1,364.6**
Fixed assets	21,453.1	21,012.8	**22,178.6**
Deferred taxes	386.1	396.3	**474.1**
Other non-current receivables	441.7	527.5	**513.8**
Non-current income tax assets	17.5	15.9	**12.9**
Total non-current assets	22,298.4	21,952.5	**23,179.4**
Current assets			
Inventories			
Raw materials and consumables	643.9	596.3	**682.4**
Work in progress	161.2	171.9	**174.9**
Finished goods and goods for resale	632.4	648.9	**662.3**
Prepayments	28.8	18.1	**34.4**
	1,466.3	1,435.1	**1,553.9**
Receivables and other assets			
Current interest-bearing receivables	98.8	109.4	**134.1**
Trade receivables	1,583.8	1,136.9	**1,602.3**
Other current operating receivables	356.4	348.7	**392.4**
Current income tax assets	62.7	45.1	**70.1**
	2,101.7	1,640.1	**2,199.0**
Derivative financial instruments	19.6	27.1	**109.6**
Cash and cash equivalents	1,102.5	1,351.5	**1,167.6**
Total current assets	4,690.2	4,453.9	**5,030.1**
Disposal groups held for sale	19.5	30.6	
Balance sheet total	27,008.0	26,436.9	**28,209.5**

1) Amounts were restated due to the retrospective application of IFRS 10 and IFRS 11.

Equity and liabilities

€m	30 Sep. 2013 [1]	31 Dec. 2013 [1]	30 Sep. 2014
Shareholders' equity and non-controlling interests			
Subscribed share capital	562.5	562.5	**563.7**
Share premium	5,539.4	5,539.4	**5,539.4**
Retained earnings	7,375.1	7,357.5	**7,595.4**
Other components of equity	-1,487.4	-1,874.0	**-792.0**
Equity attributable to shareholders	11,989.6	11,585.3	**12,906.5**
Non-controlling interests	950.6	938.0	**1,027.5**
Total equity	12,940.2	12,523.4	**13,933.9**
Non-current liabilities			
Bonds payable	6,492.9	6,262.8	**6,227.2**
Bank loans	529.9	233.2	**226.7**
Other non-current interest-bearing liabilities	77.4	81.9	**55.9**
	7,100.2	6,577.9	**6,509.8**
Pension provisions	851.8	866.5	**982.3**
Deferred taxes	548.0	503.4	**518.1**
Other non-current provisions	925.1	941.1	**977.3**
Other non-current operating liabilities	81.3	61.4	**74.5**
Non-current income tax liabilities	53.6	50.0	**55.3**
	2,459.9	2,422.4	**2,607.4**
Total non-current liabilities	9,560.1	9,000.3	**9,117.2**
Current liabilities			
Bonds payable (current portion)	151.5	1,140.4	**1,817.7**
Bank loans (current portion)	176.2	418.6	**322.6**
Other current interest-bearing liabilities	1,566.3	647.3	**255.7**
	1,894.0	2,206.2	**2,396.0**
Non-controlling interests with put options	38.8	44.5	**20.8**
	1,932.9	2,250.8	**2,416.8**
Pension provisions (current portion)	82.5	94.8	**99.4**
Other current provisions	168.3	209.1	**196.6**
Trade payables	1,239.2	1,335.2	**1,356.5**
Other current operating liabilities	956.0	896.3	**982.2**
Current income tax liabilities	124.7	119.4	**107.0**
	2,570.8	2,654.8	**2,741.6**
Total current liabilities	4,503.7	4,905.6	**5,158.4**
Liabilities associated with disposal groups	4.1	7.7	
Total liabilities	14,067.8	13,913.5	**14,275.6**
Balance sheet total	27,008.0	26,436.9	**28,209.5**

Consolidated statement of changes in equity

€m	Subscribed share capital	Share premium	Retained earnings[1]	Cash flow hedge reserve	
1 January 2013	562.5	5,539.4	6,668.1	-3.7	
Adjustments IFRS 10 / IFRS 11			-29.9		
1 January 2013 (restated)	562.5	5,539.4	6,638.1	-3.7	
Profit for the period			745.4		
Other comprehensive income			138.4	8.8	
Total comprehensive income			883.7	8.8	
Changes in consolidation scope					
Changes in ownership interests in subsidiaries			-58.2		
Changes in non-controlling interests with put options			-1.4		
Other changes			0.9		
Dividends			-88.1		
30 September 2013	562.5	5,539.4	7,375.1	5.2	
1 January 2014	562.5	5,539.4	7,357.5	6.5	
Profit for the period			454.3		
Other comprehensive income			-120.4	-3.0	
Total comprehensive income			333.9	-3.0	
Changes in consolidation scope					
Changes in ownership interests in subsidiaries			-7.0		
Other changes			1.2		
Capital increase from issuance of new shares	1.2				
Capital increase from loan conversion			22.3		
Dividends			-112.5		
30 September 2014	563.7	5,539.4	7,595.4	3.4	

1) Amounts of the financial year 2013 were restated due to the retrospective application of IFRS 10 and IFRS 11.

2) The accumulated currency translation differences included in non-controlling interests increased in the first nine months of 2014 by € 92.8 million (previous year: -157.9) to € -174.3 million (previous year: -219.1). The total currency translation differences recognised in equity thus amounts to € -1,033.0 million (previous year: -1,774.0).

Other components of equity						
Available for sale reserve	Asset revaluation reserve	Currency translation [1]	Total other components of equity [1]	Equity attributable to shareholders [1]	Non-controlling interests [1] [2]	**Total equity [1]**
22.3	34.0	-213.4	-160.8	12,609.2	1,098.3	**13,707.5**
				-29.9	-21.4	**-51.3**
22.3	34.0	-213.4	-160.8	12,579.2	1,077.0	**13,656.2**
				745.4	155.8	**901.2**
7.0		-1,341.5	-1,325.7	-1,187.3	-152.2	**-1,339.5**
7.0		-1,341.5	-1,325.7	-442.0	3.6	**-438.3**
					3.0	**3.0**
				-58.2	-49.7	**-107.9**
				-1.4	1.6	**0.2**
	-1.0		-1.0		-0.9	**-0.9**
				-88.1	-84.0	**-172.1**
29.3	33.1	-1,554.9	-1,487.4	11,989.6	950.6	**12,940.2**
26.4	32.8	-1,939.6	-1,874.0	11,585.3	938.0	**12,523.4**
				454.3	144.8	**599.2**
5.2		1,080.9	1,083.0	962.6	89.8	**1,052.4**
5.2		1,080.9	1,083.0	1,416.9	234.7	**1,651.6**
					14.7	**14.7**
				-7.0	-2.1	**-9.1**
	-1.0		-1.0	0.2	1.8	**2.0**
				1.2		**1.3**
				22.3		**22.3**
				-112.5	-159.7	**-272.2**
31.5	31.7	-858.7	-792.0	12,906.5	1,027.5	**13,933.9**

Segment reporting / Notes

Group areas January - September	Western and Northern Europe		Eastern Europe-Central Asia		North America	
€m	2013 [1]	2014	2013 [1]	2014	2013 [1]	2014
External revenue	2,955	**3,172**	938	**918**	2,505	**2,653**
Inter-Group areas revenue	46	**60**	0			
Revenue	3,001	**3,232**	938	**918**	2,505	**2,653**
Change to previous year in %		**7.7 %**		**-2.1 %**		**5.9 %**
Result from joint ventures	0	**6**	3	**6**	21	**26**
Operating income before depreciation (OIBD)	385	**466**	187	**189**	452	**497**
as % of revenue	12.8 %	**14.4 %**	19.9 %	**20.6 %**	18.1 %	**18.7 %**
Depreciation	-185	**-181**	-82	**-76**	-171	**-166**
Operating income	201	**285**	105	**114**	282	**331**
as % of revenue	6.7 %	**8.8 %**	11.2 %	**12.4 %**	11.2 %	**12.5 %**
Result from associates	8	**8**	0	**0**	1	**2**
Result from other participations	2	**0**	0	**0**	0	**0**
Result from participations	10	**8**	0	**0**	1	**2**
Additional ordinary result						
Earnings before interest and taxes (EBIT)	211	**293**	105	**114**	283	**333**
Capital expenditures [2]	94	**99**	78	**65**	117	**137**
Segment assets [3]	6,418	**6,439**	2,066	**1,905**	7,509	**8,024**
OIBD as % of segment assets	6.0 %	**7.2 %**	9.0 %	**9.9 %**	6.0 %	**6.2 %**
Number of employees as at 30 September	13,148	**13,661**	8,940	**8,700**	11,680	**11,964**
Average number of employees	13,037	**13,560**	8,905	**8,709**	11,486	**11,760**

1) Amounts were restated due to the retrospective application of IFRS 10 and IFRS 11.
2) Capital expenditures = in the segment columns: property, plant and equipment as well as intangible assets investments; in the reconciliation column: investments in financial fixed assets and other business units
3) Segment assets = property, plant and equipment as well as intangible assets
4) Includes corporate functions, eliminations of intra-Group relationships between the segments and additional ordinary result.

Asia-Pacific		Africa-Mediterranean Basin		Group Services		Reconciliation [4]		Continuing operations	
2013 [1]	**2014**	2013 [1]	**2014**	2013 [1]	**2014**	2013 [1]	**2014**	2013 [1]	**2014**
2,358	**2,203**	714	**683**	392	**497**			9,862	**10,127**
8	**7**	0	**-4**	264	**267**	-317	**-329**		
2,365	**2,210**	715	**679**	655	**764**	-317	**-329**	9,862	**10,127**
	-6.6 %		**-5.0 %**		**16.6 %**				**2.7 %**
22	**33**	19	**28**					66	**98**
600	**544**	149	**158**	16	**21**	-92	**-81**	1,697	**1,794**
25.4 %	**24.6 %**	20.8 %	**23.2 %**	2.5 %	**2.7 %**	29.1 %	**24.6 %**	17.2 %	**17.7 %**
-110	**-100**	-21	**-20**	0	**0**	-9	**-9**	-578	**-552**
489	**444**	127	**137**	16	**21**	-102	**-90**	1,119	**1,241**
20.7 %	**20.1 %**	17.8 %	**20.2 %**	2.5 %	**2.7 %**	32.0 %	**27.3 %**	11.4 %	**12.3 %**
7	**6**	0	**0**					16	**16**
3	**1**	0	**0**					4	**1**
9	**7**	0	**0**					20	**17**
						223	**7**	223	**7**
499	**450**	128	**138**	16	**21**	121	**-83**	1,363	**1,266**
181	**212**	69	**76**	0	**0**	374	**144**	914	**733**
3,499	**3,724**	592	**687**	38	**36**			20,123	**20,814**
17.1 %	**14.6 %**	25.1 %	**22.9 %**	43.4 %	**57.6 %**			8.4 %	**8.6 %**
14,186	**13,826**	2,897	**2,788**	62	**74**			50,913	**51,013**
14,193	**14,184**	2,897	**2,839**	59	**69**			50,577	**51,121**

Notes to the interim consolidated financial statements

Accounting and valuation principles
The interim consolidated financial statements of HeidelbergCement AG as of 30 September 2014 were prepared on the basis of IAS 34 (Interim Financial Reporting). All International Financial Reporting Standards (IFRSs), including the interpretations of the IFRS Interpretations Committee (IFRIC), that were binding as at the reporting date and had been adopted into European law by the European Commission were applied.

In accordance with the regulations of IAS 34, a condensed report scope in comparison with the consolidated financial statements as at 31 December 2013, with selected explanatory notes, was chosen. The accounting and valuation principles applied in the preparation of the interim financial statements correspond in principle to those of the consolidated financial statements as at 31 December 2013. Detailed explanations can be found on pages 166 f. in the Notes to the 2013 Annual Report, which forms the basis for these interim financial statements.

In accordance with IAS 34, the income taxes in the reporting period were accrued on the basis of the tax rate expected for the whole financial year.

The interim consolidated financial statements were not subject to any audits or reviews.

The following new or amended IASB standards and interpretations were applied for the first time in these interim consolidated financial statements:

First-time application of accounting standards
Title
IFRS 10 Consolidated Financial Statements
IFRS 11 Joint Arrangements
IFRS 12 Disclosure of Interests in Other Entities
Amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities
IFRIC 21 Levies

- **IFRS 10 Consolidated Financial Statements** establishes a single definition of the term control and sets out the existence of parent-subsidiary relationships in concrete terms. Control exists when an investor has decision-making powers, is exposed to variable returns, and is able to influence the level of the variable returns as a result of the decision-making powers. IFRS 10 replaces the requirements of IAS 27 (Consolidated and Separate Financial Statements), related to consolidated financial statements, and SIC-12 (Consolidation – Special Purpose Entities). On the basis of the revised control term, one of the companies that were previously proportionally consolidated as joint ventures is now included in the consolidated financial statements as a subsidiary.

- **IFRS 11 Joint Arrangements** replaces both IAS 31 (Interests in Joint Ventures) as well as SIC 13 (Jointly Controlled Entities – Non-Monetary Contributions by Venturers) and describes the accounting for situations where a company either exercises joint control over a joint venture or a joint operation. The economic substance of the arrangement, not its legal form, is the decisive factor in its classification. Joint ventures are characterised by the fact that the parties that have joint control participate in the net assets of the company by virtue of their position as shareholders. In joint operations, however, the parties with joint control have direct rights to the assets and liabilities or income and expenses of the company. For HeidelbergCement, the most significant effect of the new standard is the abolition of proportionate consolidation for joint ventures: pursuant to the amended version of IAS 28 (Investments in Associates and Joint Ventures), all joint ventures are to be accounted for using the equity method. This applies particularly to our joint ventures in Turkey, North America, China, Hong Kong, and Hungary, as well as the Mibau Group.

The assets and liabilities as well as income and expenses of joint operations will continue to be included proportionately in the consolidated financial statements. A significant joint operation within the HeidelbergCement Group is Cement Australia Pty Ltd., which we will continue to proportionately account for as a 50 % joint operation.

The retrospective application of IFRS 10 and IFRS 11 resulted in adjustments to the figures of the previous year. Furthermore, in the interests of uniformity, the proportionate tax expense of associates that was previously recorded under income taxes is now shown in the result from associates. The adjustments to the figures of the previous year are presented in the tables starting on page 25. In the explanations in the notes, we refer to the adjusted figures of the previous year.

- **IFRS 12 Disclosure of Interests in Other Entitie**s includes all of the disclosure requirements for subsidiaries, joint arrangements, and associated companies, which were previously included in IAS 27, IAS 31, and IAS 28, and extends the disclosure requirements in relation to the scope of consolidation and subsidiaries with non-controlling interests.

- The **Amendments to IAS 32 Offsetting Financial Assets and Financial Liabilities** clarify details concerning the netting of financial assets and liabilities. Therefore, the right to netting must be enforceable not only in the ordinary course of business, but also in the event of a payment default and insolvency of all contract parties. The amendment did not have any impact on the consolidated financial statements of HeidelbergCement.

- **IFRIC 21 Levies** clarifies that a company is to recognise a liability for public levies as soon as a statutory activity occurs that triggers a corresponding payment obligation. IFRIC 21 further highlights that liabilities for levy obligations that are linked to reaching a threshold value are only to be recognised when the defined threshold has been reached. The first-time application of the IFRIC 21 had no impact on the financial position and performance of the Group.

A detailed description of the further pronouncements adopted by the IASB but not applicable until a later date is given in the Notes to the 2013 Annual Report on pages 179 f.

Furthermore, the IASB issued **IFRS 15 Revenue from Contracts with Customers** on 28 May 2014. The objective of IFRS 15 is to consolidate the wide range of regulations for revenue recognition that have been set out in various standards and interpretations to date and to establish uniform basic principles that are applicable to all industries and all categories of revenue transactions. IFRS 15 determines when and to what extent revenue is recognised. The basic principle is that revenue is recognised with the transfer of goods and services to the amount of the expected consideration (payment). IFRS 15 also includes extended guidelines on multiple element arrangements as well as new regulations concerning the treatment of service contracts and contract adjustments. IFRS 15 replaces IAS 18 Revenue and IAS 11 Construction Contracts as well as the interpretations IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers, and SIC 31 Revenue-Barter Transactions Involving Advertising Services. The new regulations are mandatory for financial years beginning on or after 1 January 2017.

On 24 July 2014, the International Accounting Standards Board (IASB) published the final version of **IFRS 9 Financial Instruments**. The final standard replaces all previous versions of IFRS 9 and additionally contains new regulations on the recognition of impairment losses as well as limited changes to the classification and measurement of financial assets. The first-time mandatory application of IFRS 9 is scheduled for financial years beginning on or after 1 January 2018.

The effects of the initial application of IFRS 15 and IFRS 9 on the financial position and performance of HeidelbergCement are currently being examined.

Consolidated income statement – Retrospective adjustments IFRS 10 and IFRS 11

	July - September 2013			January - September 2013		
€m	Before adjustment	IFRS 10/ IFRS 11	Adjusted	Before adjustment	IFRS 10/ IFRS 11	Adjusted
Revenue	3,890.5	-215.1	**3,675.4**	10,450.3	-587.8	**9,862.5**
Change in finished goods and work in progress	-37.5	2.4	**-35.1**	-37.3	1.7	**-35.6**
Own work capitalised	2.7		**2.7**	7.6	0.1	**7.7**
Operating revenue	3,855.6	-212.5	**3,643.1**	10,420.6	-586.0	**9,834.6**
Other operating income	82.3	-3.8	**78.5**	225.6	-10.1	**215.5**
Material costs	-1,527.3	98.7	**-1,428.6**	-4,302.0	280.1	**-4,021.9**
Employee and personnel costs	-582.1	17.6	**-564.5**	-1,731.4	54.3	**-1,677.1**
Other operating expenses	-1,017.7	45.9	**-971.8**	-2,849.0	129.1	**-2,719.9**
Result from joint ventures		32.3	**32.3**		66.0	**66.0**
Operating income before depreciation (OIBD)	810.8	-21.9	**788.9**	1,763.9	-66.7	**1,697.2**
Depreciation and amortisation	-207.4	13.8	**-193.6**	-620.4	42.6	**-577.8**
Operating income	603.4	-8.1	**595.3**	1,143.4	-24.0	**1,119.4**
Additional ordinary income	267.6	-0.1	**267.5**	314.5	-0.2	**314.3**
Additional ordinary expenses	-31.3	33.2	**1.9**	-82.9	-8.4	**-91.3**
Additional ordinary result	236.3	33.2	**269.5**	231.6	-8.6	**223.0**
Result from associates	15.1	-5.0	**10.1**	22.3	-6.4	**15.9**
Result from other participations	0.6		**0.6**	6.3	-2.0	**4.3**
Result from participations	15.7	-5.1	**10.6**	28.6	-8.4	**20.2**
Earnings before interest and taxes (EBIT)	855.5	19.9	**875.4**	1,403.6	-41.0	**1,362.6**
Interest income	17.1	-0.1	**17.0**	54.6	-0.2	**54.4**
Interest expenses	-139.9	3.2	**-136.7**	-436.7	9.9	**-426.8**
Foreign exchange gains	4.7	2.0	**6.7**	3.4	5.9	**9.3**
Other financial result	-16.8	0.1	**-16.7**	-50.5	0.4	**-50.1**
Financial result	-135.0	5.3	**-129.7**	-429.1	15.8	**-413.3**
Profit before tax from continuing operations	720.5	25.3	**745.8**	974.5	-25.2	**949.3**
Income taxes	-92.4	7.5	**-84.9**	-158.1	14.4	**-143.7**
Net income from continuing operations	628.1	32.8	**660.9**	816.4	-10.8	**805.6**
Net income / loss from discontinued operations	-0.6		**-0.6**	95.5		**95.5**
Profit for the period	627.4	32.9	**660.3**	911.9	-10.7	**901.2**
Thereof non-controlling interests	47.7	0.4	**48.1**	157.1	-1.3	**155.8**
Thereof Group share of profit	579.8	32.4	**612.2**	754.8	-9.4	**745.4**
Earnings per share in € (IAS 33)						
Earnings per share attributable to the parent entity	3.10	0.17	**3.27**	4.03	-0.05	**3.98**
Earnings per share – continuing operations	3.10	0.17	**3.27**	3.52	-0.05	**3.47**
Earnings per share – discontinued operations	0.00		**0.00**	0.51		**0.51**

Consolidated statement of comprehensive income – Retrospective adjustments IFRS 10 and IFRS 11

	July - September 2013			January - September 2013		
€m	Before adjustment	IFRS 10/ IFRS 11	Adjusted	Before adjustment	IFRS 10/ IFRS 11	Adjusted
Profit for the period	627.4	32.9	**660.3**	911.9	-10.7	**901.2**
Other comprehensive income:						
Items not being reclassified to profit or loss in subsequent periods						
Remeasurement of the defined benefit liability (asset)	-7.5		**-7.5**	165.1		**165.1**
Income taxes	7.7		**7.7**	-26.7		**-26.7**
	0.2		**0.2**	138.4		**138.4**
Items that may be reclassified subsequently to profit or loss						
Cash Flow Hedges - Change in fair value	14.3	0.1	**14.4**	16.5		**16.5**
Reclassification adjustments for gains / losses included in profit or loss	-0.7		**-0.7**	2.4		**2.4**
Income taxes	-3.5		**-3.5**	-4.4		**-4.4**
	10.2		**10.2**	14.5		**14.5**
Available for sale assets - Change in fair value	-0.7	0.7		7.4	-7.4	
Income taxes				-0.4	0.4	
	-0.7	0.7		7.0	-7.0	
Currency translation	-919.1	17.4	**-901.7**	-1,522.6	23.4	**-1,499.2**
Income taxes	5.8		**5.8**	20.1		**20.1**
	-913.3	17.4	**-895.9**	-1,502.5	23.4	**-1,479.1**
Net gains / losses arising during the period from equity method investments		-22.8	**-22.8**		-13.3	**-13.3**
	-903.8	-4.7	**-908.5**	-1,481.0	3.1	**-1,477.9**
Other comprehensive income	-903.6	-4.7	**-908.3**	-1,342.6	3.1	**-1,339.5**
Total comprehensive income	-276.2	28.2	**-248.0**	-430.6	-7.7	**-438.3**
Relating to non-controlling interests	-95.4	1.7	**-93.7**	4.3	-0.7	**3.6**
Relating to HeidelbergCement AG shareholders	-180.8	26.5	**-154.3**	-435.0	-7.0	**-442.0**

Consolidated statement of cash flows – Retrospective adjustments IFRS 10 and IFRS 11

	July - September 2013			January - September 2013		
€m	Before adjustment	IFRS 10/ IFRS 11	Adjusted	Before adjustment	IFRS 10/ IFRS 11	Adjusted
Net income from continuing operations	628.1	32.8	**660.9**	816.4	-10.8	**805.6**
Income taxes	92.4	-7.5	**84.9**	158.1	-14.4	**143.7**
Interest income / expenses	122.8	-3.1	**119.7**	382.1	-9.7	**372.4**
Dividends received	3.2	21.1	**24.3**	11.3	78.1	**89.4**
Interest received	24.4	-0.2	**24.2**	89.2	-0.9	**88.3**
Interest paid	-108.1	2.1	**-106.0**	-446.5	8.4	**-438.1**
Income taxes paid	-60.4	2.6	**-57.8**	-308.9	9.7	**-299.2**
Depreciation, amortisation, and impairment	214.2	-14.0	**200.2**	625.9	-42.9	**583.0**
Elimination of other non-cash items	-272.3	-59.8	**-332.1**	-402.5	-56.6	**-459.1**
Cash flow	644.3	-26.1	**618.2**	924.9	-38.9	**886.0**
Changes in operating assets	-93.2	-6.2	**-99.4**	-399.8	18.4	**-381.4**
Changes in operating liabilities	56.0	13.1	**69.1**	59.0	-5.0	**54.0**
Changes in working capital	-37.2	6.9	**-30.3**	-340.9	13.5	**-327.4**
Decrease in provisions through cash payments	-66.1	0.2	**-65.9**	-323.6	0.8	**-322.8**
Cash flow from operating activities	541.1	-19.2	**521.9**	260.4	-24.5	**235.9**
Intangible assets	-2.0		**-2.0**	-7.3	1.3	**-6.0**
Property, plant and equipment	-199.1	7.1	**-192.0**	-551.4	17.2	**-534.2**
Subsidiaries and other business units	-7.4		**-7.4**	-67.8		**-67.8**
Other financial assets, associates, and joint ventures	-1.7	0.3	**-1.4**	-303.6	-2.1	**-305.7**
Investments (cash outflow)	-210.1	7.2	**-202.9**	-930.1	16.3	**-913.8**
Subsidiaries and other business units	0.0		**0.0**	2.5	-0.1	**2.4**
Other fixed assets	30.4	-0.7	**29.7**	127.0	-2.2	**124.8**
Divestments (cash inflow)	30.4	-0.7	**29.7**	129.5	-2.3	**127.2**
Cash from changes in consolidation scope	0.0	-0.1	**-0.1**	5.2	4.6	**9.8**
Cash flow from investing activities	-179.7	6.4	**-173.3**	-795.4	18.6	**-776.8**
Capital increase - non-controlling shareholders	3.1		**3.1**	3.1		**3.1**
Dividend payments - HeidelbergCement AG				-88.1		**-88.1**
Dividend payments - non-controlling shareholders	-7.0	0.4	**-6.6**	-85.3	1.3	**-84.0**
Increase in ownership interests in subsidiaries	0.0		**0.0**	-107.0		**-107.0**
Proceeds from bond issuance and loans	-877.0	-12.5	**-889.5**	348.5	-25.2	**323.3**
Repayment of bonds and loans	-29.4	3.7	**-25.7**	-1,048.9	18.9	**-1,030.0**
Changes in short-term interest-bearing liabilities	487.5	10.5	**498.0**	1,413.8	7.1	**1,420.9**
Cash flow from financing activities	-422.8	2.2	**-420.6**	436.1	2.2	**438.3**
Net change in cash and cash equivalents	-61.4	-10.6	**-72.0**	-98.9	-3.7	**-102.6**
Effect of exchange rate changes	-150.4	3.7	**-146.7**	-164.4	2.0	**-162.4**
Cash and cash equivalents at the beginning of period	1,423.3	-101.9	**1,321.4**	1,474.8	-107.1	**1,367.7**
Cash and cash equivalents at period end	1,211.5	-108.8	**1,102.7**	1,211.5	-108.8	**1,102.7**
Reclassification of cash and cash equivalents according to IFRS 5	-0.2		**-0.2**	-0.2		**-0.2**
Cash and cash equivalents presented in the balance sheet at period end	1,211.3	-108.8	**1,102.5**	1,211.3	-108.8	**1,102.5**

Consolidated balance sheet – Retrospective adjustments IFRS 10 and IFRS 11

Assets	30 September 2013			31 December 2013		
€m	Before adjustment	IFRS 10/ IFRS 11	Adjusted	Before adjustment	IFRS 10/ IFRS 11	Adjusted
Non-current assets						
Intangible assets						
Goodwill	10,336.8	-288.9	**10,047.9**	10,055.1	-285.0	**9,770.1**
Other intangible assets	298.1	-27.9	**270.2**	274.7	-28.8	**245.9**
	10,634.9	-316.8	**10,318.1**	10,329.8	-313.8	**10,016.0**
Property, plant and equipment						
Land and buildings	5,061.6	-233.0	**4,828.6**	4,990.9	-226.8	**4,764.1**
Plant and machinery	4,151.9	-273.0	**3,878.9**	4,055.8	-267.9	**3,787.9**
Other operating equipment	309.6	-11.9	**297.7**	307.4	-11.8	**295.6**
Prepayments and assets under construction	809.7	-10.3	**799.4**	868.8	-8.7	**860.1**
	10,332.8	-528.1	**9,804.7**	10,222.9	-515.2	**9,707.7**
Financial assets						
Investments in joint ventures		857.5	**857.5**		818.3	**818.3**
Investments in associates	389.8	-105.2	**284.6**	391.8	-104.6	**287.2**
Financial investments	86.4	-27.4	**59.0**	79.7	-22.9	**56.8**
Loans and derivative financial instruments	111.9	17.3	**129.2**	109.7	17.2	**126.9**
	588.0	742.3	**1,330.3**	581.3	707.9	**1,289.2**
Fixed assets	21,555.7	-102.6	**21,453.1**	21,133.9	-121.1	**21,012.8**
Deferred taxes	399.3	-13.2	**386.1**	408.5	-12.2	**396.3**
Other non-current receivables	449.3	-7.6	**441.7**	533.6	-6.1	**527.5**
Non-current income tax assets	17.5		**17.5**	15.9		**15.9**
Total non-current assets	22,421.8	-123.4	**22,298.4**	22,091.9	-139.4	**21,952.5**
Current assets						
Inventories						
Raw materials and consumables	690.5	-46.6	**643.9**	642.6	-46.3	**596.3**
Work in progress	173.4	-12.2	**161.2**	183.7	-11.8	**171.9**
Finished goods and goods for resale	649.4	-17.0	**632.4**	664.3	-15.4	**648.9**
Prepayments	32.5	-3.7	**28.8**	20.1	-2.0	**18.1**
	1,545.7	-79.4	**1,466.3**	1,510.7	-75.6	**1,435.1**
Receivables and other assets						
Current interest-bearing receivables	85.6	13.2	**98.8**	89.5	19.9	**109.4**
Trade receivables	1,703.6	-119.8	**1,583.8**	1,241.3	-104.4	**1,136.9**
Other current operating receivables	369.6	-13.2	**356.4**	364.0	-15.3	**348.7**
Current income tax assets	64.5	-1.8	**62.7**	45.7	-0.6	**45.1**
	2,223.3	-121.6	**2,101.7**	1,740.6	-100.5	**1,640.1**
Derivative financial instruments	19.6		**19.6**	27.1		**27.1**
Cash and cash equivalents	1,211.3	-108.8	**1,102.5**	1,464.9	-113.4	**1,351.5**
Total current assets	5,000.0	-309.8	**4,690.2**	4,743.3	-289.4	**4,453.9**
Disposal groups held for sale	19.5		**19.5**	30.6		**30.6**
Balance sheet total	27,441.3	-433.3	**27,008.0**	26,865.8	-428.9	**26,436.9**

Equity and liabilities	30 September 2013			31 December 2013		
€m	Before adjustment	IFRS 10/ IFRS 11	Adjusted	Before adjustment	IFRS 10/ IFRS 11	Adjusted
Shareholders' equity and non-controlling interests						
Subscribed share capital	562.5		**562.5**	562.5		**562.5**
Share premium	5,539.4		**5,539.4**	5,539.4		**5,539.4**
Retained earnings	7,414.5	-39.4	**7,375.1**	7,397.3	-39.8	**7,357.5**
Other components of equity	-1,489.8	2.4	**-1,487.4**	-1,876.9	2.9	**-1,874.0**
Equity attributable to shareholders	12,026.6	-37.0	**11,989.6**	11,622.2	-36.9	**11,585.3**
Non-controlling interests	971.5	-20.9	**950.6**	959.3	-21.3	**938.0**
Total equity	12,998.1	-57.9	**12,940.2**	12,581.6	-58.2	**12,523.4**
Non-current liabilities						
Bonds payable	6,492.9		**6,492.9**	6,262.8		**6,262.8**
Bank loans	609.6	-79.7	**529.9**	323.7	-90.5	**233.2**
Other non-current interest-bearing liabilities	112.0	-34.6	**77.4**	115.3	-33.4	**81.9**
	7,214.5	-114.3	**7,100.2**	6,701.8	-123.9	**6,577.9**
Pension provisions	855.9	-4.1	**851.8**	870.0	-3.5	**866.5**
Deferred taxes	557.8	-9.8	**548.0**	511.3	-7.9	**503.4**
Other non-current provisions	930.9	-5.8	**925.1**	946.1	-5.0	**941.1**
Other non-current operating liabilities	82.2	-0.9	**81.3**	62.3	-0.9	**61.4**
Non-current income tax liabilities	53.7	-0.1	**53.6**	50.0		**50.0**
	2,480.5	-20.6	**2,459.9**	2,439.8	-17.4	**2,422.4**
Total non-current liabilities	9,695.0	-134.9	**9,560.1**	9,141.6	-141.3	**9,000.3**
Current liabilities						
Bonds payable (current portion)	151.5		**151.5**	1,140.4		**1,140.4**
Bank loans (current portion)	284.8	-108.6	**176.2**	510.2	-91.6	**418.6**
Other current interest-bearing liabilities	1,584.9	-18.6	**1,566.3**	662.4	-15.1	**647.3**
	2,021.2	-127.2	**1,894.0**	2,312.9	-106.7	**2,206.2**
Non-controlling interests with put options	44.9	-6.1	**38.8**	50.6	-6.1	**44.5**
	2,066.2	-133.3	**1,932.9**	2,363.5	-112.7	**2,250.8**
Pension provisions (current portion)	82.7	-0.2	**82.5**	95.1	-0.3	**94.8**
Other current provisions	169.4	-1.1	**168.3**	210.6	-1.5	**209.1**
Trade payables	1,300.7	-61.5	**1,239.2**	1,410.7	-75.5	**1,335.2**
Other current operating liabilities	995.4	-39.4	**956.0**	929.5	-33.2	**896.3**
Current income tax liabilities	129.8	-5.1	**124.7**	125.5	-6.1	**119.4**
	2,678.0	-107.2	**2,570.8**	2,771.5	-116.7	**2,654.8**
Total current liabilities	4,744.2	-240.5	**4,503.7**	5,134.9	-229.3	**4,905.6**
Liabilities associated with disposal groups	4.1		**4.1**	7.7		**7.7**
Total liabilities	14,443.2	-375.4	**14,067.8**	14,284.2	-370.7	**13,913.5**
Balance sheet total	27,441.3	-433.3	**27,008.0**	26,865.8	-428.9	**26,436.9**

Seasonal nature of the business

The production and sales of building materials are seasonal due to the regional weather patterns. Particularly in our important markets in Europe and North America, business figures of the first and fourth quarters are adversely affected by the winter months, whereas the warmer months contribute to higher sales and profit numbers in the second and third quarters.

Exchange rates

The following table contains the key exchange rates used in the translation of the separate financial statements denominated in foreign currencies into euro.

Exchange rates		Exchange rates at reporting date		Average exchange rates	
EUR		31 Dec. 2013	30 Sep. 2014	01-09/2013	01-09/2014
USD	USA	1.3746	**1.2632**	1.3173	**1.3556**
AUD	Australia	1.5412	**1.4440**	1.3466	**1.4766**
CAD	Canada	1.4600	**1.4145**	1.3482	**1.4829**
GBP	Great Britain	0.8303	**0.7792**	0.8520	**0.8120**
IDR	Indonesia	16,755.00	**15,426.20**	13,370.64	**15,949.71**

Business combinations in the reporting period

To strengthen the market position in the field of aggregates, HeidelbergCement purchased an additional 62.91 % of shares in the Cimescaut Group, Tournai, Belgium – previously accounted for at equity – on 15 January 2014 and in July 2014 the remaining 3.07 % of shares, thereby raising its shareholding to 100 %. The purchase price amounted to €50.3 million and was paid in cash. The fair value of the previously held equity interest amounted to €21.4 million as at the acquisition date. The revaluation of the interest resulted in a gain of €5.6 million, which was recognised in the additional ordinary income. The purchase price allocation has not yet been completed, as not all valuations are available. There may be adjustments concerning the valuation of mineral reserves, property, plant and equipment, and the associated deferred taxes. The provisionally recognised goodwill of €30.0 million, which is not tax-deductible, represents synergy effects. As part of the business combination, receivables with a fair value of €17.2 million were acquired. These concern trade receivables amounting to €6.0 million, loan receivables amounting to €2.0 million, and other receivables to the amount of €9.2 million. The gross value of the receivables is €17.6 million, of which €0.4 million is likely to be irrecoverable.

On 20 January 2014, HeidelbergCement acquired 100 % of the shares in Espabel NV, Gent, Belgium. Espabel operates a cement grinding plant. With this acquisition, HeidelbergCement aims to enhance its market position in cement activities and realise cost savings in production and sales. The purchase price of €35.6 million is made up of a cash payment of €29.6 million and a liability for a contingent consideration, which was recognised at a fair value of €6.0 million. The provisionally recognised goodwill of €28.1 million, which is not tax-deductible, represents synergy effects. The purchase price allocation is provisional, as not all valuations have been completed. There may be adjustments concerning the valuation of property, plant and equipment, and the associated deferred taxes. Trade receivables with a fair value of €3.1 million were acquired. The gross value amounts to €3.4 million, of which €0.3 million is expected to be irrecoverable.

In order to strengthen its market position in the concrete business line in Canada, HeidelbergCement acquired 87.5 % of the shares in the Cindercrete Products Group, Saskatchewan, on 17 July 2014. The purchase price of €45.1 million is made up of a cash payment of €41.7 million and a liability for a contingent consideration with a fair value of €3.4 million. The non-controlling interests of €3.8 million were measured on the basis of the proportionate fair value of the identifiable net assets. The provisionally recognised goodwill of €18.8 million, which is not deductible for tax purposes, represents the synergy potential arising from the business combination.

The purchase price allocation has not yet been completed, as not all measurements are yet available. There may be adjustments concerning property, plant and equipment as well as deferred taxes. The fair value of the trade receivables acquired amounts to €7.1 million. The gross value of the receivables totals €7.3 million, of which €0.2 million is likely irrecoverable.

The following table shows the provisional fair values of the identifiable assets and liabilities of the business combinations as at the acquisition date.

Preliminary fair values recognised as at the acquisition date

€m	Cimescaut	Espabel	Cindercrete	Total
Intangible assets	0.0	1.0		**1.1**
Property, plant and equipment	11.6	33.1	22.9	**67.6**
Financial fixed assets	10.4	0.0		**10.4**
Inventories	3.1	2.7	2.7	**8.5**
Trade receivables	6.0	3.1	7.1	**16.2**
Cash and cash equivalents	22.9	0.2	0.4	**23.5**
Other assets	9.9	0.3	0.1	**10.3**
Total assets	63.9	40.5	33.2	**137.5**
Provisions	1.4		0.0	**1.4**
Liabilities	18.8	32.8	3.1	**54.7**
Deferred taxes	2.0	0.2		**2.2**
Total liabilities	22.3	33.0	3.1	**58.3**
Net assets	41.7	7.5	30.1	**79.2**

The Cimescaut Group and the Cindercrete Products Group have contributed €31.5 million to revenue and €1.8 million to the profit for the financial year since their acquisition. If the acquisitions had taken place on 1 January 2014, contributions to revenue and the profit for the financial year would be higher by €9.5 million and €3.1 million, respectively. The contribution of Espabel to revenue and the profit for the financial year cannot be determined separately, as deliveries to customers were made from other plants during the conversion phase of the cement grinding plant.

Furthermore, HeidelbergCement effected business combinations in Germany in the area of ready-mixed concrete that were of minor importance for the presentation of the financial position and performance of the Group.

Business combinations in the same period of the previous year

To strengthen the market position in the field of ready-mixed concrete, HeidelbergCement has effected various business combinations in Germany. On 1 January 2013, the outstanding 50 % share in BLG Transportbeton GmbH & Co. KG, Munich, was acquired. On 1 July 2013, the remaining 42.5 % of the shares in Wetterauer Lieferbeton GmbH & Co. KG, Bad Nauheim, as well as the outstanding 40 % of the shares in Heidelberger Beton Zwickau GmbH & Co. KG, Zwickau, were taken over. Thus far the companies have been included at equity as joint ventures in the consolidated financial statements. Furthermore, HeidelbergCement acquired two ready-mixed concrete plants in Cologne on 15 August 2013 as part of an asset deal. The overall purchase price of €14.1 million for these business combinations was paid in cash. The fair value of the previously held equity interest in the joint ventures amounted to €12.8 million. The revaluation of the interest resulted in a gain of €6.8 million, which was recognised in the additional ordinary income. The purchase price allocations have not been completed as at 30 September 2013. The measurement of property, plant, and equipment and thus deferred taxes may be revised. The provisionally recognised goodwill of €16.3 million, of which €0.4 million is likely to be deductible for tax purposes, reflects the synergy potential arising from the business combinations.

On 2 April 2013, HeidelbergCement acquired the remaining 50 % of the shares in the joint venture Midland Quarry Products Limited (MQP), Whitwick, within the scope of a business combination. The acquired company is one of the leading suppliers of aggregates and asphalt for the construction industry and rail industry in the United Kingdom. The purchase price amounted to €39.4 million and was paid in cash. Thus far the company has been consolidated at equity. The provisional fair value of the previously held equity interest in the company amounted to €50.6 million as at the acquisition date. The revaluation of the shares resulted in a loss of €29.8 million, which was recognised in the additional ordinary expenses. The purchase price allocation has not been completed as at 30 September 2013. The valuations of the acquired property, plant and equipment, as well as the associated deferred taxes were essentially outstanding. The provisionally recognised goodwill representing synergies amounted to €5.6 million and is not deductible for tax purposes.

The following table shows the provisional fair values of the identifiable assets and liabilities of the business combinations as at the acquisition date.

Preliminary fair values recognised as at the acquisition date

€m	Germany	MQP	Total
Intangible assets	0.2	15.9	**16.1**
Property, plant and equipment	13.7	57.9	**71.6**
Inventories	0.5	5.5	**6.0**
Trade receivables	3.2	14.0	**17.2**
Cash and cash equivalents	1.0	8.3	**9.3**
Other assets	1.2	15.3	**16.5**
Total assets	19.9	116.9	**136.8**
Provisions	0.8	2.0	**2.8**
Liabilities	7.4	15.5	**22.9**
Deferred taxes	1.2	15.0	**16.2**
Total liabilities	9.4	32.5	**42.0**
Net assets	10.5	84.4	**95.0**

Divestments in the reporting period

The agreement dated 5 October 2013 obliged HeidelbergCement to dispose of the grinding facility in Raigad, India. The approval of the local authorities and the transfer of assets and liabilities took place on 3 January 2014. The sales price of €19.6 million is made up of a cash payment of €11.8 million and a receivable of €7.8 million.

On the basis of an agreement dated 23 December 2013, HeidelbergCement was obliged to dispose of its shares in OAO Voronezhskoe Rudoupravlenije, Strelica, Russia. The notarial transfer of the shares to the purchaser occurred after approval was given by the local competition authorities on 3 February 2014. The sales price of €5.5 million was paid in cash.

On 28 March 2014, HeidelbergCement sold its shares in Cimgabon S.A., Libreville, Gabon. The resulting purchase price receivable from the disposal amounted to €1.4 million.

On 15 August 2014, HeidelbergCement sold its shares in PT Gunung Tua Mandiri, Bogor, Indonesia. The sales price of €3.2 million was paid in cash.

The following table shows the assets and liabilities as at the date of deconsolidation.

Assets and liabilities at date of disposal

€m	India	Russia	Gabon	Indonesia	Total
Property, plant and equipment			3.7	3.7	**7.4**
Inventories			8.0	0.3	**8.3**
Cash and cash equivalents			1.3	1.4	**2.6**
Other assets			8.6	1.1	**9.7**
Disposal groups held for sale	15.5	10.5			**26.0**
Total assets	15.5	10.5	21.6	6.5	**54.1**
Provisions			16.6	0.1	**16.8**
Liabilities			43.7	2.3	**46.0**
Liabilities associated with disposal groups	3.6	3.8			**7.4**
Total liabilities	3.6	3.8	60.4	2.4	**70.2**
Net assets	12.0	6.7	-38.8	4.1	**-16.1**

The results from deconsolidation are shown in the additional ordinary result.

Divestments in the same period of the previous year

HeidelbergCement did not effect any significant cash-relevant divestments in the same period of the previous year. A foreign finance company was deconsolidated after the repayment of capital. The transaction was non-cash. The foreign exchange related income from deconsolidation is shown in the additional ordinary income.

Revenue development by Group areas and business lines

January - September	Cement		Aggregates		Building products		Concrete-service-other		Intra Group eliminations		Total	
€m	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014
Western and Northern Europe	1,297	**1,349**	572	**629**	327	**385**	1,267	**1,374**	-463	**-506**	3,001	**3,232**
Eastern Europe-Central Asia	794	**779**	78	**75**			118	**116**	-52	**-52**	938	**918**
North America	804	**831**	799	**839**	467	**486**	712	**770**	-276	**-273**	2,505	**2,653**
Asia-Pacific	1,402	**1,295**	418	**391**	20	**21**	841	**814**	-315	**-311**	2,365	**2,210**
Africa-Mediterranean Basin	513	**460**	65	**65**			181	**184**	-44	**-30**	715	**679**
Group Services		**29**					655	**737**		**-2**	655	**764**
Inter-Group area revenue within business lines	-11	**-48**									-11	**-48**
Total	4,800	**4,695**	1,932	**2,000**	814	**892**	3,773	**3,995**	-1,150	**-1,175**	10,169	**10,407**
Inter-Group area revenue between business lines									-306	**-281**	-306	**-281**
Total									-1,457	**-1,455**	9,862	**10,127**

Earnings per share

Earnings per share	January - September	
€m	2013	2014
Profit for the period	901.2	**599.2**
Non-controlling interests	155.8	**144.8**
Group share of profit	745.4	**454.3**
Number of shares in '000s (weighted average)	187,500	**187,916**
Earnings per share in €	3.98	**2.42**
Net income from continuing operations – attributable to the parent entity	649.9	**459.0**
Earnings per share in € – continuing operations	3.47	**2.44**
Net income / loss from discontinued operations – attributable to the parent entity	95.5	**-4.7**
Earnings / loss per share in € – discontinued operations	0.51	**-0.02**

The basic earnings per share are calculated in accordance with IAS 33 (Earnings per Share) by dividing the Group share in profit for the financial year by the weighted average of the number of issued shares. The diluted earnings per share indicator takes into account not only currently issued shares but also shares potentially available through option rights. The earnings per share were not diluted in the reporting period according to IAS 33.30.

Consolidated statement of comprehensive income

Total comprehensive income increased overall by €2,089.9 million to €1,651.6 million (previous year: -438.3). The profit for the period fell by €302.0 million to €599.2 million (previous year: 901.2). The actuarial losses (after income taxes) of €-120.6 million included in the remeasurement of the defined benefit liability are primarily due to the decrease in discount rates. In the previous year, gains totalled €138.4 million. The change in fair value of the cash flow hedges amounted to €-5.8 million (previous year: 14.5). The gains of €1,142.6 million (previous year: losses of -1,479.1) resulting from currency translation in the reporting period are predominantly due to the appreciation of the US dollar and the British pound since 31 December 2013. The net gains/losses from equity method investments of €36.2 million (previous year: -13.3) results from the market valuation of available-for-sale financial instruments amounting to €5.2 million (previous year: 7.0) and the currency translation of €31.0 million (previous year: -20.3).

Goodwill

An impairment test on goodwill in accordance with IAS 36 (Impairment of Assets) is generally performed annually within the HeidelbergCement Group in the fourth quarter once the operational three-year plan has been prepared, or if there are indications of impairment. In this impairment test, the carrying amount of a group of cash-generating units (CGUs) to which goodwill is allocated is compared with the recoverable amount of this group of CGUs. As at 30 September 2014, there were no events giving rise to or indications of a possible impairment requirement and therefore no impairment needed to be recognised.

Statement of changes in equity

The subscribed capital was increased by €1.25 million to €563.75 million as part of an authorised capital increase (Authorised Capital II) through the issuance of 416,477 no-par value shares. The number of no-par value bearer shares was raised to 187,916,477. As of 1 January 2014, the new shares are entitled to profit participation and were admitted to trading immediately after the Annual General Meeting on 7 May 2014. The nominal value of each share is €3.00, which corresponds to a proportionate amount of the subscribed share capital. The share premium of €5,539.4 million (unchanged from 31 December 2013) was essentially created from the premium from capital increases. As at the reporting date, the company has no treasury shares.

At the reporting date, the retained earnings amounted to €7,595.4 million (previous year: 7,357.5). They were increased in the reporting period by total comprehensive income allotted to reserves of €333.9 million, which is composed of the profit for the period of €454.3 million and the actuarial losses of €-120.4 million recognised in other comprehensive income. The changes in ownership interests in subsidiaries amounting to €-7.0 million resulted mainly from the acquisition of the remaining 18 % of shares in the Georgian cement manufacturer LLC Kartuli Cementi, Tiblisi, Georgia. Furthermore, retained earnings rose by €22.3 million due to the capital increase from the conversion of a purchase price liability from the acquisition of the remaining 70 % of the shares in Kerpen & Kerpen GmbH & Co. KG, Ochtendung. Dividends of €112.5 million (€0.60 per share) were paid to the shareholders of HeidelbergCement AG.

The other components of equity were increased by a total of €1,082.0 million to €-792.0 million (previous year: -1,874.0). This increase is primarily due to currency translation gains of €1,080.9 million attributable to the shareholders of HeidelbergCement AG.

The non-controlling interests increased by €89.5 million to €1,027.5 million (previous year: 938.0) as at the reporting date. The comprehensive income attributable to non-controlling interests of €234.7 million is mainly due to the profit for the financial year of €144.8 million and income from the currency translation of the non-controlling interests of €92.8 million. The increase in non-controlling interests arising from changes in consolidation scope of €14.7 million primarily results from the divestment of Cimgabon S.A., Gabon and the first consolidation of Cindercrete Products Ltd., Canada. The change in ownership interests in subsidiaries of €2.1 million mainly relates to the acquisition of additional shares in Cimburkina S.A., Burkina Faso and LLC Kartuli Cementi, Georgia. During the reporting period, dividend payments of €159.7 million were made to non-controlling interests. Major payments were made to the non-controlling shareholders of our Indonesian subsidiary PT Indocement.

Changes in estimates for pension provisions

The actuarial gains and losses were adjusted on the basis of the interest rates for the key countries applicable at the reporting date. The decrease in interest rates by around 0.6 percentage points led to an increase in the provisions for pensions and similar obligations by €167.7 million.

Disclosures on financial instruments

The following table assigns the individual balance sheet items for the financial instruments to classes and valuation categories. In addition, the aggregate carrying amounts for each measurement category and the fair values for each class are shown.

Carrying amounts, measurement and fair values by measurement categories							
€m	Category of IAS 39 [1]	Amortised cost	Cost	Fair value with P/L effect	Fair value without P/L effect	Carrying amount	Fair value
30 September 2014							
Assets							
Financial investments – available for sale at cost	AfS		61.0			**61.0**	
Loans and other interest-bearing receivables	LaR	217.3				**217.3**	**220.1**
Trade receivables and other operating receivables	LaR	2,175.2				**2,175.2**	**2,178.7**
Cash and cash equivalents	LaR	1,167.6				**1,167.6**	**1,167.6**
Derivatives – hedge accounting	Hedge				2.9	**2.9**	**2.9**
Derivatives – held for trading	HfT			138.9		**138.9**	**138.9**
Liabilities							
Bonds payable, bank loans, and miscellaneous financial liabilities	FLAC	8,872.4				**8,872.4**	**9,915.9**
Trade payables, liabilities relating to personnel, and miscellaneous operating liabilities	FLAC	2,220.2				**2,220.2**	**2,220.2**
Liabilities from finance lease	FLAC	11.8				**11.8**	**11.8**
Derivatives – hedge accounting	Hedge				5.4	**5.4**	**5.4**
Derivatives – held for trading	HfT			16.2		**16.2**	**16.2**
Non-controlling interests with put options	FLAC	20.8				**20.8**	**20.8**
31 December 2013							
Assets							
Financial investments – available for sale at cost	AfS		56.8			**56.8**	
Loans and other interest-bearing receivables	LaR	200.8				**200.8**	**203.4**
Trade receivables and other operating receivables	LaR	1,687.4				**1,687.4**	**1,687.4**
Cash and cash equivalents	LaR	1,351.5				**1,351.5**	**1,351.5**
Derivatives – hedge accounting	Hedge				11.5	**11.5**	**11.5**
Derivatives – held for trading	HfT			51.1		**51.1**	**51.1**
Liabilities							
Bonds payable, bank loans, and miscellaneous financial liabilities	FLAC	8,748.0				**8,748.0**	**9,711.2**
Trade payables, liabilities relating to personnel, and miscellaneous operating liabilities	FLAC	2,145.7				**2,145.7**	**2,145.7**
Liabilities from finance lease	FLAC	9.8				**9.8**	**9.8**
Derivatives – hedge accounting	Hedge				14.1	**14.1**	**14.1**
Derivatives – held for trading	HfT			12.2		**12.2**	**12.2**
Non-controlling interests with put options	FLAC	44.5				**44.5**	**44.5**

1) AfS: Available for sale, LaR: Loans and receivables, Hedge: Hedge accounting, HfT: Held for trading, FLAC: Financial liabilities at amortised cost

Available for sale at cost investments are equity investments measured at cost, for which no listed price on an active market exists and whose fair values cannot be reliably determined. Therefore, no fair value is indicated for these instruments. Derivative financial instruments, both those designated as hedges and those held for trading, are also measured at fair value. In these items, the fair value always corresponds to the carrying amount.

The fair values of the long-term loans, other long-term operating receivables, bank loans, finance lease liabilities, and other long-term interest-bearing and operating liabilities correspond to the present values of the future payments, taking into account the interest parameters at the time of payment.

The fair values of the listed bonds correspond to the nominal values multiplied by the price quotations on the reporting date. For the financial instruments with short-term maturities, the carrying amounts on the reporting date represent reasonable estimates of the fair values.

All financial assets and liabilities which are measured at fair value are classified into Level 2 of the fair value hierarchy of IFRS 13.

Related parties disclosures
No reportable transactions with related parties took place in the reporting period beyond normal business relations.

Contingent liabilities and other financial commitments
As at the reporting date, there were contingent liabilities of €57.3 million (previous year: 52.0) in connection with tax-related risks. The timing of the possible cash outflows for the contingent liabilities is uncertain because they depend on various external factors that remain outside HeidelbergCement's control. The application of taxation regulations may not yet be determined at the time that current income tax assets and liabilities are calculated. The calculation of tax items is based on the regulations most likely to be applied in each case. Regardless of this, the fiscal authorities may be of a deviating opinion, which may give rise to additional tax liabilities.

The total future minimum lease payments for operating leases as at the reporting date are shown in the following table.

Other financial commitments

€m	31 Dec. 2013	30 Sep. 2014
Future minimum lease payments under non-cancellable operating leases		
Due within one year	130.7	**137.4**
Due between one and five years	275.5	**297.1**
Due after five years	318.7	**315.0**
	724.8	**749.5**

Events after the balance sheet date
After the balance sheet date, there were no reportable events.

Heidelberg, 6 November 2014

HeidelbergCement AG

The Managing Board

The Company has its registered office in Heidelberg, Germany.
It is registered with the Commercial Register at the Local Court
of Mannheim (Amtsgericht Mannheim) under HRB 330082.

Contact:
Group Communication
Phone: +49 (0) 6221 481-13 227
Fax: +49 (0) 6221 481-13 217
E-mail: info@heidelbergcement.com

Investor Relations
Phone:
Institutional investors USA and UK: +49 (0) 6221 481-13 925
Institutional investors EU and rest of the world: +49 (0) 6221 481-39568
Private investors: +49 (0) 6221 481-13 256
Fax: +49 (0) 6221 481-13 217
E-mail: ir-info@heidelbergcement.com

The Interim Financial Report January to September 2014 was published on 6 November 2014.

Financial calendar	
Group annual accounts 2014	19 March 2015
Press conference on annual accounts	19 March 2015
Interim Financial Report January to March 2015	7 May 2015
Annual General Meeting 2015	7 May 2015
Half-Year Financial Report January to June 2015	29 July 2015
Interim Financial Report January to September 2015	5 November 2015

HeidelbergCement AG
Berliner Strasse 6
69120 Heidelberg, Germany
www.heidelbergcement.com