
Interim Report
January to September 2007



- Purchase of Hanson completed according to plan – consistent integration started
- Significant operating increases in turnover (+11.8%) and results (+29.1%)
- Group share in profit rises like for like by 42%
- Market leadership in Eastern Europe and Central Asia as a growth driver
- North America benefited from the strong positioning in western Canada and on the east coast of the US
- Strong growth rates in emerging countries
- Successful refinancing through bond issues and disinvestments
- Double-digit turnover and results forecast for 2007 confirmed
- Consistent reduction of liabilities will be continued

Overview January - September 2007				
EURm	July - September		January-September	
	2006 ¹⁾	2007	2006 ¹⁾	2007
Turnover	2,221	3,092	5,935	7,254
Operating income before depreciation (OIBD)	574	867	1,293	1,721
Operating income	461	716	953	1,343
Additional ordinary result	0	83	61	912
Results from participations	72	37	155	143
Earnings before interest and income taxes (EBIT)	533	836	1,169	2,398
Profit before tax	468	690	1,002	2,133
Net income from continuing operations	331	500	687	1,762
Group share in profit	345	526	721	1,829
Investments	206	8,790	493	12,404

¹⁾ Figures have been adjusted following the presentation of maxit Group as discontinued operation (IFRS 5) and are therefore not comparable with those presented in 2006

Change in consolidation scope

In order to ensure the comparability of operational development, the following consolidation-related changes have to be taken into account:

Our new acquisition Hanson, whose takeover was completed on 23 August, is included in the Group annual accounts for the month of September.

An agreement for the sale of maxit Group was signed at the beginning of August; as a discontinued operation in accordance with IFRS 5, it is no longer included in the 2006/2007 figures of continuing operations.

For the period from the middle of May to the end of August 2007, results from participations include our participation in Hanson (at equity) and the contribution of Vicat until its sale on 18 June 2007 for EUR 1.4 billion. The sale resulted in a profit of around EUR 800 million.

Letter to the shareholders

Ladies and Gentlemen,

In the first nine months of 2007, the global economic environment remained sound despite the turbulence on the financial markets. The high dynamics of the developing and emerging countries, as well as the healthy state of the Eastern European growth countries, offset the slowdown in the US economy.

HeidelbergCement achieves significant operating increase in turnover and results

HeidelbergCement's cement and clinker sales volumes grew by 11.5% to 65.5 million tonnes (previous year: 58.8) during the reporting period. Excluding consolidation effects, the increase amounted to 4.0%. The strongest growth was achieved in the Asia-Australia-Africa-Mediterranean Group area, followed by Europe-Central Asia. As a result of our strong positions in Canada and on the East coast of the US, North America remained stable in the third quarter.

The inclusion of Hanson for the first time in September led to a considerable increase in volumes of aggregates as well as ready-mixed concrete. In most market regions, sales volumes also improved on a comparable basis. Sales volumes of aggregates across the Group rose by 55.4% to 98.1 million tonnes (previous year: 63.1); deliveries of ready-mixed concrete increased by 14.5% overall to 21.3 million cubic metres (previous year: 18.6).

In the first nine months, Group turnover rose by 22.2% to EUR 7,254 million (previous year: 5,935). This was due in particular to the consolidation of Hanson for the first time in September and the contributions made by the countries of Eastern Europe and Central Asia, as well as Norway, Africa, Asia and Turkey. Excluding exchange rate and consolidation effects, turnover increased by 11.8%. Operating income before depreciation (OIBD) grew by 33.1% to EUR 1,721 million (previous year: 1,293).

An increase of 40.9% was recorded in operating income, which reached EUR 1,343 million (previous year: 953). Excluding consolidation and exchange rate effects, the growth amounted to 29.1%. The marked organic growth is attributable to higher sales volumes, price adjustments and increases in efficiency. By far the biggest contribution to the increase in results came from Europe-Central Asia. In the North America Group area, operating income improved slightly on a comparable basis as a result of the strong development in the third quarter. Overall – with the inclusion of Hanson – it rose by 10.9% to EUR 382 million (previous year: 344). Calculated in US dollars, the figure increased by 19.7% to USD 514 million (previous year: 429). Around a third of this total was achieved in the strong market regions in Western Canada.

The additional ordinary result of EUR 912 million (previous year: 61) is heavily characterised by the sales of our participations in Vicat S.A. and Florida Rock Industries Inc. The inclusion of Hanson Ltd as an associated company until the full takeover of the business and the pro rata profit for the financial year achieved by Vicat S.A. until its sale in June 2007, brought the overall results from participations to EUR 143 million (previous year: 155). The change of EUR -98 million in the financial results is essentially attributable to the additional financing required for the Hanson acquisition.

Sustained growth and one-off effects, particularly in the second and third quarters, led to an increase in profit before tax from continuing operations, taking the total to EUR 2,133 million (previous year: 1,002). Taxes on income rose by EUR 55 million to EUR 371 million (previous year: 316). The

disproportionately small increase in taxes is due to the below-average taxation of capital gains. The net income after tax from continuing operations (excluding maxit Group) improved to EUR 1,762 million (previous year: 687). The Group share in profit rose to EUR 1,829 million (previous year: 721); like for like it increased by 42%.

HeidelbergCement clearly on track with the integration of Hanson

On 23 August 2007, the purchase of the British building materials manufacturer Hanson was complete, only three months after the submission of the bid. The integration of the company, which focuses on North America, the United Kingdom and Australia, is well underway. A new Managing Board responsibility, led by Dr. Dominik von Achten since 1 October 2007, was created for this complex task.

Hanson forms an outstanding complement to HeidelbergCement and offers considerable market opportunities and strong synergy potential both from a geographical point of view and in terms of the product range. Together, the two companies form an efficient unit. As a result of this purchase, HeidelbergCement is closing the gap on the leading global players in the building materials industry and is becoming the global market leader for aggregates.

The initial steps in the tightly organised integration process have already been successfully taken. Integration teams made up of experts from Hanson and HeidelbergCement are analysing the processes at the most important locations, making performance comparisons and identifying potential improvements. Our high expectations for the quality of the management and the production facilities have been confirmed. The implementation of the organisational changes will start at the beginning of 2008.

Changes in the Group structure

In connection with the inclusion of Hanson from September 2007, HeidelbergCement has adjusted its Group structure geographically and in terms of its business lines. We report through the cement, aggregates and concrete business lines, building products and Group Services.

The Europe-Central Asia Group area has been extended to include Spain and Israel; Besides Australia, Asia-Australia-Africa-Mediterranean now also includes Malaysia and Singapore.

Change in the Managing Board

The Supervisory Board of HeidelbergCement has appointed Alan Murray a member of the Managing Board of HeidelbergCement AG with effect from 1 October 2007. Until the completion of the takeover in August 2007, Alan Murray was Chief Executive Officer of Hanson PLC. On the Managing Board of HeidelbergCement, he is responsible for Hanson's activities in North America, the United Kingdom, Australia, Asia and the Mediterranean Basin.

Proceeds from the sale of maxit used to reduce debts

As part of the reorientation of the corporate strategy, HeidelbergCement reached an agreement with the French building materials manufacturer Saint Gobain in August 2007 regarding the sale of maxit Group. The purchase price is EUR 2,125 million. The transaction is expected to be completed by the end of 2007, subject to approval by the competition authorities. By selling maxit Group, HeidelbergCement is consistently pursuing its strategy of focusing on the refinement of raw materials for the core products cement and aggregates and for downstream activities such as ready-mixed concrete or concrete products. HeidelbergCement will use the sales revenue to reduce its financial liabilities. This is also being achieved by means of other disinvestments such as the sale of our participations in Vicat S.A. in the first half of the year, in Florida Rock Industries Inc. and the proceeds from the sale of activities in Nigeria and Niger.

Successful bond issue of EUR 480 million

HeidelbergCement made use of the further improved conditions on the capital markets to raise long-term funds and, in October 2007, very successfully placed a euro bond of EUR 480 million on the market via its financing company HeidelbergCement Finance B.V. The bond, with a term that runs until 4 January 2018, was very well accepted by the private investors at whom the offer was aimed. In addition, HeidelbergCement issued two Certificates of Indebtedness with a total volume of EUR 300 million. The proceeds from the bond and Certificates of Indebtedness issues are being used specifically to reduce existing liabilities.

Investments

Investments from continuing operations amounted to EUR 12,404 million (previous year: 493). Investments in tangible fixed assets, which primarily related to maintenance and optimisation measures in our cement plants, accounted for EUR 579 million (previous year: 300) of this total. Investments in financial fixed assets increased to EUR 11,825 million (previous year: 193); this primarily includes the acquisition of 100% of the shares of Hanson PLC.

Employees

In the first nine months, the number of employees at HeidelbergCement, excluding Hanson, rose to 41,787 (previous year: 38,401). The increase of 3,386 employees essentially results from the consolidation of our activities in Georgia and India. The consolidation of Hanson in September increased the number of employees in the Group by 26,996 to a total of 68,783.

Europe-Central Asia achieves high growth rates in Eastern Europe

In the Europe-Central Asia Group area, the pace of economic development accelerated once again in some of the new EU member countries. Construction investments and private consumption are the major growth drivers. Despite the strong euro exchange rate, Germany continued to benefit from exports. The growth of construction investments slowed down as a result of the weak development in residential construction.

Our cement business showed a pleasing upward trend in the first nine months. The countries of Eastern Europe and Central Asia, with the Baltic region, Romania, Kazakhstan and Poland leading the way, achieved significant double-digit growth rates. Our plants in Scandinavia also benefited from the strong domestic demand; in contrast, exports to the U.S. declined noticeably. While cement demand in Germany has weakened further in the past three months, our sales volumes in the United Kingdom increased again slightly in the third quarter.

Overall, our cement and clinker sales volumes in Europe-Central Asia improved by 10.6% to 32.6 million tonnes (previous year: 29.5). Adjusted for consolidation effects – cement activities in Georgia, Doncement in Ukraine and sales volumes of blast furnace slag in the United Kingdom by Hanson – the growth amounted to 4.3%. Deliveries of ready-mixed concrete and aggregates also showed the strongest increase in the countries of Eastern Europe; the Northern European and the Benelux countries also achieved pleasing growth. The consolidation of the Hanson activities in Germany, Austria, the Benelux countries, the United Kingdom, Spain, the Czech Republic and Israel for the month of September led to a considerable increase in volumes in both operating lines, particularly in aggregates: Overall, sales volumes of ready-mixed concrete rose by 13.3% to 11.3 million cubic metres (previous year: 10.0), while sales volumes of aggregates increased by 34.0% to 55.0 million tonnes (previous year: 41.0).

The turnover of the Europe-Central Asia Group area grew by 25.3% to EUR 3,858 million (previous year: 3,080).

Turnover by business lines January to September 2007

Europe-Central Asia		
EURm	2006	2007
Cement	1,991	2,414
Aggregates and concrete	1,189	1,465
Building products	104	203
Intra Group eliminations	-203	-225
Total	3,080	3,858

Excellent positioned in North America

In the US, the decline in residential construction investments continued, albeit at a slower pace, while commercial construction experienced a heavy increase once again. Positive contributions are expected from the multi-year infrastructure/road construction programme. The overall development in North America varies considerably from region to region. Canada remains on course for growth and the East coast is also largely stable; in the southern US, particularly in Florida and California, construction activity decreased markedly.

The inclusion of Hanson's North American locations for the first time in September 2007 has decisively strengthened HeidelbergCement's market position in this Group area. The aggregates and other downstream activities of Hanson such as ready-mixed concrete, asphalt, concrete products, bricks and concrete roof tiles form an ideal complement to the cement business of our subsidiary Lehigh in all market regions.

After a decline of 6.2% in the first half of the year, the cement and clinker sales volumes of our North American plants were 2.4% below the previous year at 11.2 million tonnes (previous year: 11.4) as at the end of September. Excluding Hanson's cement activities in California, the decline amounted to 4.3%. While sales volumes in Canada increased slightly again during the reporting period, deliveries from our plants in the US remained below the previous year's level as a result of the weak residential construction and adverse weather conditions. In order to ensure that our plants continue to be fully utilised, we have significantly reduced imports from other Group areas. The advantages of our geographical positioning are also reflected in the sales volumes of ready-mixed concrete and aggregates. Including Hanson's activities, a marked increase of 76% was recorded in deliveries of aggregates, which amounted to 38.9 million tonnes (previous year: 22.1); sales volumes of ready-mixed concrete rose by 4.9% to 7.2 million cubic metres (previous year: 6.9). Even excluding Hanson, figures slightly exceeded the previous year's level in both operating lines.

The North America Group area improved its turnover in US dollars by 19.8%. On a euro basis, turnover increased by 10.9% to EUR 2,090 million (previous year: 1,884).

North America		
EURm	2006	2007
Cement	1,089	1,008
Aggregates and concrete	942	1,107
Building products		128
Intra Group eliminations	-147	-153
Total	1,884	2,090

Asia-Australia-Africa-Mediterranean		
EURm	2006	2007
Cement	906	1,110
Aggregates and concrete	62	174
Building products		9
Intra Group eliminations	-24	-26
Total	945	1,266

Asia-Australia-Africa-Mediterranean continues its strong growth

The economies of the emerging countries in the Asia-Australia-Africa-Mediterranean Group area, particularly China and India, are still experiencing above-average growth. Clearly positive signals are also emerging from the construction sector in Australia, our new market.

Overall, the cement and clinker sales volumes of the Asia-Australia-Africa-Mediterranean Group area grew by 21.8% to 21.7 million tonnes (previous year: 17.8) by the end of September. Excluding the consolidation effect from the inclusion of our activities in India, the increase amounted to 8.8%. Thanks to the strong domestic demand, our Turkish joint venture Akçansa achieved the highest increase in sales volumes with 12.7%. In Indonesia, our subsidiary Indocement also benefited from another marked rise in construction activity. Pleasing increases in sales volumes were also achieved in China, particularly at our plants in the Southern Chinese province of Guangdong. In Africa, we recorded strong growth, particularly in Tanzania, Togo and Ghana; our African subsidiaries achieved an overall increase of 12.6% in sales volumes. As part of the reorientation of the Group, we have sold our participations in the Cement Company of Northern Nigeria in Nigeria and Société Nigérienne de Cimenterie in Niger, as it was not possible to build up a leading market position in either country. The closing of the transaction is expected to take place at the end of 2007.

The consolidation of Hanson's activities in Malaysia, Hong Kong and, in particular, Australia for the first time is helping to significantly strengthen the aggregates-concrete business line in this Group area. HeidelbergCement now operates in the aggregates business in this part of the world. Sales volumes of ready-mixed concrete rose by 62% to 2.7 million cubic metres (previous year: 1.7); even excluding deliveries of ready-mixed concrete by Hanson, the growth amounted to 13%.

The turnover of the Asia-Australia-Africa-Mediterranean Group area was 34.1% above the previous year at EUR 1,266 million (previous year: 945).

Group Services

The trade volume of our subsidiary HC Trading decreased by 8.5% to 8.8 million tonnes (previous year: 9.6) in the first nine months. Cement deliveries in particular showed a noticeable decline, while clinker trading increased.

As a result of the significant increase in turnover achieved by our subsidiary HC Fuels, which is responsible for purchasing fossil fuels, the total turnover of the Group Services business unit rose by 7.0% to EUR 517 million (previous year: 484).

Prospects

The high dynamics of the global economy are weakening slightly. Development in the emerging countries and in most Eastern European countries remains strong. In North America, the situation on the construction markets continues to be varied: Weak residential construction is counterbalanced by solid commercial and public construction. The devaluation pressure on the US dollar remains high.

HeidelbergCement will consistently continue to reduce its existing liabilities. To do this, we will use a combination of different capital market instruments, particularly bonds and Certificates of Indebtedness. In addition, we are also considering a further cash capital increase.

Because of our geographical positioning, which comprises a good mix of growing and mature markets, even in North America, we are confident of achieving the planned improvements in turnover and results. The rapid integration of Hanson will allow us to exploit further potential for synergy and increasing efficiency.

Group profit and loss accounts

Group profit and loss accounts EUR '000s	July - September		January - September	
	2006 ²⁾	2007	2006 ²⁾	2007
Turnover	2,220,600	3,092,423	5,935,486	7,254,115
Change in stocks and work in progress	-11,101	-3,801	-29,878	11,683
Own work capitalised	338	-45	975	606
Operating revenues	2,209,837	3,088,577	5,906,583	7,266,404
Other operating income	45,559	60,061	119,639	143,039
Material costs	-851,443	-1,100,217	-2,320,573	-2,762,467
Employees and personnel costs	-307,027	-429,614	-926,106	-1,071,863
Other operating expenses	-522,848	-751,841	-1,486,472	-1,854,204
Operating income before depreciation (OIBD)	574,078	866,966	1,293,071	1,720,909
Depreciation of tangible fixed assets	-110,670	-147,766	-333,115	-369,942
Amortisation of intangible assets	-2,341	-3,597	-6,581	-8,181
Operating income	461,067	715,603	953,375	1,342,786
Additional ordinary result	111	82,741	60,977	911,943
Results from associated companies ¹⁾	62,955	38,100	147,874	141,475
Results from other participations	9,024	-638	6,713	1,495
Earnings before interest and income taxes (EBIT)	533,157	835,806	1,168,939	2,397,699
Interest and similar income	8,179	30,789	20,754	61,317
Interest and similar expenses	-73,718	-172,804	-191,318	-314,592
Foreign currency exchange gains and losses	205	-1,019	3,940	-4,972
Financial result on puttable minorities		-2,614		-6,852
Profit before tax	467,823	690,158	1,002,315	2,132,600
Taxes on income	-136,475	-190,298	-315,757	-370,955
Net income from continuing operations	331,348	499,860	686,558	1,761,645
Net income from discontinued operations	43,962	59,386	103,858	139,577
Profit for the financial year	375,310	559,246	790,416	1,901,222
Minority interests	-30,141	-33,230	-69,765	-72,522
Group share in profit	345,169	526,016	720,651	1,828,700
Earnings per share in EUR (IAS 33)				
- Earnings per share - group share in profit	2.99	4.36	6.23	15.56
- Earnings per share - continuing operations	2.87	4.14	5.94	14.98
- Earnings per share - discontinued operations	0.38	0.50	0.90	1.19

¹⁾ Net result from associated companies

50,456

33,962

120,220

124,009

²⁾ Figures have been adjusted following the presentation of maxit Group as discontinued operation (IFRS 5) and are therefore not comparable with those presented in 2006

Group cash flow statement

Group cash flow statement EUR '000s	January - September	
	2006 ²⁾	2007
Operating income before depreciation (OIBD)	1,293,071	1,720,909
Additional ordinary result before depreciation	60,059	910,849
Dividends received	34,513	22,912
Interest paid	-166,176	-305,727
Taxes paid	-244,355	-246,180
Elimination of non-cash items	35,242	-784,100
Cash flow	1,012,354	1,318,663
Changes in operating assets	-361,490	-265,943
Changes in operating liabilities	18,539	-120,466
Cash flow from operating activities - continuing operations	669,403	932,254
Cash flow from operating activities - discontinued operations	69,274	80,227
Cash flow from operating activities	738,677	1,012,481
Intangible assets	-1,584	-37,063
Tangible fixed assets	-297,856	-541,728
Financial fixed assets	-193,780	-11,825,463
Investments (cash outflow)	-493,220	-12,404,254
Proceeds from fixed asset disposals	112,255	1,549,902
Cash from changes in consolidation scope	7,238	484,201
Cash flow from investing activities - continuing operations	-373,727	-10,370,151
Cash flow from investing activities - discontinued operations	-74,371	-10,406
Cash flow from investing activities	-448,098	-10,380,557
Capital increase	374	527,053
Dividend payments - HeidelbergCement AG	-132,938	-144,508
Dividend payments - minority shareholders	-27,525	-26,317
Proceeds from bond issuance and loans	219,545	11,603,292
Repayment of bonds and loans	-372,590	-1,839,939
Cash flow from financing activities - continuing operations	-313,134	10,119,581
Cash flow from financing activities - discontinued operations	7,056	-61,582
Cash flow from financing activities	-306,078	10,057,999
Net change in cash and cash equivalents - continuing operations	-17,458	681,684
Net change in cash and cash equivalents - discontinued operations	1,959	8,239
Net change in cash and cash equivalents	-15,499	689,923
Effect of exchange rate changes	-3,050	-15,542
Cash and cash equivalents at 1 January	316,816	218,839
Reclassification of cash from discontinued operations	-13,752	-23,018
Cash and cash equivalents at 30 September ¹⁾	284,515	870,202

¹⁾ In the balance sheet, the item "Securities and similar rights" also lists the market value of hedging transactions and the "available for sale financial assets" amounting to: EUR 60.6 million (previous year: 80.1)

²⁾ Figures have been adjusted following the presentation of maxit Group as discontinued operation (IFRS 5) and are therefore not comparable with those presented in 2006

Group balance sheet

Assets	31 Dec. 2006	30 Sept. 2007
EUR '000s		
Long-term assets		
Intangible assets	2,802,535	11,749,902
Tangible fixed assets		
Land and buildings	2,048,053	4,225,041
Plant and machinery	2,916,338	4,121,208
Fixtures, fittings, tools and equipment	197,138	223,979
Payment on account and assets under construction	379,799	1,010,009
	5,541,328	9,580,237
Financial fixed assets		
Shares in associated companies	850,561	479,835
Shares in other participations	234,493	176,187
Loans to participations	32,052	99,784
Other loans	45,416	26,575
	1,162,522	782,381
Fixed assets	9,506,385	22,112,520
Deferred taxes	132,829	122,450
Other long-term receivables	75,932	465,640
Long-term tax assets		23,300
	9,715,146	22,723,910
Short-term assets		
Stocks		
Raw materials and consumables	504,088	650,540
Work in progress	91,095	124,975
Finished goods and goods for resale	283,881	716,981
Payments on account	16,970	29,220
	896,034	1,521,716
Receivables and other assets		
Short-term financial receivables	100,818	137,687
Trade receivables	1,024,255	2,361,405
Other short-term operating receivables	291,497	531,614
Current income tax assets	56,516	95,902
	1,473,086	3,126,608
Short-term investments and similar rights	19,261	63,525
Cash at bank and in hand	214,919	867,247
	2,603,300	5,579,096
Assets held for sale		
Non-current assets/ disposal groups held for sale		61,286
Assets: Discontinued operations		1,348,770
		1,410,056
Balance sheet total	12,318,446	29,713,062

¹⁾ Includes puttable minorities with an amount of 78,622 EUR '000s (previous year: 105,974).

Liabilities		
EUR '000s	31 Dec. 2006	30 Sept. 2007
Shareholders' equity and minority interests		
Subscribed share capital	346,974	360,000
Capital reserves	2,462,144	2,976,171
Revenue reserves	2,845,682	4,477,862
Currency translation	-303,455	-668,942
Company shares	-2,934	
Capital entitled to shareholders	5,348,411	7,145,091
Minority interests	479,511	533,143
	5,827,922	7,678,234
Long-term provisions and liabilities		
Provisions		
Provisions for pensions	678,906	741,168
Deferred taxes	506,583	996,680
Other long-term provisions	459,597	941,469
	1,645,086	2,679,317
Liabilities		
Debenture loans	748,207	1,909,139
Bank loans	694,061	11,959,240
Other long-term financial liabilities	475,307	404,995¹⁾
	1,917,575	14,273,374
Other long-term operating liabilities	13,327	173,685
Long-term tax liabilities		101,210
	1,930,902	14,548,269
	3,575,988	17,227,586
Short-term provisions and liabilities		
Provisions		
	143,762	286,171
Liabilities		
Debenture loans (current portion)	672,400	201,886
Bank loans (current portion)	437,943	936,289
Other short-term financial liabilities	392,869	656,067¹⁾
	1,503,212	1,794,242
Trade payables	657,362	1,011,884
Current income taxes payables	72,646	246,060
Other short-term operating liabilities	537,554	1,070,427
	2,770,774	4,122,613
	2,914,536	4,408,784
Liabilities/provisions associated with assets held for sale		
Liabilities included in disposal groups		26,736
Liabilities: Discontinued operations		371,722
		398,458
Balance sheet total	12,318,446	29,713,062

Statement of recognised income and expense

Statement of recognised income and expense		January - September	
EUR '000s			
		2006	2007
IAS 39 Financial Instruments: Recognition and Measurement	12,082		-47,101
IAS 19 Employee Benefits			-2,391
Currency translation	-141,921		-383,707
Other consolidation adjustments	4,353		-1,687
Income and expense directly recognised in equity	-125,486		-434,886
Profit for the financial year	790,416		1,901,222
Total earnings for the period	664,930		1,466,336
Part of minorities	37,460		55,135
Part of shareholders HeidelbergCement AG	627,470		1,411,201

Group equity capital grid / notes

Group equity capital grid / notes EUR '000s	Subscribed share capital	Capital reserves	Revenue reserves	Currency translation	Company shares	Capital entitled to shareholders	Minority interests	Total
1 January 2006	296,065	2,512,679	1,999,286	-174,938	-2,936	4,630,156	427,709	5,057,865
Profit for the financial year			720,651			720,651	69,765	790,416
Capital increase								
from issuance of new shares	19	355				374		374
out of revenue reserves	50,890	-50,890						
Issuance of company shares					2	2		2
Dividends			-132,938			-132,938	-29,243	-162,181
Changes without effects on results								
Consolidation adjustments			4,353			4,353	38,747	43,100
IAS 39 Financial instruments: Recognition and Measurement			12,979			12,979	-897	12,082
Exchange rate				-110,513		-110,513	-31,408	-141,921
30 September 2006	346,974	2,462,144	2,604,331	-285,451	-2,934	5,125,064	474,673	5,599,737
1 January 2007	346,974	2,462,144	2,845,682	-303,455	-2,934	5,348,411	479,511	5,827,922
Profit for the financial year			1,828,700			1,828,700	72,522	1,901,222
Capital increase								
from issuance of new shares	13,181	514,027				527,208		527,208
Withdrawal of company shares	-155				2,934	2,779		2,779
Dividends			-144,508			-144,508	-28,830	-173,338
Changes without effects on results								
Consolidation adjustments			-1,687			-1,687	27,327	25,640
IAS 19 Employee Benefits			-2,391			-2,391		-2,391
IAS 39 Financial instruments: Recognition and Measurement			-47,934			-47,934	833	-47,101
Exchange rate				-365,487		-365,487	-18,220	-383,707
30 September 2007	360,000	2,976,171	4,477,862	-668,942		7,145,091	533,143	7,678,234

Segment reporting / notes

Group areas January to September 2007 (Primary reporting format under IAS 14 No. 50 ff.)				
EURm	Europe-Central Asia		North America	
	2006	2007	2006	2007
External turnover	3,002	3,793	1,884	2,090
Inter-area turnover	79	65		
Turnover	3,080	3,858	1,884	2,090
Change to prior year in %		25.3 %		10.9 %
Operating income before depreciation (OIBD)	664	960	418	470
in % of turnover	21.5 %	24.9 %	22.2 %	22.5 %
Depreciation	207	222	74	88
Operating income	457	738	344	382
in % of turnover	14.8 %	19.1 %	18.3 %	18.3 %
Results from participations	132	94	5	29
Total additional ordinary result				
Earnings before interest and income taxes (EBIT)	589	833	350	411
Investments ¹⁾	144	252	103	165
Employees End of Month ²⁾	22,416	31,663	6,127	19,835

¹⁾ Investments = in the segment columns: tangible and intangible fixed asset investments; in the reconciliation column: financial fixed asset investments

²⁾ Including employees of Hanson Group as of end of month = 26.996

Asia-Australia- Africa-Mediterranean		Group Services		Reconciliation		Continuing Operations		Discontinued Operations	
2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
881	1,203	170	168			5,935	7,254	921	1,020
64	63	314	349	-457	-477			0	0
945	1,266	484	517	-457	-477	5,935	7,254	921	1,020
	34.1%		7.0%				22.2%		10.8%
197	282	14	8			1,293	1,721	171	194
20.8%	22.3%	3.0%	1.6%			21.8%	23.7%	18.5%	19.0%
59	68	1	1			340	378	39	28
138	215	14	8			953	1,343	132	166
14.6%	16.9%	2.9%	1.5%			16.1%	18.5%	14.3%	16.3%
17	19					155	143	-8	2
				61	912	61	912	0	2
155	234	14	8	61	912	1,168	2,398	124	169
53	162			193	11,826	493	12,405	81	44
9,810	17,228	48	56			38,401	68,783	5,025	5,192

Notes to the interim report

Accounting and consolidation principles

The Group's quarterly accounts as of 30 September 2007 were prepared according to the International Financial Reporting Standards (IFRS) for interim reporting as applicable in the European Union.

The same accounting and valuation methods were applied as in the preparation of the Group annual accounts as of 31 December 2006, as well as IAS 34 "Interim Financial Reporting". In the quarterly accounts as of 30 September 2007, maxit Group is shown as a "discontinued operation" in accordance with IFRS 5. The previous year's values have been adjusted accordingly.

Results from participations comprise both income from other participations and amounts written off financial fixed assets.

Segment reporting

The Hanson Group, included in the Group annual accounts for the first time, has been integrated into the segment reporting of the HeidelbergCement Group according to the regional structure and the structure of the business lines.

Seasonal nature of the business

Regional weather conditions are reflected in HeidelbergCement's production and sales position.

Changes in the consolidation scope

Companies consolidated at equity

The participation in Vicat S.A., which was included in the Group annual accounts as an associated company, was sold on 18 June 2007 for a price of EUR 1.4 billion.

Fully consolidated companies

The coming into effect of the scheme of arrangement on 23 August 2007 completed the acquisition of 100% of the shares in the British building materials manufacturer Hanson Limited. Since 17 May 2007, Hanson Limited had been included in the Group annual accounts according to the equity method with a percentage of 27.6%.

Other additions to the consolidation scope in comparison with 31 December 2006 primarily occurred in the Europe-Central Asia Group area. The following table summarises the changes:

Additions of fully consolidated companies			Acquisition Costs	Preliminary Goodwill	Included since
Country / Company	Domicile	%	EURm	EURm	
United Kingdom / Hanson Group					
Hanson Limited (Subgroup)	London	100.00	11,661.3	9,440.7	27 Aug.
Germany					
Heidelberger Beton Rhein-Nahe GmbH & Co. KG	Idar-Oberstein	74.00	1.1		1 May
KG Andresen Grundstücksverwaltungs GmbH & Co. KG	Damsdorf	100.00	0.2		1 July
Kieswerke Andresen GmbH	Damsdorf	100.00	3.5	1.6	1 July
Georgia					
CaucasusCement Holding B.V.	's-Hertogenbosch, NL	75.00	71.6		1 Feb.
Limited Liability Company SaqCementi	Manglisi	100.00	90.9	70.8	1 Feb.
Limited Liability Company RustavCementi	Rustavi	100.00	4.6		1 Feb.
Latvia					
Baltik Saule	Riga	71.00	3.1	1.7	1 Jan.
Poland					
Bialostockie Kopalnie Surowców Mineralnych Sp. z o.o.	Bialostockie	99.17	2.6	1.6	1 Jan.
Russia					
Open Joint Stock Company Gurovo-Beton	Novogurovsky	80.14	7.3	5.0	1 Jan.
Ukraine					
Limited Liability Company "Rybalski Quarry"	Dnipropetrovsk	100.00	5.3	4.7	1 Jan.
Indonesia					
PT Gunung Tua Mandiri	Kabupaten Bogor	51.00	3.5	1.0	31 July

In accordance with IFRS 3.61 ff., the acquired assets and liabilities of the companies consolidated for the first time are included in the Group annual accounts of HeidelbergCement AG on the basis of provisional information.

The goodwill comprises market shares purchased that cannot be assigned to any other determinable and separable intangible fixed assets.

The formerly fully consolidated Swedish companies Reci Industrie AB, Danderyd, and Millfill AB, Örebro, left the consolidation scope following their sale.

The opening balance sheet values and the turnover and results from the period from 1 January to 30 September 2007 of companies acquired and included for the first time in the Group annual accounts (Business Combinations) are as follows, in accordance with IFRS 3.67 ff.:

Assets	Hanson	Others	30 Sept. 2007
EUR '000s	Group		Total
Long-term assets			
Intangible assets	85,712	6,717	92,429
Tangible fixed assets	4,601,670	31,026	4,632,696
Financial fixed assets	256,918	1,301	258,219
Fixed assets	4,944,300	39,044	4,983,344
Deferred taxes	2,476	179	2,655
Other long-term receivables	520,148	133	520,281
	5,466,924	39,356	5,506,280
Short-term assets			
Stocks	733,028	6,888	739,916
Receivables and other assets	1,535,597	10,396	1,545,993
Cash at bank and in hand	482,867	864	483,731
	2,751,492	18,148	2,769,640
Balance sheet total	8,218,416	57,504	8,275,920

Liabilities	Hanson	Others	30 Sept. 2007
EUR '000s	Group		Total
Shareholders' equity and minority interests	2,288,418	29,655	2,318,073
Long-term provisions and liabilities			
Provisions	1,235,350	6,554	1,241,904
Liabilities	2,327,922	8,141	2,336,063
	3,563,272	14,695	3,577,967
Short-term provisions and liabilities			
Provisions	147,265	864	148,129
Liabilities	2,219,461	12,290	2,231,751
	2,366,726	13,154	2,379,880
Balance sheet total	8,218,416	57,504	8,275,920

Turnover and result of the companies consolidated for the first time in the first nine months of 2007			
EUR '000s	Hanson Group	Others	Total
Turnover	673,436	73,512	746,948
Profit for the financial year	68,229	15,996	84,224
Minority interests	-239	-3,124	-3,363
Group share in profit	67,989	12,872	80,861

Assuming that the companies had been consolidated for the first time on 1 January 2007, the Group turnover would have been EUR 4,219 million higher and the profit for the financial year EUR 176 million higher.

For reasons of materiality, we refrained from individual disclosures for the other companies (IFRS 3.68).

Discontinued operation and disposal groups

On 6 August 2007, HeidelbergCement signed an agreement for the sale of maxit Group with the French building materials manufacturer Saint Gobain. The sale price is EUR 2,125 million. The transaction is expected to be completed by the end of 2007, subject to approval by the competition authorities. maxit Group, which until now has formed an independent segment, is summarised separately in the profit and loss accounts, in the cash flow statement, in the Group balance sheet and in the segment reporting as a discontinued operation in accordance with IFRS 5.

In addition, HeidelbergCement has signed an agreement for the sale of the participations in the African companies Cement Company of Northern Nigeria in Nigeria and Société Nigérienne de Cimenterie in Niger with the private Nigerian company Damnaz Cement Company Limited. The transaction is expected to be completed by the end of 2007. The assets and liabilities of these companies are shown in the balance sheet as disposal groups in accordance with IFRS 5.

The discontinued business line and the long-term assets and liabilities held for sale developed as follows:

Post-tax profit or loss of discontinued operations		
EUR '000s	2006	2007
Revenue	926,171	1,048,751
Expenses	-803,832	-886,870
	122,339	161,881
Income tax expense	-18,481	-22,304
Post-tax profit	103,858	139,577

Non-current assets and liabilities held for sale	
EUR '000s	2007
Intangible assets	415,164
Tangible assets	492,338
Other long-term assets	28,140
Inventories	156,407
Cash and cash equivalents	25,197
Other short-term assets	292,810
Non-current assets held for sale	1,410,056
Provisions for pensions	30,203
Other long-term provisions	88,043
Long-term liabilities	11,594
Short-term provisions	8,283
Short-term liabilities	260,335
Liabilities held for sale	398,458
Cumulative expenses recognised directly in equity	-3,779

Turnover development by Group areas and business lines January to September 2007

EURm	Cement		Aggregates and concrete		Building products		Intra Group eliminations		Total	
	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007
Europe-Central Asia	1,991	2,414	1,189	1,465	104	203	-203	-225	3,080	3,858
North America	1,089	1,008	942	1,107		128	-147	-153	1,884	2,090
Asia-Australia-Africa- Mediterranean	906	1,110	62	174		9	-24	-26	945	1,266
Total	3,985	4,532	2,193	2,746	104	340	-374	-404	5,908	7,214
Group Services									484	517
Inter-area turnover									-457	-477
Continuing operations									5,935	7,254

Exchange rates		Exchange rates at		Average exchange rates	
		31 Dec. 2006	30 Sept. 2007	01-09/2006	01-09/2007
	Land	EUR	EUR	EUR	EUR
USD	US	1.3196	1.4271	1.2454	1.3445
CAD	Canada	1.5373	1.4147	1.4100	1.4860
CNY	China	10.3015	10.7097	9.9723	10.3052
GBP	Great Britain	0.6737	0.6972	0.6846	0.6766
GEL	Georgia	2.2544	2.3603	2.2209	2.2594
HRK	Croatia	7.3502	7.2705	7.3130	7.3408
IDR	Indonesia	11,902.79	13,039.41	11,415.75	12,260.03
INR	India	58.2076	56.5845	56.4021	56.1864
KZT	Kazakhstan	167.46	172.58	156.12	165.53
NOK	Norway	8.2248	7.6871	7.9771	8.0644
PLN	Poland	3.8279	3.7701	3.9107	3.8251
RON	Romania	3.3808	3.3373	3.5398	3.2974
SEK	Sweden	9.0331	9.1774	9.2958	9.2338
SKK	Slovakia	34.4442	33.8722	37.6445	33.8777
CZK	Czech Republic	27.4741	27.4945	28.4313	28.0627
HUF	Hungary	251.0803	250.5417	265.2096	250.6954
TRY	Turkey	1.8672	1.7177	1.7806	1.8056

Other disclosures

Besides the cash capital increase on 1 June 2007 totalling EUR 527 million, which was subscribed to without subscription rights by VEM Vermögensverwaltung GmbH, belonging to the Merckle group, no reportable transactions with affiliated companies or persons took place in the reporting period beyond normal business relations.

Events after the balance sheet date

Bond issue of EUR 480 million

In October 2007, HeidelbergCement placed a euro bond of EUR 480 million on the market via its financing company HeidelbergCement Finance B.V. The bond's term runs until 4 January 2018 and the issue price is 94 % with an interest coupon of 5.625 %.

Certificates of Indebtedness

In addition, HeidelbergCement Finance B.V. issued two Certificates of Indebtedness with a total volume of EUR 300 million. The interest is 5.71 % p.a. for a loan amount of EUR 200 million and 6 % p.a. for a loan amount of EUR 100 million. The Certificates of Indebtedness must be repaid on 16 October 2012 and 16 October 2014 respectively. The proceeds from the bond and Certificates of Indebtedness issues are being used specifically to reduce existing liabilities.

Heidelberg, 6 November 2007

HeidelbergCement AG

The Managing Board

Financial calendar

First overview of the financial year 2007	January 2008
Press and analysts' conference on annual accounts	17 March 2008
Interim report January to March 2008	8 May 2008
Annual General Meeting 2008	8 May 2008

HeidelbergCement AG

Berliner Strasse 6

69120 Heidelberg, Germany

www.heidelbergcement.com