

■ ARTICLES OF ASSOCIATION

Articles of Association of HeidelbergCement AG

§1

Company Name and Registered Office

The Company's name is HeidelbergCement AG. Its seat is in Heidelberg.

§2

Company Objects

(1) The Company's objects are the production and sale of building materials of all kinds and of other products from the stone and quarry industry and from related or other industry sectors; the acquisition and operation of mines; the planning, construction, acquisition and operation of facilities for such purposes; and the planning, construction and operation of such facilities for or the provision of advisory services to third parties.

(2) Within these parameters, the Company may engage in any transactions or take any steps which appear necessary or useful to attain the Company's objects, including in particular the purchase and sale of plots of land, and the establishment of domestic and foreign branch offices. Moreover, the Company may acquire interests in the same, similar or other enterprises.

§3

Notices

The notices of the Company shall be published in the electronic Federal Gazette (*elektronischer Bundesanzeiger*).

§4

Registered Share Capital and Shares

(1) The Company's share capital amounts to EUR 375,000,000 ("three hundred and seventy-five million euro") and is divided into 125,000,000 shares; the shares are no-par value bearer shares.

(2) The Managing Board is authorised, with the consent of the Supervisory Board, to increase the Company's share capital by a total amount of up to EUR 45,818,753 by issuing new no-par value bearer shares in return for cash contributions on one or more occasions until 22 May 2011 (Authorised Capital I). The shareholders shall have subscription rights. However, the Managing Board is authorised:

- to exclude the subscription rights of shareholders with respect to fractional amounts and

- to exclude the subscription right completely or partially for an amount of up to EUR 1,418,753 or, if this value is lower, of 10% of the available share capital at the time of exercise of the authorisation, in order to issue new shares at an issue price that is not substantially lower than the stock market price of the old shares; the limit for the amount should take into account those shares otherwise issued or sold during the term of this authorisation in application of § 186, section 3, sentence 4 of the German Stock Corporation Act.

The Managing Board shall decide, with the consent of the Supervisory Board, on the remaining contents of the rights attached to the shares and the terms of the share issue.

(3) The Managing Board is authorised, with the consent of the Supervisory Board, to increase the Company's share capital by a total amount of up to EUR 74,000,000 by issuing new no-par value bearer shares against contributions in kind on one or more occasions until 22 May 2011 (Authorised Capital II). The Managing Board is authorised, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders and establish the further details of the capital increase and the terms of the share issue.

§5

(1) The Company has the right to issue share certificates embodying several shares (global share certificates). Shareholders shall not have a right to certification of individual shares.

(2) The form of share certificate and of the dividend and renewal coupons shall be set by the Managing Board with the consent of the Supervisory Board.

§6**Managing Board**

(1) The Managing Board shall consist of two or more members. The Supervisory Board shall determine the number of Managing Board members and any deputy Managing Board members.

(2) The Company shall be legally represented by two Managing Board members, or by one Managing Board member acting jointly with a commercial attorney-in-fact (*Prokurist*).

§7

The Managing Board shall manage the Company's business in accordance with the law, the Articles of Association, the corporate governance principles of the Company and the rules of procedure for the Managing Board.

§8**Supervisory Board**

(1) Until the end of the Annual General Meeting that will decide on whether to approve the Supervisory Board's actions for the 2008 financial year, i.e. until the end of the ordinary Annual General Meeting 2009, the Supervisory Board shall consist of sixteen members and, from that time onwards, twelve members.

(2) Half of the members of the Supervisory Board shall be elected by the Annual General Meeting in accordance with the provisions of the German Stock Corporation Act and half by the employees in accordance with the provisions of the German Codetermination Law.

(3) The election shall be for a term until the conclusion of the general meeting of shareholders at which a formal discharge is granted for the fourth fiscal year following the commencement of the term of office. In this respect, the fiscal year in which the term of office commences shall not be included in the calculation of such term.

(4) The general meeting of shareholders may appoint substitute members for the Supervisory Board members it is to elect. The sequence in which the substitute members will become members of the Supervisory Board in the event that shareholder representative members of the Supervisory Board retire prior to expiry of their term of office shall be determined during the election. The term of office of an appointed substitute Supervisory Board member shall expire upon conclusion of the general meeting of shareholders at which a new Supervisory Board member is elected to assume the place of the member who retired prematurely, and by the end of the term of office of the prematurely retired Supervisory Board member at the latest.

(5) Subject to a one month notice period, members and substitute members of the Supervisory Board may retire from office at any time by submitting a written declaration to the chairman of the Supervisory Board.

(6) Should an election of a substitute member be held as a result of the premature retirement of Supervisory Board member, the result of such election shall have effect only for the remaining term of office of the retired member.

(7) Should the number of Supervisory Board members be increased during a current term of office, then the term of office of the Supervisory Board members to be additionally elected shall be valid until the end of such current office term.

§9

(1) Following the general meeting of shareholders in which all of the Supervisory Board members to be elected by the general shareholders' meeting are newly elected, a Supervisory Board meeting shall be held for which no special notice is required. In such meeting, the Supervisory Board shall elect from its midst a chairman and a deputy chairman for its term of office, together with the Supervisory Board member who, pursuant to §18, shall chair the general meeting of shareholders in the event that the chairman of the Supervisory Board is unable to attend.

(2) Immediately following the election pursuant to section 1 sentence 2, the Supervisory Board shall, from its midst, create a personnel committee, an audit committee and, for the purpose of fulfilling the task set out in §31 section 3 sentence 1 of the Codetermination Law, an arbitration committee.

(3) In the event that the chairman, his deputy or the Supervisory Board member who, pursuant to §18, chairs the General meeting of shareholders in the event of the chairman's inability to attend, prematurely leave office, the Supervisory Board shall promptly hold new elections. The same shall apply in the event of the premature retirement of any other members of the committee described in section 2.

§10

(1) The Supervisory Board shall adopt its resolutions in meetings. The adoption of resolutions outside of meetings shall be permissible by means of the submission of votes in writing, by telephone, by fax or by electronic media if the chairman of the Supervisory Board so orders.

(2) The meetings of the Supervisory Board shall be called by the chairman in writing or by fax or by electronic media and subject to a notice period of two weeks. The individual items of the agenda shall be stated in the invitation. In urgent cases, the notice period may be shortened and the meeting may be called by telephone.

(3) The chairman shall determine the course of the meeting and the method of voting.

(4) The Supervisory Board shall be quorate if at least half of the members of which it is constituted participate in the adoption of the relevant resolution.

(5) Absent Supervisory Board members may participate in the adoption of resolutions by the Supervisory Board and its committees by having written votes submitted by other Supervisory Board members.

(6) Unless otherwise required by law, Supervisory Board resolutions require a simple majority of votes cast. Should a vote by the Supervisory Board result in a tie, and a new vote concerning the same matter be held which again results in a tie, then the Supervisory Board chairman shall thereupon be entitled to two votes. Section 5 shall apply to the casting of the second vote. The deputy chairman shall not be entitled to such second vote.

(7) In the event that not all of the Supervisory Board members are present for the adoption of a resolution, and the absent Supervisory

Board members do not cast written votes, then the adoption of such resolution shall be adjourned following a motion by no less than two of the Supervisory Board members present at such meeting. In the event of such adjournment, renewed voting on the resolution shall take place at the next rotational meeting, provided that no special Supervisory Board meeting is called. No additional request for adjournment may be made during the renewed voting on the resolution.

(8) Should the chairman of the Supervisory Board participate in the meeting, or should one of the Supervisory Board members present be in possession of the chairman's written vote, section 7 shall not apply, provided that an equal number of shareholder and employee representatives are personally present or participate in the adoption of the resolution by written vote, or that any inequality is cancelled by virtue of individual Supervisory Board members not participating in the adoption of the resolution.

(9) Minutes shall be prepared with respect to the Supervisory Board's discussions and resolutions; such minutes shall be signed by the chairman of the meeting. The minutes to be prepared with regard to resolutions adopted outside of meetings must be signed by the chairman of the Supervisory Board.

§11

(1) In addition to the committees referred to in § 9 section 2, the Supervisory Board may create further committees from its midst. It may, to the extent legally permissible, stipulate the composition, tasks and powers of the committees in rules of procedure and transfer decision-making powers of the Supervisory Board to the committees. The provisions of § 10 sections 1, 2 and 5 shall apply accordingly.

(2) Declarations of intent of the Supervisory Board and its committees shall be issued by the chairman in the name of the Supervisory Board.

§12

(1) Each member of the Supervisory Board shall receive, on an annual basis, a remuneration of EUR 21,000. The chairman shall receive twice this amount and his deputy one and a half times this amount.

(2) The members of the Audit Committee shall, in addition, receive an annual remuneration of EUR 7,000 and the members of the Personnel Committee EUR 3,500. The committee chairman shall in each case receive twice these amounts.

(3) In addition, the members of the Supervisory Board shall receive an attendance fee of EUR 1,500 for each personal attendance at a meeting of the Supervisory Board and its committees. For several meetings that take place on one day or on consecutive days, the attendance fee shall only be paid once.

(4) The Supervisory Board remuneration shall be paid at the end of the year.

(5) The provisions of sections 1, 3 and 4 shall apply for the first time in 2007.

(6) The Company may, in its own interest and at its own expense, maintain an appropriate economic loss third-party liability insurance for Supervisory Board members. This shall include a reasonable retention amount.

(7) The members of the Supervisory Board shall be reimbursed for their expenses and any turnover tax they may incur for their Supervisory Board activity.

§13

The Supervisory Board may make amendments to the Articles of Association where such amendments affect the text only.

§14**Advisory Council**

The Managing Board may form an advisory council in order to develop a closer rapport with domestic and foreign business circles, and may issue rules of procedure for such advisory council and determine the compensation for the members thereof.

§15**General Meeting of Shareholders**

(1) The general meetings shall be called by the Managing Board by means of a public notice in the electronic Federal Gazette (*elektronischer Bundesanzeiger*). Such meetings shall be held at the Company's registered office, at the site of one of the Company's domestic branches or of an affiliated company or at a German stock exchange. The time and place of the general meeting of shareholders shall be stated in the notice.

(2) The ordinary general meeting of shareholders shall be held annually and no later than August.

§16

(1) To attend and exercise their voting rights at the Annual General Meeting, shareholders must have registered for the Annual General Meeting and have provided the Company with proof of their shareholding as of the start of the 21st day before the Annual General Meeting. The proof must be provided in the form of a certificate of shareholding issued in text form by the depositary institution. The registration and proof of shareholding must reach the Company by the seventh day before the Annual General Meeting at the latest, at the address specified for this purpose in the notice of convocation. The Company shall be entitled to request appropriate further proof in the event of any doubt concerning the accuracy or authenticity of the proof.

(2) For shares, which on the relevant date are not held in a deposit facility administered at a bank, the certificate required under section 1 may also be issued by the Company, a notary, a securities depository bank, a bank within the European Union or one of the Company's locations at its stock exchange centres in Germany and abroad.

§17

Each share shall be entitled to one vote in the general meeting of shareholders.

§18

(1) The chairman of the Supervisory Board shall chair the general meeting of shareholders or, in the event of his inability to attend, such meeting shall be chaired by a shareholder representative Supervisory Board member, to be appointed by the Supervisory Board.

(2) The chair of the meeting may modify the sequence of agenda items from that stated in the notice. Moreover, he shall determine the manner and form of voting. The chair of the meeting shall also determine the order of the speakers and may, as far as is legally permissible, decide on the combining of factually related resolution items to one voting item and impose appropriate limits on the

speaking time, question time or the total speaking and question time for the whole Annual General Meeting, for individual items on the agenda and for individual speakers, at the beginning or during the course of the Annual General Meeting and, as far as is necessary for proper running of the Annual General Meeting, bring the debate to a close.

§19

Unless otherwise provided pursuant to the German Stock Corporation Act, resolutions of the general meeting of shareholders shall be adopted by a simple majority of votes cast. To the extent that the German Stock Corporation Act requires a majority of the share capital represented at the adoption of the resolution for such adoption, a simple majority of the represented share capital shall suffice to the extent permissible under law.

§20

Fiscal Year, Annual Accounts, Management Report and Appropriation of Profits and Losses

(1) The Company's fiscal year corresponds to the calendar year.

(2) In the first three months of the fiscal year, the Managing Board shall draw up the annual financial statements and the management report and the consolidated financial statements and Group management report for the previous fiscal year and submit them to the auditors. Without undue delay after they have been drawn up, the Managing Board shall submit these documents to the Supervisory Board together with the recommendation for the appropriation of the balance sheet profit.

(3) Within one month of receipt of the documents to be submitted to it, the Supervisory Board shall render its report to the Managing Board. Should this not occur in a timely fashion, the Managing Board shall promptly grant the Supervisory Board an additional period of time not exceeding one month. Should the Supervisory Board's report again fail to be delivered to the Managing Board following expiry of such additional period time, the annual accounts shall be deemed not to have been approved by the Supervisory Board.

§21

Appropriation of Profits and Losses

(1) The balance sheet profits shall be distributed to the shareholders, provided that the general meeting of shareholders does not resolve on a different allocation.

(2) The shareholders' dividends shall always be paid out pro rata to the contributions made – in relation to the proportionate amount of share capital relating to each share - and in proportion to the time that has passed since the date which is decisive for such equity contribution.

(3) In the event of new shares being issued, a dividend entitlement deviating from the provisions set forth in §60 of the German Stock Corporation Act may be stipulated.

§22

(1) The general meeting of shareholders shall resolve on the appropriation of any balance sheet profits. In this regard, the general shareholders' meeting will be bound by the approved annual accounts. The resolution shall state in detail:

- a) the balance sheet profits
- b) distributions to shareholders
- c) amounts to be set aside in the revenue reserves
- d) any retained profits carried forward

- e) any additional expenses incurred as a result of the adoption of such resolution by the general meeting of shareholders.

(2) Should the Managing Board and the Supervisory Board approve the annual accounts, they may pay into the revenue reserves an amount equivalent to up to one half of the profit for the financial year, calculated following the deduction of any amounts to be paid into the statutory reserves and any losses carried forward. Provided that such revenue reserves do not exceed one half of the subscribed share capital, and provided they would not exceed one half of the subscribed share capital following such payment, the Managing Board and Supervisory Board are furthermore entitled to pay up to 75% of the profit for the financial year into revenue reserves.

(3) The general meeting of shareholders having approved the annual accounts, one half of the profit for the financial year shall be paid into revenue reserves. In this regard, any amounts to be paid into the statutory reserves and any losses carried forward shall first be deducted from the profit for the financial year. Pursuant to the resolution concerning the allocation of balance sheet profits, the general meeting of shareholders may resolve to pay these amounts into revenue reserves or to carry them forward as profits. Furthermore, it may also resolve to allocate such profits in a manner other than that set forth in sentence 3 or to distribute it amongst the shareholders.

Articles of Association of HeidelbergCement AG, in the changed version pursuant to the resolutions of the Supervisory Board on 14 February 2008 to amend the Articles of Association as a result of the implementation of the capital increase.

**Translation of the Articles of Association of HeidelbergCement AG
The German version is binding.**