Interim Financial Report January to September 2015

HEIDELBERGCEMENT

- **Group revenue up by 8 % to €10.1 billion (previous year: 9.3; like-for-like[1] +0.4 %)**
- **Operating income before depreciation (OIBD) rose by 15 % to €1,916 million (previous year: 1,663; like-for-like[1] +7 %)**
- **Double-digit increase in OIBD in North America, Western and Northern Europe and Africa-Mediterranean Basin**
- **OIBD margin significantly increased from 17.9 % to 19.0 %**
- **Earnings per share up by 38 % to €3.34 (previous year: 2.42)**
- **Further reduction in net debt to €6.0 billion**
- **Clear increase in ROIC to 6.9 % since the beginning of the year (Dec. 2014: 6.2 %)**
- **Development of results confirms positive outlook for 2015:**
  - **Significant rise in operating income and profit for the financial year[2]; in the results, lower increase in revenue is compensated by decrease in energy costs**
  - **Generation of cost of capital**
  - **HeidelbergCement is well positioned: important contributions come from the USA and United Kingdom**

1) Adjusted for currency and consolidation effects; 2) Adjusted for non-recurring items

Overview January to September 2015	July - September		January - September	
€m	2014[1]	2015	2014[1]	2015
Revenue	3,490	**3,606**	9,306	**10,076**
Result from joint ventures	53	**58**	128	**146**
Operating income before depreciation (OIBD)	803	**865**	1,663	**1,916**
OIBD margin in %	23.0 %	**24.0 %**	17.9 %	**19.0 %**
Operating income	627	**675**	1,154	**1,347**
Additional ordinary result	-5	**-11**	6	**0**
Result from participations	13	**24**	17	**33**
Earnings before interest and income taxes (EBIT)	635	**688**	1,177	**1,379**
Profit before tax	484	**546**	723	**953**
Net income from continuing operations	381	**472**	529	**736**
Net income/loss from discontinued operations	36	**48**	70	**27**
Profit for the period	417	**520**	599	**762**
Group share of profit	368	**479**	454	**628**
Investments	283	**225**	702	**631**

1) Amounts were restated (see Notes on page 25)

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 2015

Economic environment

The recovery of the global economy is continuing, albeit at a slower pace than expected. The weaker growth of large emerging countries has a negative impact on global economic output. The national economies of Asia remain on a growth trajectory, but the economic dynamics have noticeably weakened. The African countries south of the Sahara are continuing to experience solid economic development. In Europe, the economy benefits from the low oil price. In the USA, economic recovery is continuing after the first-quarter setback caused by the winter.

Stable development of sales volumes due to market recovery in North America and the United Kingdom as well as growth in Africa

The continued recovery of the construction industry in North America and the United Kingdom as well as the ongoing solid demand in Africa contributed to an overall stable development of sales volumes in the first nine months of 2015. The Group's cement and clinker sales volumes declined slightly by 1.1 % to 60.6 million tonnes (previous year: 61.3). Cement sales volumes in Africa increased, in particular in Togo, where a new clinker plant was commissioned at the end of last year. North America recorded a slight increase in sales volumes despite the bad weather in Texas and the unfavourable timing of building projects in Florida. In the United Kingdom, the positive development in residential construction as well as large infrastructure projects in the London area led to a significant rise in cement demand. In the Western and Northern Europe Group area, however, total cement volumes were slightly below the previous year's level. In the Eastern Europe-Central Asia and Asia-Pacific Group areas, cement deliveries also remained under the previous year.

The Group's deliveries of aggregates amounted to 186.0 million tonnes (previous year: 180.8), an increase of 2.9 %. Higher sales volumes, particularly in the North America and Eastern Europe-Central Asia Group areas, contributed to this development. Ready-mixed concrete volumes rose by 0.3 % to 27.1 million cubic metres (previous year: 27.0). Asphalt sales volumes declined marginally by 0.4 % to 6.9 million tonnes (previous year: 6.9).

Sales volumes	July - September			January - September		
	2014 [1]	2015	Change	2014 [1]	2015	Change
Cement and clinker (million tonnes)	22.5	**21.8**	-3.2 %	61.3	**60.6**	-1.1 %
Aggregates (million tonnes)	72.1	**72.6**	0.6 %	180.8	**186.0**	2.9 %
Ready-mixed concrete (million cubic metres)	9.8	**9.7**	-1.0 %	27.0	**27.1**	0.3 %
Asphalt (million tonnes)	3.1	**2.9**	-7.6 %	6.9	**6.9**	-0.4 %

1) Amounts restated

Relevant Changes in Accounting

At the end of December 2014, HeidelbergCement signed an agreement with the financial investor Lone Star Funds on the sale of the building products business line in North America and the United Kingdom. In accordance with IFRS 5, this business line is no longer included in the figures for continuing operations as of the 2014 consolidated financial statements (income statement, statement of cash flows), but shown separately under the heading of discontinued operations. In this respect, we have also made a slight change to the division of the business lines within the geographical Group areas. The business lines of our core activities cement and aggregates remain unchanged. Here we report on the essential raw materials that are required for the manufacture of downstream ready-mixed concrete and asphalt activities, which are combined in the third business line. The fourth business line, service-joint ventures-other, primarily covers the activities of our joint ventures. It also includes the building products that are still manufactured in a few countries. Another change, which was also applied during the preparation of the 2014 consolidated financial statements, relates to the retrospective reclassification of Cement Australia, which was previously included in the consolidated financial statements as a joint operation but is now included as a joint venture under IFRS 11 (Joint Arrangements). The reclassification takes place on the basis of a tentative agenda decision of the IFRS Interpretations Committee (IFRIC) in November 2014, which was confirmed by the IFRIC in March 2015.

Development of revenue and results
Group revenue for the period of January to September 2015 rose by 8.3 % to €10,076 million (previous year: 9,306). Excluding consolidation and exchange rate effects, the increase amounted to 0.4 %. This primarily reflects the pleasing development of sales volumes in the aggregates business line. Positive exchange rate effects of €674 million as a result of the weakening of the euro against numerous currencies and changes to the scope of consolidation of €52 million also had a favourable impact on the development of revenue. Changes in inventories improved by €19 million. The increase in revenue and the improved changes in inventories led to a rise of 8.5 % in operating revenue.

In the reporting period, material costs rose by 5.7 % to €4,099 million (previous year: 3,878). This growth primarily related to raw materials and goods purchased for resale; costs of energy declined slightly compared with the previous year. Other operating expenses and income were 6.9 % above the previous year's level at €-2,504 million (previous year: -2,343), largely due to increased third-party repairs and services and higher selling and administrative expenses. Personnel costs rose by €171 million to €1,680 million (previous year: 1,509). Result from joint ventures rose by €18 million to €146 million (previous year: 128), essentially owing to a positive business development of Cement Australia.

Operating income before depreciation (OIBD) grew significantly by 15.2 % to €1,916 million (previous year: 1,663). The increase of €253 million included €131 million as a result of the improvement in operational activity and €109 million of currency effects. Operating income rose by €193 million to €1,347 million (previous year: 1,154).

The additional ordinary result decreased by €6 million to €0 million (previous year: 6).

The financial result improved by €28 million to €-427 million (previous year: -455). The decrease of €72 million in interest expenses is offset by reduced interest income of €15 million, a decline of €19 million in other financial result, which is primarily attributable to interest rate effects from held-for-trading derivatives, as well as increased foreign exchange losses of €10 million, essentially associated with Eastern European currencies.

Profit before tax from continuing operations rose by €230 million to €953 million (previous year: 723). Expenses relating to taxes on income increased by €24 million to €217 million (previous year: 193). Positive effects of €11 million were primarily the result of deferred taxes from the sale of the building products business in North America and the United Kingdom. The Group's effective tax rate is 22.8 % (previous year: 26.7 %).

As a result, net income from continuing operations improved to €736 million (previous year: 529).

At €27 million, net income from discontinued operations was heavily characterised by the Hanson Building Products business line, which was sold on 13 March 2015.

Overall, the profit for the period amounts to €762 million (previous year: 599). The profit attributable to non-controlling interests declined by €10 million to €135 million (previous year: 145). The Group share therefore amounts to €628 million (previous year: 454).

Earnings per share – Group share – in accordance with IAS 33 improved by €0.92 to €3.34 (previous year: 2.42).

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

HeidelbergCement is well on track to earn its cost of capital

Since the beginning of the year, return on invested capital (ROIC) rose from 6.2 % to 6.9 %. ROIC is defined as the ratio of earnings before interest but after tax payments, adjusted for non-recurring items, to the sum of shareholders' equity and net debt. The weighted average cost of capital (WACC) totaled also 6.9 % at the end of 2014. Thanks to the improved result and the linked increase in ROIC, HeidelbergCement is well on track to earn its cost of capital.

Acquisition of Italcementi

On 28 July 2015, HeidelbergCement AG has entered into a purchase agreement with Italmobiliare S.p.A., Italy, for its approximately 45 % shareholding in Italcementi S.p.A. (the "Stock Purchase Agreement") listed on the Milan (Italy) stock exchange. The purchase price (subject to contractual purchase price reductions) amounts to €10.60 per Italcementi share and therefore a total of around €1.67 billion. The purchase price will be partially paid by way of issuing to Italmobiliare S.p.A. at least 7.75 million and at most 10.5 million new no-par value shares in HeidelbergCement AG (this corresponds to at least 3.96 % and at most 5.29 % of the new share capital) resulting from a yet to be carried out capital increase against contributions in kind.

The closing of the Stock Purchase Agreement is subject to, inter alia, approval by the competition authorities, particularly in Europe and in the USA, and is expected to take place during 2016. In the event that the Stock Purchase Agreement is consummated, HeidelbergCement AG or one of its subsidiaries will make a mandatory public cash offer under Italian law to all remaining Italcementi shareholders to acquire their shares at the price provided for by applicable law (the "Mandatory Offer") that as of 28 July 2015 is expected to be equal to €10.60. In case certain price adjustment mechanisms under the Stock Purchase Agreement reduce the price per share paid at the closing of the Stock Purchase Agreement, the same per share reduction will be expected to be applied to the price under the Mandatory Offer.

The acquisition will be financed through a bridge financing provided by a bank consortium. All core banks of HeidelbergCement participated in equal shares in the syndication of the credit line originally provided by Deutsche Bank and Morgan Stanley. At the same time, the financing volume of the bridge financing could be reduced by €600 million from €4.4 billion to €3.8 billion, because the initial risk of a mandatory offer to minority shareholders in Morocco could be excluded. The financing volume could be reduced by further €500 million to €3.3 billion, because some of Italcementi's creditor banks have agreed to waive their change of control clauses. As a consequence, HeidelbergCement will have access to additional credit lines totaling €500 million on a long-term basis also after the takeover. The refinancing needs in the bond market declined by €500 million to around €2.5 billion, correspondingly. The bridge financing is to be repaid by issuing bonds, as well as by operational cashflow and proceeds from streamlining the portfolio. In addition, HeidelbergCement has reduced its target for cash-relevant investments from €1.2 billion to €0.9 billion in accordance with the capex savings announced in the context of the takeover of Italcementi.

Statement of cash flows

In the first nine months from January to September 2015, the cash inflow from operating business activities fell by €115 million to €537 million (previous year: 652) compared with the same period in the previous year. The main reason for this was the higher cash outflow from operating activities of the discontinued operations, which increased by €115 million to €55 million (previous year: cash inflow of 61).

Characteristic of the reporting period under review was the significant increase in cash inflows from the operating business activities of continuing operations before interest and tax payments by €161 million to €1,251 million (previous year: 1,090). Dividends received exceeded the previous year's level at €150 million (previous year: 111) and mainly include payouts received from joint ventures and associates. Changes in working capital, however, decreased by €61 million to €-507 million (previous year: -446), which is largely attributable to the revenue-related rise in trade receivables. Furthermore, provisions amounting to €173 million (previous year: 157) were utilised to a larger extent through payments during the reporting period.

Interest received decreased by €98 million to €70 million (previous year: 168) mainly due to special items from the settlement of interest rate swaps in the third quarter of 2014. In contrast, interest payments remained almost unchanged at €432 million (previous year: 428). At €297 million (previous year: 239), income taxes paid increased by €58 million in comparison with the same period of the previous year.

The sharp rise in cash inflow from investment activities of €769 million (previous year: cash outflow of 603) is largely due to the positive liquidity contribution from discontinued operations of €1,245 million (previous year: 1), which was attributable to the disposal price of the building products business in North America and the United Kingdom (Hanson Building Products) amounting to €1,265 million following the deduction of disposed cash and cash equivalents and ongoing capital spending in the first quarter of 2015. Net cash used in investing activities of continuing operations declined by €128 million to €476 million (previous year: 604). On the one hand, this was due to the lower investments in subsidiaries of €34 million (previous year: 124). This decline essentially results from the successful purchase of an additional 65.98 % of shares in the Cimescaut Group, Tournai, Belgium, as well as the acquisition of 100 % of the shares in Espabel NV, Ghent, Belgium. On the other hand, revenue from the disposal of subsidiaries and other business units rose to €75 million (previous year: 21). This increase is primarily attributable to the disposal of the lime activities in Germany during the third quarter of 2015 as well as a blast furnace slag grinding plant in Scunthorpe, United Kingdom. In contrast, there was an increase in investments in property, plant, and equipment and intangible assets, which at €585 million (previous year: 558) related to optimisation and environmental protection measures as well as expansion investments in our production sites.

The cash outflow from financing activities amounted to €1,539 million (previous year: 293). The cumulative cash outflow of proceeds from and repayments of bonds and loans totalling €798 million (previous year: cash inflow of 447) essentially includes the repayment of a bond amounting to €650 million in the third quarter of 2015. The cash inflow of the previous year resulted primarily from the issue of a bond of €500 million in the first quarter of 2014. The changes in short-term interest-bearing liabilities mainly relate to outflows from the issue of commercial papers. Dividend payments led to an overall cash outflow of €362 million (previous year: 272), with HeidelbergCement AG dividend payments making up €141 million (previous year: 113) of this figure.

Investments

Cash flow investments decreased in the first nine months to €631 million (previous year: 702). 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 €585 million (previous year: 558) of this total. Investments in financial assets and other business units fell to €46 million (previous year: 144); these related primarily to smaller acquisitions to round off shareholdings.

Sale of building products business in North America and the United Kingdom

On 13 March 2015, HeidelbergCement completed the sale that was announced in December 2014 of its building products business in North America (excluding western Canada) and the United Kingdom – referred to as Hanson Building Products – to a subsidiary of Lone Star Funds. Hanson Building Products is a leading manufacturer of pressure and gravity pipes in North America and one of the largest brick producers in North America and the United Kingdom. The sale of Hanson Building Products took place as part of the decision of HeidelbergCement to focus on its core products cement and aggregates, as well as downstream ready-mixed concrete and asphalt activities. On completion of the transaction and following a contractually agreed purchase price adjustment, HeidelbergCement received a payment of €1,265 million in total. An additional payment of up to US$100 million is conditional on the success of the business in 2015 and payable in 2016.

Balance sheet

The balance sheet total declined by €336 million to €27,797 million (previous year: 28,133) as at 30 September 2015.

Non-current assets increased by €650 million to €23,159 million (previous year: 22,509). This increase primarily resulted from exchange rate effects of €402 million. The rise in goodwill by €383 million to €9,988 million (previous year: 9,605) was almost exclusively related to exchange rate effects and changes to the scope of consolidation amounting to €318 million. The change of €110 million in property, plant, and equipment to €9,604 million (previous year: 9,493) was largely attributable to exchange rate effects of €69 million. Additions of €571 million to property, plant, and equipment and disposals of €170 million were offset by depreciation and amortisation of €547 million. Financial assets fell by €61 million to €1,771 million (previous year: 1,832). Additions to participations of €186 million essentially offset both the disposal of participations amounting to €137 million and the exchange rate effects. The decrease in loans and derivative financial instruments mainly relates to the reclassification of non-current loans amounting to €63 million under current assets.

Current assets rose by €394 million to €4,638 million (previous year: 4,244). The increase in trade receivables to €1,569 million (previous year: 1,057) is mainly due to seasonal factors. Cash and cash equivalents fell by €255 million to €973 (previous year: 1,228). The changes are explained in the Statement of cash flows section.

The disposal groups held for sale and discontinued operations, as well as the liabilities associated with the disposal, fell by €1,380 or €222 million to €0 million due to the sale of the building products business in North America and the United Kingdom together with the lime activities in Germany.

On the equity and liabilities side, equity increased by €1,057 million to €15,302 million (previous year: 14,245). This rise is essentially attributable to the total comprehensive income of €1,377 million, which is composed of the €762 million profit for the period, as well as of the considerable currency translation differences of €578 million recognised in other comprehensive income and of the loss of €-36 million of the companies accounted for using the equity method. In the first nine months, dividends totalling €141 million (previous year: 113) were distributed to the shareholders of HeidelbergCement AG and €221 million (previous year: 160) to non-controlling interests.

Interest-bearing liabilities fell by €1,220 million to €7,002 million (previous year: 8,222). The reduction in net debt (interest-bearing liabilities less cash and cash equivalents) of €986 million to €5,970 million (previous year: 6,957) is originally attributable to the achieved purchase price of €1,265 million from the sale of the building products business in North America and the United Kingdom (Hanson Building Products) on 13 March 2015 and the simultaneous seasonal financing of the working capital in the first nine months.

Total provisions decreased by €54 million to €2,392 million (previous year: 2,445). The increase in provisions of €67 million as a result of currency translation was offset by cash-relevant reductions of €98 million in particular.

The rise of €111 million in operating liabilities to €2,667 million (previous year: 2,557) relates primarily to the growth of €184 million in other current operating liabilities to €1,076 million (previous year: 893).

Financing

According to the terms and conditions of all the bonds issued since 2009 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 €2,477 million and the consolidated interest expense of €496 million are calculated on a pro forma basis in accordance with the terms and conditions of the bonds. As at 30 September 2015, the consolidated coverage ratio amounted to 4.99.

The net debt decreased by €1,568 million in comparison with 30 September 2014, amounting to €5,970 million (previous year: 7,538) as at 30 September 2015. The reduction of €987 million in comparison with the end of 2014 is attributable to the achieved purchase price of €1,265 from the sale of the building products business in North America and the United Kingdom (Hanson Building Products) on 13 March 2015 and the simultaneous seasonal increase in working capital.

At the end of March 2015, the Moody's Investors Service rating agency raised the outlook for our credit rating (Ba1/Not Prime) from stable to positive. The change in the outlook is based on the pleasing business development and the decline in net debt in the 2014 financial year, the cash inflow from the sale of the building products business, and the anticipation of a positive economic development in our main markets of North America, United Kingdom, Germany, and Indonesia. Following HeidelbergCement's announcement at the end of July 2015 that it intends to acquire the Italian building materials manufacturer Italcementi, Moody's Investors Service confirmed the rating of HeidelbergCement and changed its outlook from positive to stable.

The available liquidity from cash and cash equivalents, liquidable financial investments and derivative financial instruments, and unused credit lines amounted to €3,816 million as at the end of September 2015.

Western and Northern Europe

The economic recovery in the countries of the Western and Northern Europe Group area is continuing. The German economy is in good shape and benefits in particular from the drop in oil prices and the devaluation of the euro. In Belgium and the Netherlands, the economy is gaining momentum; however, construction activity remained weak in the Netherlands in the current year. While the robust economic development in Sweden benefits construction activity, the economic momentum in Norway weakened due to the fall in oil prices. In the United Kingdom, the economic upturn is continuing with a gross-domestic-product growth of 0.5 % in the third quarter.

In the cement business line, increases in sales volumes in the United Kingdom, Sweden, and Denmark could not fully offset the drop in volumes in the other Group countries. In the United Kingdom, we achieved a significant increase in sales volumes due to the positive development in residential construction and large infrastructure projects in the London area. In Sweden, our cement sales volumes benefited from increasing domestic demand, particularly in residential construction. The restrained demand in commercial construction is reflected in the slight decline in sales volumes of our German plants. In Benelux, our deliveries remained marginally below the previous year as a result of the sustained weak demand in the Netherlands. Deliveries of our Norwegian plants also decreased slightly due to the declining activities in the oil industry. Overall, our cement and clinker sales volumes in the Western and Northern Europe Group area decreased slightly by 1.6 % in the first nine months to 16.0 million tonnes (previous year: 16.3).

In the aggregates business line, sales volumes rose in the United Kingdom, Germany, and the Baltic States, while Sweden, Norway, and Benelux recorded volume losses. The Group area's deliveries of aggregates contracted slightly by 0.7 % to 48.5 million tonnes (previous year: 48.8). Excluding consolidation effects, the decline amounted to 2.2 %.

At 9.6 million cubic metres (previous year: 9.6), our ready-mixed concrete sales volumes rose slightly by 0.7 %. Excluding consolidation effects, a slight decrease of 0.5 % was recorded. Growth in sales volumes in the United Kingdom, Germany, and Sweden offset the volume losses in the other Group countries. In Benelux, ready-mixed concrete deliveries were at the previous year's level. The sales volumes of the asphalt operating line declined slightly by 1.5 %.

At the end of 2014, HeidelbergCement concluded an agreement with the financial investor Lone Star Funds on the sale of the building products business line in North America and the United Kingdom. This transaction was completed on 13 March 2015.

On 31 August 2015, HeidelbergCement completed the disposal of its lime business in Germany to the Belgian Lhoist Group.

On 13 March 2015, HeidelbergCement and the Norwegian KB Gruppen Kongsvinger AS signed an agreement to combine the concrete products activities of their Swedish subsidiaries Abetong AB and AB Contiga. The transaction was concluded on 28 September 2015. The newly formed Nordic Precast Group AB, which is the result of this combination and in which HeidelbergCement holds a 57.6 % stake, operates in Norway, Sweden, Denmark, Germany, Poland, and Latvia.

Revenue of the Western and Northern Europe Group area rose by 4.4 % to €3,122 million (previous year: 2,991); excluding consolidation and exchange rate effects, the increase amounted to 0.4 %.

Eastern Europe-Central Asia

The economic development of the countries in the Eastern Europe-Central Asia Group area presents a mixed picture. In Poland and the Czech Republic, the economic recovery is continuing and is boosting construction activity. The Romanian economy is also continuing to recover, but the construction industry is being adversely affected by the lack of financing for infrastructure projects. In Kazakhstan, the economy slowed down as a result of the low oil price. The conflict in Ukraine is severely impairing the Ukrainian and Russian economies, especially due to the outflow of capital and currency devaluation in both countries. The intensified economic downturn in Russia owing to the low oil price is partially offset by government infrastructural measures.

In the cement business line, the individual Group countries experienced varied development in sales volumes during the first nine months of 2015. While Poland, Russia and Georgia recorded losses in sales volumes and Ukraine a significant volume decline despite an increase in the third quarter, the Czech Republic achieved a light and Kazakhstan a considerable increase in sales volumes. In Kazakhstan, the ramp up of production at the new CaspiCement plant in the west of the country greatly contributed to the rise in sales volumes. In Georgia, our deliveries reached almost the previous year's level. Overall, cement and clinker sales volumes in the Group area decreased by 4.2 % to 12.7 million tonnes (previous year: 13.2) in the first nine months.

In the aggregates business line, our deliveries in the majority of the countries benefited from a significant increase in demand. Growth in sales volumes was recorded in Kazakhstan, Romania, in the Czech Republic and Slovakia. In Poland, our deliveries also increased marginally. In contrast, volumes in Russia and Ukraine remained slightly below the previous year's level. Overall, deliveries of aggregates in the Group area rose by 11.1 % to 16.3 million tonnes (previous year: 14.6). Excluding consolidation effects, the growth amounted to 11.4 %. Deliveries of ready-mixed concrete increased by 14.3 % to 2.4 million cubic metres (previous year: 2.1). While sales volumes in Ukraine decreased, the other Group countries recorded partly strong increases in volumes.

Revenue of the Eastern Europe-Central Asia Group area declined by 7.6 % to €849 million (previous year: 918); excluding consolidation and exchange rate effects, revenue rose by 0.9 %.

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. In the third quarter, however, economic growth slowed to 1.5 %. In September, the unemployment rate was unchanged at 5.1 %. Residential construction is further recovering: Housing starts in September were at an annual rate of 1,206,000. This is 6.5 % above the previous month rate and is 17.5 % above the September 2014 rate. Building permits were 5.0 % below the August rate, but were 4.7 % above the September 2014 rate.

While construction activity in 2014 in North America was significantly hindered by the long, cold winter, particularly in the eastern and northern United States as well as in Canada, the weather conditions in the current year were somewhat better. In the northeastern United States, however, the prolonged snowy winter delayed the start of the construction season, and wet weather impaired construction activity in our important Texas market. The cement sales volumes of our North American plants grew by 1.1 % in the first nine months to 9.3 million tonnes (previous year: 9.2). In the South market region, cement sales volumes were significantly depressed by severe precipitation in Texas and unfavourable timing of large projects in Florida. In the Canada market region, the weak demand from the oil sector was partially offset by higher volumes in British Columbia, Washington and Manitoba. The North and West regions benefited from a robust development in sales volumes. Successfully implemented price increases contributed to an improvement in results in both the United States and in Canada.

In the aggregates business line, our deliveries remained at the previous year's level in Canada and increased slightly in the South region. The North and West regions recorded significant growth in sales volumes. Overall, the aggregates sales volumes rose by 5.5% in the first nine months to 86.7 million tonnes (previous year: 82.1). Furthermore, prices were noticeably above the previous year's level. Ready-mixed concrete sales volumes increased by 1.5% to 4.8 million cubic metres (previous year: 4.8). Excluding consolidation effects, the increase in volumes amounted to 0.8%. Growth in sales volumes in the Canada and West region offset a decline in volumes in the North region. The deliveries of the North region remained at the previous year's level.

Asphalt deliveries rose by 3.3 % to 2.7 million tonnes (previous year: 2.7); both the West region and the North region experienced growth in sales volumes.

At the end of 2014, HeidelbergCement concluded an agreement with the financial investor Lone Star Funds on the sale of the building products business line in North America and the United Kingdom. This transaction was completed on 13 March 2015. As part of an integrated business, the concrete pipes operating line in Western Canada, which has been assigned to the newly defined service-joint ventures-other business line, was excluded from the sales agreement. The cement sales volumes of our joint venture Texas Lehigh Cement remained significantly below the previous year's level due to decreased demand from the oil industry and the wet weather.

Total revenue in North America rose by 24.6 % to €2,803 million (previous year: 2,249); excluding consolidation and exchange rate effects, revenue rose by 5.7 %.

Asia-Pacific

The emerging countries of Asia remain on course for growth, albeit at a subdued manner. The Chinese economy has slowed down noticeable compared to the previous year, but the increase of 6.9 % in gross domestic product in the third quarter was higher than expected. After weak nine months of 2015 in Indonesia and India, an improved economic growth is expected, particularly due to the planned infrastructure investments. In Australia, the economic momentum is weakening due to the weakness of raw materials prices and declining investments in the raw materials sector.

During the first nine months, cement and clinker deliveries of the Asia-Pacific Group area fell by 4.1 % to 17.0 million tonnes (previous year: 17.8). In Indonesia, domestic cement consumption decreased in the first nine months of 2015 in comparison with the previous year due to the economic slowdown as well as delays to government infrastructure projects. Indocement's domestic sales volumes fell by 7.5 %. The higher decrease in volumes of Indocement in comparison with the market as a whole relates to the margin-oriented price policy of our subsidiary. In the first nine months of 2015, Indocement's sales prices were slightly lower than those of the previous year on average. Export deliveries rose by 21 % from a low level. Overall, Indocement's cement and clinker sales volumes declined by 7.2 %. Due to the unabated promising growth prospects in Indonesia, Indocement is continuing to increase its cement capacity with the expansion of the Citeureup plant. The completion of a new integrated production line with a cement capacity of 4.4 million tonnes is expected in the first quarter of 2016.

In India, construction activity and cement demand continued to be adversely affected by the weak demand from infrastructure construction and, in some parts of the country, a shortage of building materials due to legal restrictions relating to the extraction of sand. Deliveries of our Indian cement plants rose by 7.2 % in the first nine months, primarily as a result of the increasing utilisation of our cement capacities in central India. Since we commissioned the new facilities with a capacity of 2.9 million tonnes at our Damoh plant in the state of Madya Pradesh and at our Jhansi plant in the state of Uttar Pradesh in 2013, production has steadily been ramped up. Sales prices were below the previous year's level, but were partially offset by lower variable costs.

In Bangladesh, our cement deliveries decreased slightly due to increased competition. Sales prices were at the previous year's level.

In the aggregates business line, sales volumes in Australia were just slightly below the previous year's level. Noticeable volume losses were recorded in Malaysia and Indonesia. Overall, aggregates shipments decreased by 3.8 % to 26.8 million tonnes (previous year: 27.9). Excluding consolidation effects, the decline amounted to 3.0 %. In the ready-mixed concrete business line, deliveries in Australia recorded an increase, while our sales volumes in Indonesia and Malaysia fell significantly. Overall, deliveries of ready-mixed concrete dropped by 4.1 % to 8.0 million cubic metres (previous year: 8.3). In the asphalt operating line, weak demand in Malaysia led to a decrease in sales volumes of 5.2 %.

In China, the cement deliveries of our joint ventures in the provinces of Guangdong and Shaanxi remained below the previous year. The growth in sales volumes in Guangdong did not offset the decrease in volumes in Shaanxi. Also in Australia, the sales volumes of our joint venture Cement Australia did not quite reach the previous year's level.

Revenue of the Asia-Pacific Group area rose by 1.3 % to €2,059 million (previous year: 2,033); excluding consolidation and exchange rate effects, revenue declined by 4.4 %.

Africa-Mediterranean Basin

The African countries south of the Sahara are continuing to experience solid economic development and lively construction activity. In Ghana, however, the economic development has slowed down noticeably. In Turkey, the economy is being adversely affected by the devaluation of the currency and high inflation. The economy has cooled off considerably; however, economic growth of 3.8 % in the second quarter was higher than expected. In Spain, the economic recovery has continued, but construction activity is still suffering as a result of the property crisis, the only slowly declining high unemployment, and the government's budget cuts; however, an upswing in construction activity, albeit from a very low level, is expected this year for the first time.

In the first nine months of 2015, the cement and clinker sales volumes of the Africa-Mediterranean Basin Group area, which only includes the deliveries from our African subsidiaries, increased by 16.6 % to 5.6 million tonnes (previous year: 4.8). Excluding consolidation effects from the deconsolidation of our activities in Gabon in the previous year, the growth amounted to 17.6 %. At the end of March 2014, we sold our participation in Cimgabon S.A. in Gabon within the framework of portfolio optimisation. In addition to the good demand conditions in most countries, the new production capacities in Tanzania, Togo, and Burkina Faso made a particular contribution to the significant increase in volumes in Africa. In the third quarter of 2014, we commissioned a new cement mill in Tanzania and, at the end of the year, a clinker plant in Togo and a cement grinding plant in neighbouring Burking Faso. The Democratic Republic of Congo also recorded a pleasing increase in sales volumes. In Ghana, our deliveries remained below the previous year as a result of a decline in cement consumption and increasing imports.

In light of the good growth prospects, HeidelbergCement is expanding its activities in Africa. In Togo, HeidelbergCement officially opened its first newly constructed clinker plant in Africa at the start of March 2015. 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. It started production at the end of 2014 and supplies clinker to HeidelbergCement's cement grinding plants in Togo and the neighbouring countries of Benin, Burkina Faso, and Ghana, reducing the need for 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 completion by 2017. At the beginning of March 2015, the cement grinding plant that was completed in Burkina Faso in the fourth quarter of 2014 was officially opened. This plant, which is located near the capital Ouagadougou, has a capacity of 0.8 million tonnes. In Ghana, a new cement mill with a capacity of 0.8 million tonnes was opened at the Takoradi grinding plant at the end of March 2015. After the successful completion of the test runs, we have a cement grinding capacity of 4.4 million tonnes in Ghana. We are also evaluating options for capacity expansions in other African countries.

In the aggregates business line, sales volumes recorded a pleasing increase in Israel. In Spain, our deliveries remained at the previous year's level. Total aggregates sales volumes increased by 1.2 % to 8.3 million tonnes (previous year: 8.2). Excluding consolidation effects, the increase amounted to 2.7 %. In the ready-mixed concrete operating line, both, Israel and Spain recorded slight volume losses. Overall, ready-mixed concrete sales volumes declined by 0.9 % to 2.2 million cubic metres (previous year: 2.3). The asphalt business recorded an increase of 1.3 % in sales volumes.

The service-joint ventures-other business line essentially includes the cement, aggregates, and ready-mix activities of our Turkish joint venture Akçansa. In the reporting period, the cement and clinker sales volumes of Akçansa declined by 4.9 % due to adverse weather conditions in the first quarter. Deliveries of aggregates and ready-mixed concrete also fell short of the previous year's level.

Revenue of the Africa-Mediterranean Basin Group rose by 12.5 % to €764 million (previous year: 679); excluding consolidation and exchange rate effects, revenue rose by 13.5 %.

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 declined by 1.4 % to 11.1 million tonnes in the first nine months (previous year: 11.2). Deliveries of coal and petroleum coke rose by 19.7 % to 4.8 million tonnes (previous year: 4.0).

Revenue of the Group Services business unit rose by 3.5 % to €791 million (previous year: 764); excluding exchange rate effects, revenue declined by 14.8 %.

Employees

At the end of September 2015, the number of employees at HeidelbergCement stood at 46,772 (previous year: 45,939). The increase of 833 employees essentially results from two opposing developments: on the one hand, more than 800 jobs were cut in particular in the Eastern Europe-Central Asia Group area and in Indonesia in connection with efficiency increases in sales and administration as well as location optimisations. On the other hand, the number of employees in Northern Europe rose by around 1,400 due to the merger of our Swedish subsidiary Abetong AB and Contiga AB to form Nordic Precast Group AB. Before consolidation effects, the workforce in the Western and Northern Europe Group area grew by more than 200 employees as a result of the solid market development.

Events after the balance sheet date: Generation change on the Managing Board and new Group areas

In its meeting on 9 October 2015, the Supervisory Board set the course for a generation change on the Managing Board of HeidelbergCement. In the context of the long-term oriented succession planning and the necessary reorganisation of the Group areas due to the intended acquisition of Italcementi, the Managing Board agreements of Daniel Gauthier and Andreas Kern, which will expire on 30 June 2016, will not be extended. At the same time, three new members were appointed to the Managing Board as from 1 February 2016 and a new Managing Board function was created for the Group area Africa-Eastern Mediterranean Basin.

As from 1 February 2016, new members of the Managing Board will be: Hakan Gurdal from Turkey (born in 1968), currently President of the SBU cement of Sabanci Holding, Jon Morrish from the UK (born in 1970), currently Regional President South in North America, and the Australian Kevin Gluskie (born in 1967), currently CEO of Australia as well as Malaysia and Hong Kong. All three have many years of experience in the business lines and international markets of HeidelbergCement.

Due to the increased number of Group countries after the closing of the Italcementi acquisition, Heidelberg-Cement will be divided into five Group areas at Managing Board level:

- Western and Southern Europe (Dr. Dominik von Achten, Heidelberg)
- Northern and Eastern Europe-Central Asia (Dr. Albert Scheuer, Heidelberg)
- Africa-Eastern Mediterranean Basin (Hakan Gurdal, Heidelberg)
- North America (Jon Morrish, Dallas)
- Asia-Pacific (Kevin Gluskie, Singapore)

The areas of responsibility of the Chairman of the Managing Board, Dr. Bernd Scheifele, and Chief Financial Officer, Dr. Lorenz Näger, remain unchanged.

Outlook

In its latest forecast, the International Monetary Fund (IMF) has once again marginally reduced the growth rates for the world economy and now anticipates a slightly lower economic growth of 3.1 % for 2015 compared with the previous year. Nonetheless, the IMF continues to expect a slight acceleration in economic growth in the industrial countries. Aside from the fiscal policy in North America and the euro zone, the drivers behind this development are lower crude oil prices and an improvement in labour market conditions and consumer confidence. In contrast, the growth rate of the emerging countries is expected to weaken. On the one hand, this is because of the declining raw material prices, and on the other hand, the devaluation of local currencies and the increased volatility in the financial markets. The risk factors continue to include the effects of monetary policy measures, particularly those of the US Federal Reserve, on capital flows and exchange rates in the emerging countries, in addition to geopolitical risks related to the political crises and conflicts in the Middle East as well as eastern Ukraine and Russia.

In North America, HeidelbergCement, in conformity with the IMF, expects a continuing economic recovery and consequently a further increase in demand for building materials. Besides new residential building, commercial and infrastructure construction is also making an increasingly strong contribution to this growth. In Eastern Europe, markets should continue to stabilise and the first impetus is expected to stem from the EU's new infrastructure programme. The crisis in eastern Ukraine is impairing the sales volumes and results of the country. The decline in crude oil prices has led to an economic downturn in Russia, which is partially being offset by the government's infrastructure projects. In Western and Northern Europe, a stable overall market development is expected. This is based on the recovery in the United Kingdom, the stable development in Benelux, and a slight slowdown in Germany as well as in Northern Europe where exports are declining. In Asia, the delay in infrastructure projects in Indonesia is leading to a reduction in cement and ready-mixed concrete sales volumes. In Africa, the Group is still counting on a sustained growth in demand.

Given the different developments of demand in the individual regions during the first nine months, HeidelbergCement anticipates stable sales volumes for the core products of cement and ready-mixed concrete and an increase in the sales volumes of aggregates for the year as a whole.

As a result of the sustained fall in prices for crude oil and fuels, HeidelbergCement expects a moderately declining cost basis for energy in 2015. A modest rise in the cost of raw materials and personnel is still expected, partly owing to the devaluation of the euro. The objective is to offset this by means of suitable measures and to further improve the margins in the cement and aggregates business lines. To this end, HeidelbergCement will continue pursuing its two price initiatives – "PERFORM" for the cement business in the USA and Europe as well as "CLIMB Commercial" for the aggregates business. Another area of focus in 2015 will be 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 this in mind, the Group launched the "Continuous Improvement Program" (CIP) in 2014, which will also establish a culture of continuous improvement of work processes. Process optimisations are expected to achieve a sustainable improvement in results of at least €120 million by the end of 2017. In addition, the optimisation of logistics activities in connection with the "LEO" programme will be pursued with the aim of reducing costs by €150 million over a period of several years.

For 2015, HeidelbergCement anticipates a significant decrease in financing costs because of the noticeable decline in net debt based on cash flow from operating activities and the sale of the building products business.

Based on the developments described in the first nine months, the Group expects a moderate to significant growth in revenue and remains confident that the operating income and profit for the financial year before non-recurring items will increase significantly in 2015. Furthermore, HeidelbergCement is expected to earn its cost of capital in 2015.

We remain on track for significantly increasing our results and substantially reducing net debt in 2015. This provides us with a solid base for the acquisition of Italcementi. The acquisition process is on schedule and we expect the share purchase from Italmobiliare to be completed in the first half of 2016. Thereby, we significantly accelerate the growth of HeidelbergCement and create additional potential for higher returns for our shareholders. Following the acquisition, we want to reduce the leverage by the end of 2016 to a level that is in line with a solid investment grade rating.

We will continue to benefit from the economic development in the industrial countries in 2015, particularly in North America and the United Kingdom. The considerable drop in the oil price and the weaker euro will provide us with additional tailwind. In view of our strong positioning in raw material reserves, our production sites in attractive locations, our outstanding vertical integration, and our excellent product portfolio, we are well positioned to achieve our goals.

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 2015 regarding the forecasts and other statements made in the 2014 Annual Report in the Outlook chapter on page 108 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 2015 financial year and in the foreseeable future as well as the opportunities are described in detail in the 2014 Annual Report in the risk and opportunity report chapter on page 116 ff.

In the cartel proceedings initiated in 2002 against German cement companies, the Düsseldorf High Regional Court imposed a fine of around €170 million against HeidelbergCement in June 2009, which was reduced in the last instance by the Federal Court of Justice in 2013 to approximately €161.4 million and ultimately settled. The action for damages brought by the Belgian company Cartel Damage Claims SA (CDC) before the Düsseldorf District Court, which was based on allegedly inflated cement prices as the result of a cartel between 1993 and 2002, was rejected in the first instance for legal reasons on 17 December 2013. The appeal that called into question this verdict was rejected by the Düsseldorf High Court on 18 February 2015. CDC did not further appeal. However, CDC raised a new formal claim to the Regional Court of Mannheim based on the allegedly again in 2014 and 2015 assigned claims of 23 cement customers. CDC claims from HeidelbergCement as a jointly and severally liable debtor ("Gesamtschuldner") damages with respect to alleged price effects of the German cement cartel between 1993 and 2002 in southern and eastern Germany. CDC claims for €82 million damages plus €57 million interest. HeidelbergCement has the burden and risk to claim recourse from other cartel participants. HeidelbergCement believes to have convincing counter-arguments against the claim but, given the early stage of the new claims, cannot fully rule out a negative outcome.

The risks arising from volatile energy and raw material prices as well as from exchange rates still persist. Although the International Monetary Fund (IMF) has only slightly lowered the 2015 growth rate for the global economy to 3.1 % in its latest forecast, ongoing development is subject to uncertainties and risks. Geopolitical risks result in particular from the political crises and armed conflicts in the Middle East and in eastern Ukraine. Challenges in the industrialised countries include the low inflation, the consolidation of state finances, the reform of the financial sector and the fight against unemployment. The emerging countries face 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	2014 [1)]	2015	2014 [1)]	2015
Revenue	3,489.5	**3,605.5**	9,305.7	**10,075.9**
Change in finished goods and work in progress	-22.4	**-23.3**	-45.8	**-27.2**
Own work capitalised	1.5	**1.6**	5.2	**5.1**
Operating revenue	3,468.6	**3,583.9**	9,265.0	**10,053.8**
Other operating income	57.8	**79.5**	184.0	**235.9**
Material costs	-1,374.1	**-1,377.0**	-3,878.2	**-4,099.1**
Employee and personnel costs	-514.3	**-543.1**	-1,509.0	**-1,680.0**
Other operating expenses	-888.4	**-936.3**	-2,527.0	**-2,740.2**
Result from joint ventures	53.4	**57.9**	128.4	**146.0**
Operating income before depreciation (OIBD)	803.0	**864.9**	1,663.3	**1,916.5**
Depreciation and amortisation	-176.1	**-190.3**	-509.7	**-569.6**
Operating income	626.9	**674.6**	1,153.6	**1,346.9**
Additional ordinary income	0.2	**4.4**	22.3	**35.8**
Additional ordinary expenses	-5.6	**-15.2**	-16.0	**-35.8**
Additional ordinary result	-5.3	**-10.8**	6.2	**-0.1**
Result from associates	12.4	**14.7**	16.3	**22.3**
Result from other participations	0.7	**9.5**	1.0	**10.2**
Result from participations	13.1	**24.2**	17.3	**32.5**
Earnings before interest and taxes (EBIT)	634.6	**688.0**	1,177.2	**1,379.4**
Interest income	20.8	**12.3**	71.1	**56.4**
Interest expenses	-135.1	**-114.1**	-426.8	**-355.0**
Foreign exchange losses	-12.4	**-17.2**	-23.1	**-33.1**
Other financial result	-24.3	**-22.7**	-75.9	**-95.0**
Financial result	-151.0	**-141.6**	-454.7	**-426.8**
Profit before tax from continuing operations	483.6	**546.4**	722.5	**952.5**
Income taxes	-102.8	**-74.4**	-193.1	**-216.9**
Net income from continuing operations	380.8	**471.9**	529.4	**735.6**
Net income from discontinued operations	36.1	**48.4**	69.7	**26.8**
Profit for the period	416.8	**520.3**	599.2	**762.4**
Thereof non-controlling interests	49.3	**40.9**	144.8	**134.6**
Thereof Group share of profit	367.5	**479.4**	454.3	**627.8**
Earnings per share in € (IAS 33)				
Earnings per share attributable to the parent entity	1.96	**2.55**	2.42	**3.34**
Earnings per share – continuing operations	1.76	**2.29**	2.05	**3.20**
Earnings per share – discontinued operations	0.20	**0.26**	0.37	**0.14**

1) Amounts were restated (see section "Other changes", page 25).

Consolidated statement of comprehensive income

	July - September		January - September	
€m	2014 [1)]	2015	2014 [1)]	2015
Profit for the period	416.8	**520.3**	599.2	**762.4**
Other comprehensive income				
Items not being reclassified to profit or loss in subsequent periods				
Remeasurement of the defined benefit liability (asset)	-72.3	**112.2**	-167.7	**101.7**
Income taxes	17.4	**-31.9**	47.1	**-28.5**
Defined Benefit Plans	-54.9	**80.3**	-120.6	**73.3**
Net gains/losses arising from equity method investments		**0.6**		**0.6**
Total	-54.9	**80.9**	-120.6	**73.8**
Items that maybe be reclassified subsequently to profit or loss				
Cash flow hedges - change in fair value	-2.0	**-7.0**	-4.7	**13.3**
Reclassification adjustments for gains/losses included in profit or loss	-0.8	**5.8**	-1.8	**-14.5**
Income taxes	1.1	**0.4**	1.7	**0.2**
Cash flow hedges	-1.7	**-0.8**	-4.8	**-1.0**
Currency translation	929.0	**-770.4**	1,130.5	**553.6**
Reclassification adjustments for gains/losses included in profit or loss		**14.4**		**14.4**
Income taxes	-6.4	**16.4**	-5.0	**10.0**
Currency translation	922.6	**-739.5**	1,125.5	**577.9**
Net gains/losses arising from equity method investments	24.3	**-57.9**	52.4	**-36.0**
Total	945.3	**-798.2**	1,173.1	**540.9**
Other comprehensive income	890.4	**-717.4**	1,052.4	**614.8**
Total comprehensive income	1,307.2	**-197.0**	1,651.6	**1,377.2**
Relating to non-controlling interests	98.9	**-34.7**	234.7	**78.2**
Relating to HeidelbergCement AG shareholders	1,208.3	**-162.3**	1,416.9	**1,298.9**

1) Amounts were restated (see section “Other changes”, page 25).

Consolidated statement of cash flows

	July - September		January - September	
€m	2014 [1]	2015	2014 [1]	2015
Net income from continuing operations	380.8	**471.9**	529.4	**735.6**
Income taxes	102.8	**74.4**	193.1	**216.9**
Interest income/ expenses	114.3	**101.7**	355.7	**298.7**
Dividends received	27.6	**44.8**	111.4	**149.9**
Interest received	84.9	**18.0**	168.1	**69.7**
Interest paid	-79.6	**-127.0**	-428.0	**-432.0**
Income taxes paid	-60.0	**-61.2**	-239.0	**-297.0**
Depreciation, amortisation, and impairment	176.6	**182.4**	514.5	**562.6**
Elimination of other non-cash items	-35.7	**-31.4**	-11.4	**-32.5**
Cash flow	711.7	**673.8**	1,193.8	**1,271.7**
Changes in operating assets	-79.1	**8.3**	-461.9	**-523.1**
Changes in operating liabilities	-43.0	**-60.6**	15.9	**16.1**
Changes in working capital	-122.1	**-52.4**	-446.0	**-507.0**
Decrease in provisions through cash payments	-68.8	**-62.7**	-156.5	**-173.1**
Cash flow from operating activities - continuing operations	520.8	**558.8**	591.4	**591.6**
Cash flow from operating activities - discontinued operations	49.9	**-7.2**	60.6	**-54.6**
Cash flow from operating activities	570.7	**551.6**	651.9	**537.0**
Intangible assets	-5.8	**-3.5**	-7.5	**-14.8**
Property, plant and equipment	-224.9	**-196.9**	-550.7	**-570.6**
Subsidiaries and other business units	-44.0	**-22.8**	-124.3	**-33.7**
Other financial assets, associates, and joint ventures	-8.7	**-1.6**	-19.9	**-11.9**
Investments (cash outflow)	-283.4	**-224.8**	-702.3	**-631.0**
Subsidiaries and other business units	3.7	**62.8**	20.5	**75.0**
Other fixed assets	20.3	**17.4**	56.8	**59.8**
Divestments (cash inflow)	24.0	**80.2**	77.3	**134.8**
Cash from changes in consolidation scope	0.6	**19.5**	21.1	**19.9**
Cash flow from investing activities - continuing operations	-258.8	**-125.1**	-603.9	**-476.3**
Cash flow from investing activities - discontinued operations	2.0	**13.8**	0.5	**1,245.1**
Cash flow from investing activities	-256.8	**-111.3**	-603.4	**768.8**
Capital increase / decrease - non-controlling shareholders	0.4	**2.8**	0.4	**-3.1**
Dividend payments - HeidelbergCement AG			-112.5	**-140.9**
Dividend payments - non-controlling shareholders	-2.6	**-12.3**	-159.7	**-221.3**
Increase in ownership interests in subsidiaries		**-1.7**	-9.1	**-15.3**
Proceeds from bond issuance and loans	-27.7	**10.9**	505.6	**11.3**
Repayment of bonds and loans	-8.7	**-683.0**	-59.1	**-808.8**
Changes in short-term interest-bearing liabilities	-514.1	**15.5**	-458.7	**-356.3**
Cash flow from financing activities - continuing operations	-552.6	**-667.7**	-293.0	**-1,534.5**
Cash flow from financing activities - discontinued operations	0.1		0.2	**-4.8**
Cash flow from financing activities	-552.5	**-667.7**	-292.9	**-1,539.3**
Net change in cash and cash equivalents - continuing operations	-290.6	**-234.1**	-305.6	**-1,419.1**
Net change in cash and cash equivalents - discontinued operations	52.1	**6.6**	61.2	**1,185.6**
Net change in cash and cash equivalents	-238.6	**-227.5**	-244.4	**-233.5**
Effect of exchange rate changes	57.1	**-62.9**	60.3	**-21.5**
Cash and cash equivalents at the beginning of period	1,348.6	**1,263.6**	1,351.1	**1,228.1**
Cash and cash equivalents at period end	1,167.1	**973.2**	1,167.1	**973.2**
Cash and cash equivalents presented in the balance sheet at period end	1,167.1	**973.2**	1,167.1	**973.2**

1) Amounts were restated (see section "Other changes", page 25).

Consolidated balance sheet

Assets			
€m	30 Sep. 2014 [1]	31 Dec. 2014	**30 Sep. 2015**
Non-current assets			
Intangible assets			
Goodwill	9,998.4	9,604.6	**9,987.6**
Other intangible assets	256.4	259.9	**250.3**
	10,254.7	9,864.5	**10,237.9**
Property, plant and equipment			
Land and buildings	4,910.0	4,765.3	**4,897.1**
Plant and machinery	3,704.4	3,595.3	**3,520.1**
Other operating equipment	291.7	284.3	**279.4**
Prepayments and assets under construction	1,028.9	848.3	**907.0**
	9,935.1	9,493.2	**9,603.6**
Financial assets			
Investments in joint ventures	1,422.2	1,362.9	**1,349.6**
Investments in associates	275.6	273.7	**291.0**
Financial investments	61.0	66.2	**66.2**
Loans and derivative financial instruments	146.3	129.3	**64.3**
	1,905.1	1,832.1	**1,771.1**
Fixed assets	22,094.9	21,189.8	**21,612.5**
Deferred taxes	474.1	688.4	**818.8**
Other non-current receivables	501.7	616.3	**714.8**
Non-current income tax assets	12.9	14.4	**12.9**
Total non-current assets	23,083.7	22,508.9	**23,159.0**
Current assets			
Inventories			
Raw materials and consumables	672.4	614.6	**611.9**
Work in progress	169.1	179.6	**180.7**
Finished goods and goods for resale	652.2	574.0	**560.5**
Prepayments	34.4	28.7	**31.1**
	1,528.0	1,396.8	**1,384.3**
Receivables and other assets			
Current interest-bearing receivables	134.1	115.3	**153.5**
Trade receivables	1,559.9	1,057.2	**1,569.3**
Other current operating receivables	389.5	353.9	**438.1**
Current income tax assets	70.1	55.8	**60.7**
	2,153.6	1,582.2	**2,221.7**
Derivative financial instruments	109.4	36.9	**58.7**
Cash and cash equivalents	1,167.1	1,228.1	**973.2**
Total current assets	4,958.1	4,244.1	**4,637.8**
Assets held for sale and discontinued operations		1,379.7	
Balance sheet total	28,041.8	28,132.6	**27,796.9**

1) Amounts were restated (see section "Other changes", page 25).

Equity and liabilities

€m	30 Sep. 2014[1]	31 Dec. 2014	30 Sep. 2015
Shareholders' equity and non-controlling interests			
Subscribed share capital	563.7	563.7	**563.7**
Share premium	5,539.4	5,539.4	**5,539.4**
Retained earnings	7,585.7	7,643.9	**8,234.5**
Other components of equity	-792.0	-596.8	**-0.1**
Equity attributable to shareholders	12,896.8	13,150.3	**14,337.5**
Non-controlling interests	1,027.5	1,094.7	**964.9**
Total equity	13,924.3	14,244.9	**15,302.4**
Non-current liabilities			
Bonds payable	6,227.2	5,601.2	**4,687.0**
Bank loans	179.9	267.5	**171.8**
Other non-current interest-bearing liabilities	23.5	26.5	**22.5**
Non-controlling interests with put options		5.4	**8.1**
	6,430.6	5,900.7	**4,889.4**
Pension provisions	982.3	1,067.6	**1,006.2**
Deferred taxes	512.8	442.0	**433.6**
Other non-current provisions	970.9	1,088.4	**1,087.2**
Other non-current operating liabilities	74.5	84.3	**83.3**
Non-current income tax liabilities	55.3	54.8	**50.3**
	2,595.7	2,737.1	**2,660.6**
Total non-current liabilities	9,026.3	8,637.7	**7,550.0**
Current liabilities			
Bonds payable (current portion)	1,817.7	1,434.3	**1,757.4**
Bank loans (current portion)	296.2	285.5	**209.3**
Other current interest-bearing liabilities	249.3	579.1	**132.0**
Non-controlling interests with put options	20.8	22.3	**14.1**
	2,384.0	2,321.1	**2,112.7**
Pension provisions (current portion)	99.4	97.2	**98.6**
Other current provisions	189.5	192.2	**199.5**
Trade payables	1,365.1	1,398.5	**1,333.0**
Other current operating liabilities	948.8	892.6	**1,076.2**
Current income tax liabilities	104.5	126.4	**124.5**
	2,707.2	2,706.9	**2,831.8**
Total current liabilities	5,091.2	5,028.0	**4,944.5**
Liabilities associated with assets held for sale and discontinued operations		222.0	
Total liabilities	14,117.5	13,887.7	**12,494.5**
Balance sheet total	28,041.8	28,132.6	**27,796.9**

Consolidated statement of changes in equity

€m	Subscribed share capital	Share premium	Retained earnings [1]	Cash flow hedge reserve
1 January 2014	562.5	5,539.4	7,357.5	6.5
Adjustment			-9.6	
1 January 2014 (restated)	562.5	5,539.4	7,347.8	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	
Changes in non-controlling interests with put options				
Transfer asset revaluation reserve			1.0	
Other changes			0.2	
Capital increase from issuance of new shares	1.2			
Capital increase from conversion of loans			22.3	
Dividends			-112.5	
30 September 2014	563.7	5,539.4	7,585.7	3.4
1 January 2015	563.7	5,539.4	7,643.9	3.1
Profit for the period			627.8	
Other comprehensive income			73.8	0.7
Total comprehensive income			701.6	0.7
Changes in consolidation scope				
Changes in ownership interests in subsidiaries			26.4	
Changes in non-controlling interests with put options			3.0	
Transfer asset revaluation reserve			0.7	
Other changes			-0.2	
Capital increase from issuance of new shares				
Repayment of capital				
Dividends			-140.9	
30 September 2015	563.7	5,539.4	8,234.5	3.7

1) Amounts were restated (see section “Other changes”, page 25).

2) The accumulated currency translation differences included in non-controlling interests decreased in the first nine months of 2015 by € 41.0 million (previous year: -92.8) to € -194.9 million (previous year: -174.3). The total currency translation differences recognised in equity thus amounts to € -261.2 million (previous year: -1.033.0).

Other components of equity						
Available for sale reserve	Asset revaluation reserve	Currency translation	Total other components of equity	Equity attributable to shareholders [1]	Non-controlling interests [2]	**Total equity [1]**
26.4	32.8	-1,939.6	-1,874.0	11,585.3	938.0	**12,523.4**
				-9.6		**-9.6**
26.4	32.8	-1,939.6	-1,874.0	11,575.7	938.0	**12,513.7**
				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**
					0.3	**0.3**
	-1.0		-1.0			
				0.2	1.1	**1.3**
				1.2	0.4	**1.7**
				22.3		**22.3**
				-112.5	-159.7	**-272.2**
31.5	31.7	-858.7	-792.0	12,896.8	1,027.5	**13,924.3**
33.6	31.3	-664.7	-596.8	13,150.3	1,094.7	**14,244.9**
				627.8	134.6	**762.4**
-1.8		598.5	597.3	671.1	-56.4	**614.8**
-1.8		598.5	597.3	1,298.9	78.2	**1,377.2**
					15.5	**15.5**
				26.4	-1.9	**24.6**
				3.0	2.5	**5.5**
	-0.7		-0.7			
				-0.2	0.3	**0.1**
					2.8	**2.8**
					-5.9	**-5.9**
				-140.9	-221.3	**-362.2**
31.8	30.6	-66.2	-0.1	14,337.5	964.9	**15,302.4**

Segment reporting / Notes

Group areas January - September	Western and Northern Europe		Eastern Europe-Central Asia		North America	
€m	2014 1)	2015	2014	2015	2014 1)	2015
External revenue	2,932	**3,067**	918	**849**	2,249	**2,803**
Inter-Group areas revenue	60	**55**				
Revenue	2,991	**3,122**	918	**849**	2,249	**2,803**
Change to previous year in %		**4.4 %**		**-7.6 %**		**24.6 %**
Result from joint ventures	6	**9**	6	**7**	24	**29**
Operating income before depreciation (OIBD)	405	**481**	189	**159**	449	**615**
as % of revenue	13.6 %	**15.4 %**	20.6 %	**18.7 %**	20.0 %	**21.9 %**
Depreciation	-172	**-178**	-76	**-70**	-144	**-179**
Operating income	233	**303**	114	**88**	305	**435**
as % of revenue	7.8 %	**9.7 %**	12.4 %	**10.4 %**	13.6 %	**15.5 %**
Result from associates	8	**11**	0	**0**	2	**6**
Result from other participations	0	**0**	0	**1**	0	**0**
Result from participations	8	**11**	0	**2**	2	**6**
Additional ordinary result						
Earnings before interest and taxes (EBIT)	241	**314**	114	**90**	307	**441**
Capital expenditures 3)	96	**133**	65	**66**	124	**164**
Segment assets 4)	6,439	**6,140**	1,905	**1,596**	8,024	**8,269**
OIBD as % of segment assets	6.3 %	**7.8 %**	9.9 %	**9.9 %**	5.6 %	**7.4 %**
Number of employees as at 30 September	12,247	**13,943**	8,700	**8,236**	8,754	**8,589**
Average number of employees	12,169	**12,578**	8,709	**8,306**	8,535	**8,357**

1) Amounts were restated (see section "Other changes", page 25).
2) Includes corporate functions, eliminations of intra-Group relationships between the segments and additional ordinary result.
3) Capital expenditures = in the segment columns: property, plant and equipment as well as intangible assets investments; in the reconciliation column: investments in non-current financial assets and other business units
4) Segments assets = property, plant and equipment as well as intangible assets.

	Asia-Pacific		Africa-Mediterranean Basin		Group Services		Reconciliation [2]		Continuing operations	
	2014 [1]	2015	2014	2015	2014	2015	2014 [1]	2015	2014 [1]	2015
	2,026	**2,050**	683	**749**	497	**559**			9,306	**10,076**
	7	**10**	-4	**15**	267	**232**	-329	**-312**		
	2,033	**2,059**	679	**764**	764	**791**	-329	**-312**	9,306	**10,076**
		1.3 %		**12.5 %**		**3.5 %**				**8.3 %**
	65	**72**	28	**29**					128	**146**
	522	**531**	158	**193**	21	**18**	-81	**-80**	1,663	**1,916**
	25.7 %	**25.8 %**	23.2 %	**25.3 %**	2.7 %	**2.3 %**	24.6 %	**25.7 %**	17.9 %	**19.0 %**
	-89	**-99**	-20	**-33**	0	**0**	-9	**-10**	-510	**-570**
	434	**432**	137	**160**	21	**18**	-90	**-90**	1,154	**1,347**
	21.3 %	**21.0 %**	20.2 %	**20.9 %**	2.7 %	**2.3 %**	27.3 %	**28.8 %**	12.4 %	**13.4 %**
	6	**5**	0	**0**					16	**22**
	1	**9**							1	**10**
	7	**14**	0	**0**					17	**33**
							6	**0**	6	**0**
	440	**446**	138	**160**	21	**18**	-84	**-90**	1,177	**1,379**
	197	**189**	76	**33**	0	**0**	144	**46**	702	**631**
	3,100	**3,074**	687	**728**	36	**35**			20,190	**19,841**
	16.8 %	**17.3 %**	22.9 %	**26.5 %**	57.6 %	**52.1 %**			8.2 %	**9.7 %**
	13,376	**13,157**	2,788	**2,763**	74	**84**			45,939	**46,772**
	13,732	**13,271**	2,839	**2,791**	69	**84**			46,053	**45,388**

Notes to the interim consolidated financial statements

Accounting and valuation principles
The interim consolidated financial statements of HeidelbergCement AG as of 30 September 2015 were prepared on the basis of IAS 34 (Interim Financial Reporting). All International Financial Reporting Standards (IFRS), including the interpretations of the IFRS Interpretations Committee (IFRS IC), 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 2014, with selected explanatory notes, was chosen. The accounting and valuation principles applied in the preparation of the interim consolidated financial statements correspond in principle to those of the consolidated financial statements as at 31 December 2014. Detailed explanations can be found on pages 176 f. in the Notes to the 2014 Annual Report, which forms the basis for these interim financial statements.

In accordance with IAS 34, the expenses relating to 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.

Application of new accounting standards
The following new or amended IASB standards and interpretations were applicable for the first time in these interim consolidated financial statements.

First-time application of accounting standards
Title
Amendments to IAS 19 Defined Benefit Plans: Employee Contributions
Improvements to IFRSs 2010-2012 Cycle
Improvements to IFRSs 2011-2013 Cycle

- The **amendments to IAS 19 Defined Benefit Plans: Employee Contributions** clarify the accounting of employee contributions or contributions made by third parties for defined benefit pension plans. Contributions that are independent of the years of service may be deducted from past service costs in the period in which the corresponding service was rendered. However, if the contributions are dependent on the number of years of service, they are to be attributed to the periods of service in the same way as the gross benefits. The amendments did not have any impact on the financial position and performance of the Group.

- As part of the annual improvements projects **Improvements to IFRSs** 2010–2012 Cycle and 2011–2013 Cycle, the IASB made minor amendments to a total of nine standards. The amendments did not have any impact on the financial position and performance of the Group.

Other changes

In its meeting of 11 November 2014, the IFRS Interpretations Committee (IFRS IC) made a tentative agenda decision with regard to questions in connection with the introduction of IFRS 11 (Joint Arrangements). The final decision of the IFRS IC was made at the meeting of 24 March 2015. This decision relates in particular to the classification of joint arrangements taking into account other facts and circumstances. In its decision, the IFRS IC clarifies that the other facts and circumstances to be taken into account when reviewing the classification must lead to enforceable rights to the assets and enforceable obligations for the liabilities of the joint arrangement. HeidelbergCement considered the conclusions of the tentative agenda decision when preparing the consolidated financial statements as of 31 December 2014 and retrospectively classified the joint arrangement Cement Australia as a joint venture. The values of the comparison period were adjusted retrospectively as at 30 September 2014 for the interim consolidated financial statements as of 30 September 2015.

The restructuring of the defined benefit pension plans in the United Kingdom for the 2014 financial year revealed that in some cases in the 1990s the adjustment of the retirement age (normalisation of retirement age equalisation) was not carried out due to a legal change. The pension obligations were consequently too low. The adjustment has been performed retrospectively which led to a decrease of €9.6 million in retained earnings, €12.0 million in other non-current receivables (overfunding of pension schemes), and €2.4 million in deferred tax liabilities as at 1 January 2014 and 30 September 2014.

As of 31 December 2014, to improve transparency in the statement of cash flows, we have disclosed cash flows from rolling currency derivatives, in so far as they serve to hedge financial liabilities, in the changes in short-term interest-bearing liabilities. Prior to this, they were reported under "Elimination of other non-cash items". As at 30 September 2014, this led to a decrease in the elimination of other non-cash items and to an increase in the changes in short-term interest-bearing liabilities of €58.9 million.

The retrospective application of the agenda decision of the IFRS IC with regard to IFRS 11, the correction of the defined benefit pension plans in the United Kingdom, and the amended reporting in the statement of cash flows led to adjustments to the figures of the previous year, which are shown in the "Adjustment" column of the following tables.

Furthermore, the discontinued operation Hanson Building Products was adjusted retrospectively in the income statement and in the statement of cash flows in line with the requirements of IFRS 5. The adjustment is shown in the column "Discontinued operations".

Income statement – Retrospective adjustments July - September 2014

	July - September 2014			
€m	Before adjustment	Adjustment [1]	Discontinued operations	Adjusted
Revenue	3,808.7	-65.6	-253.6	**3,489.5**
Change in finished goods and work in progress	-30.1	-1.6	9.3	**-22.4**
Own work capitalised	1.5			**1.5**
Operating revenue	3,780.1	-67.2	-244.3	**3,468.6**
Other operating income	62.1	-0.8	-3.5	**57.8**
Material costs	-1,458.3	1.9	82.3	**-1,374.1**
Employee and personnel costs	-587.8	10.6	62.9	**-514.3**
Other operating expenses	-968.4	27.5	52.5	**-888.4**
Result from joint ventures	38.4	16.7	-1.7	**53.4**
Operating income before depreciation (OIBD)	866.0	-11.3	-51.7	**803.0**
Depreciation and amortisation	-191.0	4.3	10.6	**-176.1**
Operating income	675.0	-7.0	-41.1	**626.9**
Additional ordinary income	0.2			**0.2**
Additional ordinary expenses	-5.4	0.1	-0.3	**-5.6**
Additional ordinary result	-5.2	0.1	-0.3	**-5.3**
Result from associates	11.0	1.4		**12.4**
Result from other participations	0.7			**0.7**
Result from participations	11.7	1.4		**13.1**
Earnings before interest and taxes (EBIT)	681.5	-5.6	-41.3	**634.6**
Interest income	20.3	0.5	0.0	**20.8**
Interest expenses	-136.8	1.7	0.0	**-135.1**
Foreign exchange losses	-12.4	0.0	0.0	**-12.4**
Other financial result	-25.2	0.0	0.9	**-24.3**
Financial result	-154.1	2.2	0.9	**-151.0**
Profit before tax from continuing operations	527.4	-3.4	-40.4	**483.6**
Income taxes	-109.0	3.4	2.8	**-102.8**
Net income from continuing operations	418.3		-37.6	**380.8**
Net income from discontinued operations	-1.5		37.6	**36.1**
Profit for the period	416.8			**416.8**
Thereof non-controlling interests	49.3			**49.3**
Thereof Group share of profit	367.5			**367.5**
Earnings per share in € (IAS 33)				
Earnings per share attributable to the parent entity	1.96			**1.96**
Earnings per share – continuing operations	1.96		-0.20	**1.76**
Earnings per share – discontinued operations	0.00		0.20	**0.20**

1) See section “Other changes”, page 25.

Income statement – Retrospective adjustments January - September 2014

	January - September 2014			
€m	Before adjustment	Adjustment [1]	Discontinued operations	Adjusted
Revenue	10,126.7	-176.4	-644.6	**9,305.7**
Change in finished goods and work in progress	-51.7	0.1	5.7	**-45.8**
Own work capitalised	5.2			**5.2**
Operating revenue	10,080.3	-176.3	-638.9	**9,265.0**
Other operating income	200.1	-0.8	-15.2	**184.0**
Material costs	-4,121.8	11.6	232.0	**-3,878.2**
Employee and personnel costs	-1,715.3	30.6	175.7	**-1,509.0**
Other operating expenses	-2,748.1	81.2	139.9	**-2,527.0**
Result from joint ventures	98.4	32.1	-2.2	**128.4**
Operating income before depreciation (OIBD)	1,793.6	-21.6	-108.7	**1,663.3**
Depreciation and amortisation	-552.4	11.6	31.2	**-509.7**
Operating income	1,241.1	-10.0	-77.5	**1,153.6**
Additional ordinary income	22.3			**22.3**
Additional ordinary expenses	-15.3	0.3	-1.1	**-16.0**
Additional ordinary result	7.0	0.3	-1.1	**6.2**
Result from associates	16.3			**16.3**
Result from other participations	1.0			**1.0**
Result from participations	17.3			**17.3**
Earnings before interest and taxes (EBIT)	1,265.5	-9.7	-78.6	**1,177.2**
Interest income	69.7	1.6	-0.2	**71.1**
Interest expenses	-430.9	4.1	0.0	**-426.8**
Foreign exchange losses	-23.1	0.0	0.0	**-23.1**
Other financial result	-78.2	0.0	2.4	**-75.9**
Financial result	-462.5	5.6	2.2	**-454.7**
Profit before tax from continuing operations	803.0	-4.0	-76.4	**722.5**
Income taxes	-199.2	4.0	2.0	**-193.1**
Net income from continuing operations	603.8		-74.4	**529.4**
Net income from discontinued operations	-4.7		74.4	**69.7**
Profit for the period	599.2			**599.2**
Thereof non-controlling interests	144.8			**144.8**
Thereof Group share of profit	454.3			**454.3**
Earnings per share in € (IAS 33)				
Earnings per share attributable to the parent entity	2.42			**2.42**
Earnings per share – continuing operations	2.44		-0.40	**2.05**
Earnings per share – discontinued operations	-0.02		0.40	**0.37**

1) See section "Other changes", page 25.

Statement of cash flows – Retrospective adjustments July - September 2014

	July - September 2014			
€m	Before adjustment	Adjustment [1]	Discontinued operations	Adjusted
Net income from continuing operations	418.3		-37.6	**380.8**
Income taxes	109.0	-3.4	-2.8	**102.8**
Interest income/ expenses	116.5	-2.2	0.0	**114.3**
Dividends received	22.4	6.3	-1.1	**27.6**
Interest received	84.5	0.5	-0.1	**84.9**
Interest paid	-81.5	1.7	0.2	**-79.6**
Income taxes paid	-61.3	0.6	0.7	**-60.0**
Depreciation, amortisation, and impairment	191.4	-4.3	-10.5	**176.6**
Elimination of other non-cash items	37.0	-71.7	-1.0	**-35.7**
Cash flow	836.2	-72.3	-52.2	**711.7**
Changes in operating assets	-81.9	2.9	-0.1	**-79.1**
Changes in operating liabilities	-40.5	-1.6	-0.9	**-43.0**
Changes in working capital	-122.4	1.4	-1.0	**-122.1**
Decrease in provisions through cash payments	-72.4	0.2	3.3	**-68.8**
Cash flow from operating activities - continuing operations	641.4	-70.7	-49.9	**520.8**
Cash flow from operating activities - discontinued operations			49.9	**49.9**
Cash flow from operating activities	641.4	-70.7		**570.7**
Intangible assets	-5.8	0.0		**-5.8**
Property, plant and equipment	-238.6	4.1	9.6	**-224.9**
Subsidiaries and other business units	-44.0			**-44.0**
Other financial assets, associates, and joint ventures	-8.7			**-8.7**
Investments (cash outflow)	-297.1	4.1	9.6	**-283.4**
Subsidiaries and other business units	3.7			**3.7**
Other fixed assets	33.1	-1.2	-11.6	**20.3**
Divestments (cash inflow)	36.8	-1.2	-11.6	**24.0**
Cash from changes in consolidation scope	0.6			**0.6**
Cash flow from investing activities - continuing operations	-259.7	2.9	-2.0	**-258.8**
Cash flow from investing activities - discontinued operations			2.0	**2.0**
Cash flow from investing activities	-259.7	2.9		**-256.8**
Capital increase - non-controlling shareholders	0.4			**0.4**
Dividend payments - HeidelbergCement AG				
Dividend payments - non-controlling shareholders	-2.6			**-2.6**
Increase in ownership interests in subsidiaries				
Proceeds from bond issuance and loans	-27.2	-0.5		**-27.7**
Repayment of bonds and loans	-22.8	14.2		**-8.7**
Changes in short-term interest-bearing liabilities	-568.5	54.6	-0.1	**-514.1**
Cash flow from financing activities - continuing operations	-620.7	68.2	-0.1	**-552.6**
Cash flow from financing activities - discontinued operations			0.1	**0.1**
Cash flow from financing activities	-620.7	68.2		**-552.5**
Net change in cash and cash equivalents - continuing operations	-239.0	0.4	-52.1	**-290.6**
Net change in cash and cash equivalents - discontinued operations			52.1	**52.1**
Net change in cash and cash equivalents	-239.0	0.4		**-238.6**
Effect of exchange rate changes	57.1	0.0		**57.1**
Cash and cash equivalents at the beginning of period	1,349.5	-0.9		**1,348.6**
Cash and cash equivalents at period end	1,167.6	-0.5		**1,167.1**

1) See section “Other changes”, page 25.

Statement of cash flows – Retrospective adjustments January - September 2014

	January - September 2014			
€m	Before adjustment	Adjustment [1]	Discontinued operations	Adjusted
Net income from continuing operations	603.8		-74.4	**529.4**
Income taxes	199.2	-4.0	-2.0	**193.1**
Interest income/ expenses	361.2	-5.6	0.2	**355.7**
Dividends received	87.8	24.9	-1.4	**111.4**
Interest received	166.8	1.6	-0.3	**168.1**
Interest paid	-432.7	4.1	0.6	**-428.0**
Income taxes paid	-248.0	6.4	2.6	**-239.0**
Depreciation, amortisation, and impairment	557.1	-11.6	-31.0	**514.5**
Elimination of other non-cash items	80.1	-91.1	-0.4	**-11.4**
Cash flow	1,375.3	-75.3	-106.1	**1,193.8**
Changes in operating assets	-512.9	3.5	47.5	**-461.9**
Changes in operating liabilities	20.4	5.0	-9.5	**15.9**
Changes in working capital	-492.4	8.5	38.0	**-446.0**
Decrease in provisions through cash payments	-164.7	0.6	7.6	**-156.5**
Cash flow from operating activities - continuing operations	718.2	-66.2	-60.6	**591.4**
Cash flow from operating activities - discontinued operations			60.6	**60.6**
Cash flow from operating activities	718.2	-66.2		**651.9**
Intangible assets	-7.6	0.1		**-7.5**
Property, plant and equipment	-581.7	14.6	16.5	**-550.7**
Subsidiaries and other business units	-124.3			**-124.3**
Other financial assets, associates, and joint ventures	-19.9			**-19.9**
Investments (cash outflow)	-733.4	14.7	16.5	**-702.3**
Subsidiaries and other business units	20.5			**20.5**
Other fixed assets	75.4	-1.7	-17.0	**56.8**
Divestments (cash inflow)	95.9	-1.7	-17.0	**77.3**
Cash from changes in consolidation scope	21.1			**21.1**
Cash flow from investing activities - continuing operations	-616.4	13.0	-0.5	**-603.9**
Cash flow from investing activities - discontinued operations			0.5	**0.5**
Cash flow from investing activities	-616.4	13.0		**-603.4**
Capital increase - non-controlling shareholders	0.4			**0.4**
Dividend payments - HeidelbergCement AG	-112.5			**-112.5**
Dividend payments - non-controlling shareholders	-159.7			**-159.7**
Increase in ownership interests in subsidiaries	-9.1			**-9.1**
Proceeds from bond issuance and loans	540.7	-35.1		**505.6**
Repayment of bonds and loans	-88.4	29.4		**-59.1**
Changes in short-term interest-bearing liabilities	-517.4	58.9	-0.2	**-458.7**
Cash flow from financing activities - continuing operations	-346.0	53.2	-0.2	**-293.0**
Cash flow from financing activities - discontinued operations			0.2	**0.2**
Cash flow from financing activities	-346.0	53.2		**-292.9**
Net change in cash and cash equivalents - continuing operations	-244.3	-0.1	-61.2	**-305.6**
Net change in cash and cash equivalents - discontinued operations			61.2	**61.2**
Net change in cash and cash equivalents	-244.3	-0.1		**-244.4**
Effect of exchange rate changes	60.3	0.0		**60.3**
Cash and cash equivalents at the beginning of period	1,351.5	-0.4		**1,351.1**
Cash and cash equivalents at period end	1,167.6	-0.5		**1,167.1**

1) See section "Other changes", page 25.

Balance sheet – Retrospective adjustments

Assets	30 September 2014		
€m	Before adjustment	Adjustment [1]	Adjusted
Non-current assets			
Intangible assets			
Goodwill	10,388.3	-389.9	**9,998.4**
Other intangible assets	258.4	-2.0	**256.4**
	10,646.6	-391.9	**10,254.7**
Property, plant and equipment			
Land and buildings	4,994.8	-84.7	**4,910.0**
Plant and machinery	3,831.1	-126.7	**3,704.4**
Other operating equipment	303.7	-11.9	**291.7**
Prepayments and assets under construction	1,037.8	-8.9	**1,028.9**
	10,167.4	-232.2	**9,935.1**
Financial assets			
Investments in joint ventures	912.5	509.7	**1,422.2**
Investments in associates	275.6		**275.6**
Financial investments	61.0		**61.0**
Loans and derivative financial instruments	115.4	30.8	**146.3**
	1,364.6	540.5	**1,905.1**
Fixed assets	22,178.6	-83.6	**22,094.9**
Deferred taxes	474.1		**474.1**
Other non-current receivables	513.8	-12.1	**501.7**
Non-current income tax assets	12.9		**12.9**
Total non-current assets	23,179.4	-95.7	**23,083.7**
Current assets			
Inventories			
Raw materials and consumables	682.4	-10.1	**672.4**
Work in progress	174.9	-5.8	**169.1**
Finished goods and goods for resale	662.3	-10.1	**652.2**
Prepayments	34.4		**34.4**
	1,553.9	-26.0	**1,528.0**
Receivables and other assets			
Current interest-bearing receivables	134.1		**134.1**
Trade receivables	1,602.3	-42.4	**1,559.9**
Other current operating receivables	392.4	-3.0	**389.5**
Current income tax assets	70.1		**70.1**
	2,199.0	-45.4	**2,153.6**
Derivative financial instruments	109.6	-0.2	**109.4**
Cash and cash equivalents	1,167.6	-0.5	**1,167.1**
Total current assets	5,030.1	-72.0	**4,958.1**
Balance sheet total	28,209.5	-167.7	**28,041.8**

1) See section "Other changes", page 25.

Equity and liabilities	30 September 2014		
€m	Before adjustment	Adjustment [1]	Adjusted
Shareholders' equity and non-controlling interests			
Subscribed share capital	563.7		**563.7**
Share premium	5,539.4		**5,539.4**
Retained earnings	7,595.4	-9.6	**7,585.7**
Other components of equity	-792.0		**-792.0**
Equity attributable to shareholders	12,906.5	-9.6	**12,896.8**
Non-controlling interests	1,027.5		**1,027.5**
Total equity	13,933.9	-9.6	**13,924.3**
Non-current liabilities			
Bonds payable	6,227.2		**6,227.2**
Bank loans	226.7	-46.7	**179.9**
Other non-current interest-bearing liabilities	55.9	-32.5	**23.5**
	6,509.8	-79.2	**6,430.6**
Pension provisions	982.3		**982.3**
Deferred taxes	518.1	-5.3	**512.8**
Other non-current provisions	977.3	-6.3	**970.9**
Other non-current operating liabilities	74.5		**74.5**
Non-current income tax liabilities	55.3		**55.3**
	2,607.4	-11.6	**2,595.7**
Total non-current liabilities	9,117.2	-90.9	**9,026.3**
Current liabilities			
Bonds payable (current portion)	1,817.7		**1,817.7**
Bank loans (current portion)	322.6	-26.4	**296.2**
Other current interest-bearing liabilities	255.7	-6.4	**249.3**
Non-controlling interests with put options	20.8		**20.8**
	2,416.8	-32.8	**2,384.0**
Pension provisions (current portion)	99.4		**99.4**
Other current provisions	196.6	-7.1	**189.5**
Trade payables	1,356.5	8.6	**1,365.1**
Other current operating liabilities	982.2	-33.4	**948.8**
Current income tax liabilities	107.0	-2.5	**104.5**
	2,741.6	-34.4	**2,707.2**
Total current liabilities	5,158.4	-67.3	**5,091.2**
Total liabilities	14,275.6	-158.1	**14,117.5**
Balance sheet total	28,209.5	-167.7	**28,041.8**

Statement of comprehensive income – Retrospective adjustments

€m	July - September 2014 Before adjustment	Adjustment[1]	Adjusted	January - September 2014 Before adjustment	Adjustment[1]	Adjusted
Profit for the period	416.8		**416.8**	599.2		**599.2**
Other comprehensive income						
Items not being reclassified to profit or loss in subsequent periods						
Remeasurement of the defined benefit liability (asset)	-72.3		**-72.3**	-167.7		**-167.7**
Income taxes	17.4		**17.4**	47.1		**47.1**
Defined benefit plans	-54.9		**-54.9**	-120.6		**-120.6**
Net gains/losses arising from equity method investments						
Total	-54.9		**-54.9**	-120.6		**-120.6**
Items that may be reclassified subsequently to profit or loss						
Cash flow hedges – change in fair value	-4.2	2.2	**-2.0**	-5.9	1.2	**-4.7**
Reclassification adjustments for gains/losses included in profit or loss	-0.8		**-0.8**	-1.8		**-1.8**
Income taxes	1.3	-0.2	**1.1**	1.9	-0.2	**1.7**
Cash flow hedges	-3.7	2.0	**-1.7**	-5.8	1.0	**-4.8**
Currency translation	929.0		**929.0**	1,147.6	-17.1	**1,130.5**
Income taxes	-6.4		**-6.4**	-5.0		**-5.0**
Currency translation	922.6		**922.6**	1,142.6	-17.1	**1,125.5**
Net gains/losses arising from equity method investments	26.3	-2.0	**24.3**	36.2	16.2	**52.4**
Total	945.3		**945.3**	1,173.1		**1,173.1**
Other comprehensive income	890.4		**890.4**	1,052.4		**1,052.4**
Total comprehensive income	1,307.2		**1,307.2**	1,651.6		**1,651.6**
Relating to non-controlling interests	98.9		**98.9**	234.7		**234.7**
Relating to HeidelbergCement AG shareholders	1,208.3		**1,208.3**	1,416.9		**1,416.9**

1) See section "Other changes", page 25.

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 of 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 conversion of the companies' individual accounts into euro.

Exchange rates		Exchange rates at reporting date		Average exchange rates	
EUR		31 Dec. 2014	30 Sep. 2015	01-09/2014	01-09/2015
USD	USA	1.2099	**1.1177**	1.3556	**1.1154**
AUD	Australia	1.4809	**1.5926**	1.4766	**1.4638**
CAD	Canada	1.4059	**1.4881**	1.4829	**1.4046**
GBP	Great Britain	0.7764	**0.7388**	0.8120	**0.7279**
IDR	Indonesia	15,051	**16,382**	15,950	**14,898**

Discontinued operations

On 23 December 2014, HeidelbergCement signed an agreement with a subsidiary of Lone Star Funds on the sale of its building products business in North America (excluding western Canada) and the United Kingdom (referred to in summary as "Hanson Building Products"). Hanson Building Products is a leading manufacturer of pressure and gravity pipes in North America and one of the largest brick producers in North America and the United Kingdom. By selling Hanson Building Products, HeidelbergCement is consistently pursuing its strategy of focusing on the refinement of raw materials for its core products cement and aggregates, as well as downstream concrete and asphalt activities. The transaction was concluded on 13 March 2015. On completion and following a contractually agreed purchase price adjustment, HeidelbergCement received a payment of €1,265 million in total, which is shown as cash flow from investing activities - discontinued operations. An additional payment of up to US$100 million is conditional on the success of the business in 2015 and payable in 2016.

Business combinations in the reporting period

On 13 March 2015, HeidelbergCement and the Norwegian KB Gruppen Kongsvinger AS signed an agreement to combine the concrete products activities of their Swedish subsidiaries Abetong AB and Contiga AB. The transaction was concluded on 28 September 2015. The newly formed Nordic Precast Group AB, which is the result of this combination and in which HeidelbergCement holds a 57.6 % stake, operates in Norway, Sweden, Denmark, Germany, Poland, and Latvia and is assigned to the Western and Northern Europe Group area. With this combination we expect to improve competitiveness and strengthen our technological leadership in the field of concrete products in Northern Europe. The fair value of the consideration transferred for the acquisition of shares in the Contiga Group amounts to €80.9 million. It comprises the fair value of €62.0 million for 42.4 % of shares in the Abetong Group as well as a cash payment of €18.9 million. The non-controlling interests of the Contiga Group amount to €2.2 million and were measured on the basis of the proportionate fair value of the identifiable net assets. The provisionally recognised goodwill of €82.1 million, which ensued from the business combination and is not deductible for tax purposes, represents the growth potential arising from an improved market position. Due to the proximity of the acquisition date to the reporting date, the purchase price allocation has not yet been completed. Adjustments may be made, in particular in relation to intangible assets, property, plant, and equipment, as well as deferred taxes.

Furthermore, HeidelbergCement undertook smaller business combinations in the Western and Northern Europe Group area during the reporting period. The total cost of the business combinations amounted to €17.6 million and is made up of cash payments of €14.9 million and the provisional fair value of previously held equity interests of €2.7 million. The provisionally recognised goodwill of €5.1 million is unlikely to be deductible for tax purposes. The purchase price allocations have not yet been completed, as not all measurements have been finalised. Adjustments may be made to intangible assets and property, plant, and equipment, as well as deferred taxes.

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

Preliminary fair values recognised as at the acquisition date			
€m	Contiga Group	Others	Total
Intangible assets	0.5	0.8	**1.3**
Property, plant and equipment	45.6	10.0	**55.6**
Financial fixed assets	1.7	0.1	**1.8**
Inventories	6.3	1.7	**8.0**
Trade receivables	30.6	8.3	**38.8**
Cash and cash equivalents	16.3	1.1	**17.4**
Other assets	16.9	1.6	**18.5**
Total assets	117.8	23.5	**141.3**
Deferred taxes	3.7	1.7	**5.4**
Provisions	0.7		**0.7**
Non-current liabilities	28.4	1.8	**30.2**
Current liabilities	84.0	7.0	**90.9**
Total liabilities	116.8	10.5	**127.3**
Net assets	1.0	13.0	**14.1**

As part of the business combinations, loans with a fair value of €1.7 million, trade receivables of €38.8 million and other operating receivables of €4.9 million were acquired. The gross value of the receivables totals €45.9 million, of which €0.5 million is likely irrecoverable.

The companies have contributed €9.1 million to revenue and €0.1 million to the profit for the financial year since their acquisition. If the acquisitions had taken place on 1 January 2015, contributions to revenue and the profit for the financial year would be higher by €186.6 million and €2.9 million, respectively.

Business combinations in the same period of the previous year
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 the remaining 3.07 % in July 2014 as part of a squeeze-out, thereby raising its shareholding to 100 %. The purchase price totalled €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 shareholding resulted in a profit of €5.6 million, which was recognised in the additional ordinary income. The goodwill of €30.0 million, which is not deductible for tax purposes, represents market growth potential.

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 €37.5 million was made up of a cash payment of €31.5 million and a liability for a contingent consideration, which was recognised at a fair value of €6.0 million. The contingent consideration is dependent on future payments received from a long-term service contract. The fair value was determined by discounting the estimated future cash flows with a discount rate adjusted to the risk profile. The range of outcomes (undiscounted) lies between €6.0 million and €15.0 million. The goodwill of €30.0 million, which is not tax-deductible, represents synergy effects.

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 €47.3 million was made up of a cash payment of €41.7 million and a liability for a contingent consideration with a fair value of €5.6 million. The contingent consideration is measured according to the average operating income before depreciation (OIBD) of the company until 30 June 2019 and was determined on the basis of probabilities. The range of outcomes (undiscounted) lies between €0 and €7.1 million. The non-controlling interests of €3.1 million were measured on the basis of the proportionate fair value of the identifiable net assets. The purchase contract also provides for the subsequent acquisition of the non-controlling interests by HeidelbergCement. This component of the contract is accounted for as a put option of the non-controlling interests and shown accordingly. The provisionally recognised goodwill of €25.4 million as at 31 December 2014, which is not deductible for tax purposes, represents the synergy potential arising from the business combination. The final purchase price allocation did not result in any material adjustments.

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

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	33.3	22.5	**67.4**
Financial fixed assets	10.4	0.0		**10.4**
Inventories	3.2	2.7	2.7	**8.6**
Trade receivables	6.0	2.8	7.1	**15.9**
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	40.4	32.8	**137.1**
Deferred taxes	2.0	0.1	4.0	**6.1**
Provisions	1.4		0.0	**1.4**
Liabilities	18.8	32.8	3.8	**55.3**
Total liabilities	22.2	32.9	7.7	**62.8**
Net assets	41.7	7.5	25.1	**74.3**

Divestments in the reporting period

Based on the findings of the report by the British Competition Commission on the aggregates, ready-mixed concrete, and cement market in the United Kingdom, which was published on 14 January 2014, HeidelbergCement was obliged to sell one blast furnace slag grinding plant in the 2015 financial year. The transaction was completed on 31 July 2015 with the disposal of the plant in Scunthorpe. The sales price of €30.2 million is made up of a cash payment of €27.4 million and non-current receivables of €2.8 million.

The agreement dated 18 December 2014 binds HeidelbergCement to sell the German lime operating line. The sale of the majority participation in Walhalla Kalk GmbH & Co. KG, Regensburg, Germany, as well as the participation in Walhalla Kalkproduktionsgesellschaft mbH, which is also based in Regensburg, was completed on 1 September 2015. Furthermore, the Istein lime plant and all shares in HC Kalkproduktionsgesellschaft Istein mbH, Efringen-Kirchen, Germany, were also sold on 1 July 2015. The sales price amounting to €48.4 million is made up of a cash payment of €39.8 million as well as receivables of €8.6 million.

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

Assets and liabilities at date of disposal			
€m	UK	Germany	Total
Assets held for sale	28.9	61.1	**90.0**
Liabilities associated with assets held for sale		17.5	**17.5**
Net assets	28.9	43.6	**72.5**

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

Divestments in the same period of the previous year

The agreement dated 5 October 2013 obliges 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 is 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 disposal.

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**
Assets 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			15.0	2.3	**17.2**
Liabilities associated with assets held for sale	3.6	3.8			**7.4**
Total liabilities	3.6	3.8	31.6	2.4	**41.4**
Net assets	12.0	6.7	-10.0	4.1	**12.7**

Revenue development by Group areas and business lines

January - September	Cement		Aggregates		Ready-mixed concrete-asphalt		Service-joint ventures-other		Intra-Group eliminations		Total	
€m	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015
Western and Northern Europe	1,349	**1,363**	629	**680**	1,126	**1,218**	393	**415**	-506	**-554**	2,991	**3,122**
Eastern Europe-Central Asia	779	**691**	75	**85**	116	**132**	0		-52	**-59**	918	**849**
North America	831	**1,029**	839	**1,090**	645	**777**	208	**203**	-273	**-296**	2,249	**2,803**
Asia-Pacific	1,051	**1,075**	391	**405**	806	**812**	96	**25**	-311	**-258**	2,033	**2,059**
Africa-Mediterranean Basin	460	**533**	65	**70**	158	**165**	26	**42**	-30	**-46**	679	**764**
Group Services							737	**780**	-2		764	**791**
Inter-Group area revenue within business lines	-48	**-40**	0	**0**	0	**0**		**-17**			-48	**-57**
Total	4,450	**4,662**	2,000	**2,330**	2,851	**3,104**	1,460	**1,449**	-1,175	**-1,213**	9,586	**10,331**
Inter-Group area revenue between business lines									-281	**-255**	-281	**-255**
Total									-1,455	**-1,468**	9,306	**10,076**

Additional ordinary result

The additional ordinary result includes transactions which, although occurring in the course of ordinary business activities, are not reported in operating income as they are non-recurring.

The additional ordinary income essentially concerns the reversal of a provision for a damage claim, which was finally dismissed on legal grounds by the Düsseldorf Higher Regional Court. The additional ordinary expenses primarily relate to foreign exchange-related expenses in connection with the repayment of capital of a foreign holding company, results from divestments, and transaction costs for business combinations, as well as other non-recurring expenses.

Result from discontinued operations

The following table shows the composition of the result from discontinued operations.

Net income/loss from discontinued operations	Discontinued operations Hanson Building Products		Discontinued operations of the Hanson Group in previous years	
€m	2014	2015	2014	2015
Income	644.6	**191.1**		
Expenses	-568.2	**-169.9**	-9.1	**-9.6**
Income taxes	-2.0	**-25.0**	4.4	**1.2**
Profit on disposal before/after taxes		**39.0**		
Net income / loss from discontinued operations	74.4	**35.2**	-4.7	**-8.4**

The result from the discontinued operation Hanson Building Products includes income and expenses as well as income taxes, arising from the bricks, pressure and gravity pipes, and precast concrete parts business until the date of disposal. The gain on disposal includes the gain from the disposal of assets and liabilities including cash and cash equivalents, additional costs of disposal, and currency effects.

The expenses incurred in connection with operations of the Hanson Group discontinued in previous years result essentially from provisions for damages and environmental obligations.

Earnings per share

Earnings per share	January - September	
€m	2014	2015
Profit for the period	599.2	**762.4**
Non-controlling interests	144.8	**134.6**
Group share of profit	454.3	**627.8**
Number of shares in '000s (weighted average)	187,851	**187,916**
Earnings per share in €	2.42	**3.34**
Net income from continuing operations – attributable to the parent entity	384.6	**601.0**
Earnings per share in € – continuing operations	2.05	**3.20**
Net income from discontinued operations – attributable to the parent entity	69.7	**26.8**
Earnings per share in € – discontinued operations	0.37	**0.14**

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.

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 for 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. On 30 September 2015, the management carried out an impairment review, which indicated that no impairment loss needed to be recognised.

Statement of changes in equity

The change in the scope of consolidation particularly concerns the disposal of 42.4 % of the shares in the Abetong Group as part of the business combination with the Contiga Group. Changes in ownership interests in subsidiaries result primarily from the acquisition of a further 30 % of shares in La Cimentérie de Lukala S.A.R.L., DR Congo, as well as from the business combination with the Contiga Group. In the financial year, dividends of €140.9 million (€0.75 per share) were paid to shareholders of HeidelbergCement AG. Dividend payments to non-controlling interests totalling €221.3 million include payments of €167.6 million to the non-controlling interests of our Indonesian subsidiary PT Indocement Tunggal Prakasa Tbk.

Changes in estimates for pension provisions

The actuarial gains and losses, which are recognised directly in equity in other comprehensive income, were determined on the basis of the interest rates for the key countries applicable at the reporting date. As at 30 September 2015, actuarial gains of €170.2 million arose with regard to pension obligations, largely due to the increase of around 0.3 percentage points in the discount rate. Negative revaluations (losses) of €58.7 million resulted from plan assets. The effect of the asset ceiling led to losses of €9.7 million.

Disclosures on financial instruments

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

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 2015							
Assets							
Financial investments – available for sale at cost	AfS		66.2			**66.2**	
Loans and other interest-bearing receivables	LaR	186.6				**186.6**	**189.1**
Trade receivables and other operating receivables	LaR	2,194.0				**2,194.0**	**2,194.0**
Cash and cash equivalents	LaR	973.2				**973.2**	**973.2**
Derivatives – hedge accounting	Hedge				17.8	**17.8**	**17.8**
Derivatives – held for trading	HfT			72.1		**72.1**	**72.1**
Liabilities							
Bonds payable, bank loans, and miscellaneous financial liabilities	FLAC	6,918.6				**6,918.6**	**7,541.9**
Trade payables, liabilities relating to personnel, and miscellaneous operating liabilities	FLAC	2,298.0				**2,298.0**	**2,298.0**
Liabilities from finance lease	FLAC	12.0				**12.0**	**12.0**
Derivatives – hedge accounting	Hedge				1.1	**1.1**	**1.1**
Derivatives – held for trading	HfT			48.2		**48.2**	**48.2**
Non-controlling interests with put options	FLAC	22.2				**22.2**	**22.2**
31 December 2014							
Assets							
Financial investments – available for sale at cost	AfS		66.2			**66.2**	
Loans and other interest-bearing receivables	LaR	212.9				**212.9**	**218.3**
Trade receivables and other operating receivables	LaR	1,617.7				**1,617.7**	**1,617.7**
Cash and cash equivalents	LaR	1,228.1				**1,228.1**	**1,228.1**
Derivatives – hedge accounting	Hedge				4.2	**4.2**	**4.2**
Derivatives – held for trading	HfT			64.4		**64.4**	**64.4**
Liabilities							
Bonds payable, bank loans, and miscellaneous financial liabilities	FLAC	8,140.2				**8,140.2**	**9,086.8**
Trade payables, liabilities relating to personnel, and miscellaneous operating liabilities	FLAC	2,248.2				**2,248.2**	**2,248.2**
Liabilities from finance lease	FLAC	11.5				**11.5**	**11.5**
Derivatives – hedge accounting	Hedge				3.3	**3.3**	**3.3**
Derivatives – held for trading	HfT			39.1		**39.1**	**39.1**
Non-controlling interests with put options	FLAC	27.7				**27.7**	**27.7**

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

The classes "Trade receivables and other operating receivables" and "Trade payables, liabilities relating to personnel, and miscellaneous operating liabilities" cannot be immediately reconciled with the related balance sheet items, as these contain not only financial assets and liabilities but also non-financial assets to the amount of €528.2 million (previous year: 409.7) as well as non-financial liabilities of €194.4 million (previous year: 127.2).

Detailed explanations on the procedure regarding the Fair value evaluation according to IFRS 13 can be found on pages 243 f. in the Notes to the 2014 Annual Report, which forms the basis for these interim financial statements.

All financial assets and liabilities that are measured at fair value are classified in level 2 of the valuation hierarchy in line with IFRS 13.

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

Contingent liabilities
As at the reporting date, contingent liabilities amounted to €104.8 million (previous year: 61.3), which are essentially related to legal and 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 might not yet be determined at the time that tax refund claims and liabilities are calculated. The calculation of tax items is based on the regulations most likely to be applied in each case. Nevertheless, the fiscal authorities may be of a deviating opinion, which may give rise to additional tax liabilities.

Other financial commitments
On July 28, 2015, HeidelbergCement announced that it has entered into a purchase agreement (the "Stock Purchase Agreement") with Italmobiliare S.p.A. about the acquisition of a 45 per cent shareholding in Italcementi S.p.A. ("Italcementi"). The purchase price amounts to €10.60 per Italcementi share. This represents a total purchase price of approximately €1.67 billion for the 45 per cent stake, which will be paid in cash and up to 10.5 million HeidelbergCement shares resulting from a capital increase against contribution in kind. The closing of the acquisition is subject to customary conditions including approval by the competition authorities, particularly in Europe and the United States. Following the closing of the Stock Purchase Agreement which is expected during 2016 after obtaining all necessary merger control approvals, HeidelbergCement will launch a mandatory public takeover offer to all remaining shareholders of Italcementi at a price provided for by applicable law that as of today is expected to be equal to €10.60 per share in cash.

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. 2014	30 Sep. 2015
Future minimum lease payments under non-cancellable operating leases		
Due within one year	140.3	**146.8**
Due between one and five years	298.0	**320.8**
Due after five years	303.6	**318.5**
	741.9	**786.1**

Events after the balance sheet date

In its meeting on 9 October 2015, the Supervisory Board set the course for a generation change on the Managing Board of HeidelbergCement. In the context of the long-term oriented succession planning and the necessary reorganisation of the Group areas due to the intended acquisition of Italcementi, the Managing Board agreements of Daniel Gauthier and Andreas Kern, which will expire on 30 June 2016, will not be extended. At the same time, three new members were appointed to the Managing Board as from 1 February 2016 and a new Managing Board function was created for the Group area Africa-Eastern Mediterranean Basin.

As from 1 February 2016, new members of the Managing Board will be: Hakan Gurdal from Turkey (born in 1968), currently President of the SBU cement of Sabanci Holding, Jon Morrish from the UK (born in 1970), currently Regional President South in North America, and the Australian Kevin Gluskie (born in 1967), currently CEO of Australia as well as Malaysia and Hong Kong. All three have many years of experience in the business lines and international markets of HeidelbergCement.

Due to the increased number of Group countries after the closing of the Italcementi acquisition, HeidelbergCement will be divided into five Group areas at Managing Board level:
- Western and Southern Europe (Dr. Dominik von Achten, Heidelberg)
- Northern and Eastern Europe-Central Asia (Dr. Albert Scheuer, Heidelberg)
- Africa-Eastern Mediterranean Basin (Hakan Gurdal, Heidelberg)
- North America (Jon Morrish, Dallas)
- Asia-Pacific (Kevin Gluskie, Singapore)

The areas of responsibility of the Chairman of the Managing Board, Dr. Bernd Scheifele, and Chief Financial Officer, Dr. Lorenz Näger, remain unchanged.

Heidelberg, 4 November 2015

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.

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The Interim Financial Report January to September 2015 was published on 5 November 2015.

Financial calendar	
Group annual accounts 2015	17 March 2016
Press conference on annual accounts	17 March 2016
Interim Financial Report January to March 2016	4 May 2016
Annual General Meeting 2016	4 May 2016
Half-Year Financial Report January to June 2016	29 July 2016
Interim Financial Report January to September 2016	9 November 2016

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