

HeidelbergCement Capital Markets Day

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Region West - Overview

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Disclaimer

Unless otherwise indicated, the financial information provided herein has been prepared under International Financial Reporting Standards (IFRS).

This presentation contains forward-looking statements and information. Forward-looking statements and information are statements that are not historical facts, related to future, not past, events. They include statements about our beliefs and expectations and the assumptions underlying them. These statements and information are based on plans, estimates, projections as they are currently available to the management of HeidelbergCement. Forward-looking statements and information therefore speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

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

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- 1. Region West: Overview, Footprint and Operations**
- 2. Volumes, Forecast and Trends**
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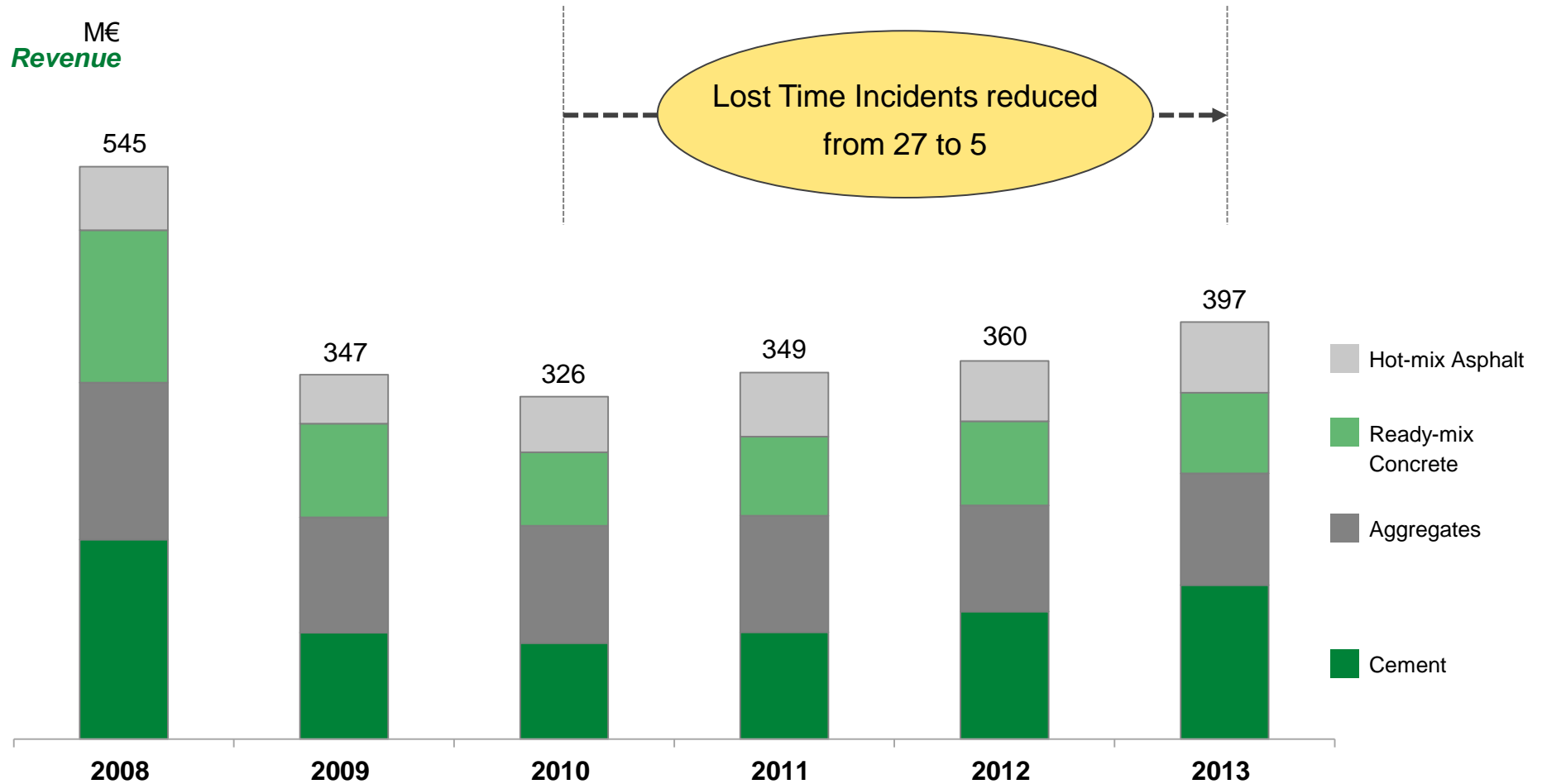
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Region West Overview

Historical Sales

M€
Revenue



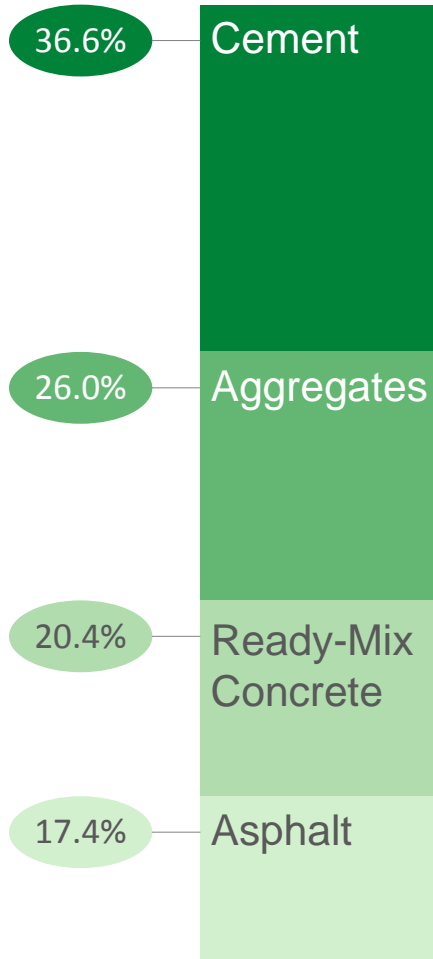
Top Line still with significant headroom

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Complementary product lines in key markets across CA and AZ

Product Lines

% of 2013 Revenue



- 3 gray cement plants with 2.5M mt p.a. capacity
- 9 cement / slag distribution terminals
- Reserve position of over 160.0M mt



- 23 crushed rock, sand and gravel facilities
- Reserve position of 476M mt



- 30 ready-mix concrete plants
- Fleet size - 344 trucks



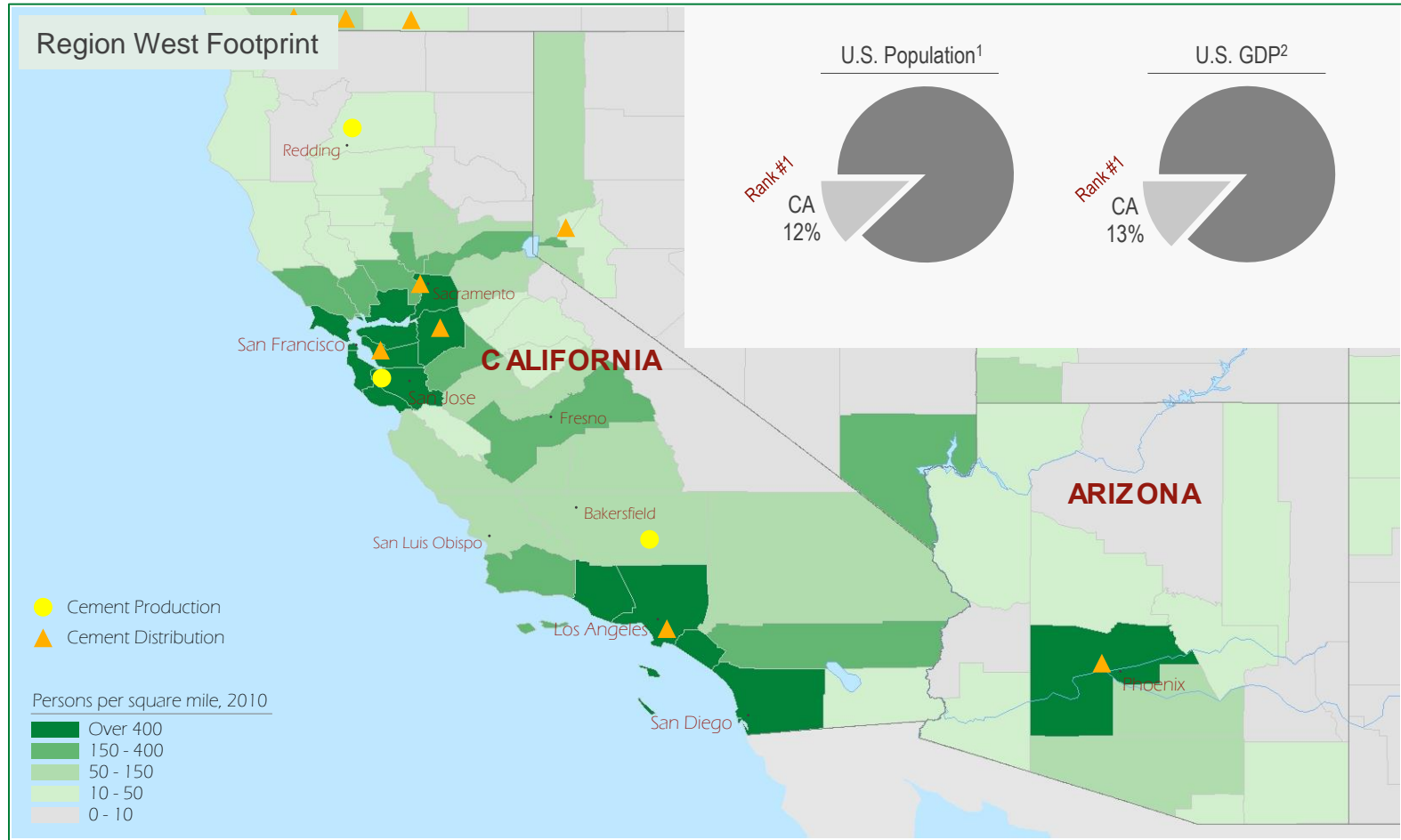
- 13 hot-mix asphalt plants



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Strategically located manufacturing sites & distribution points

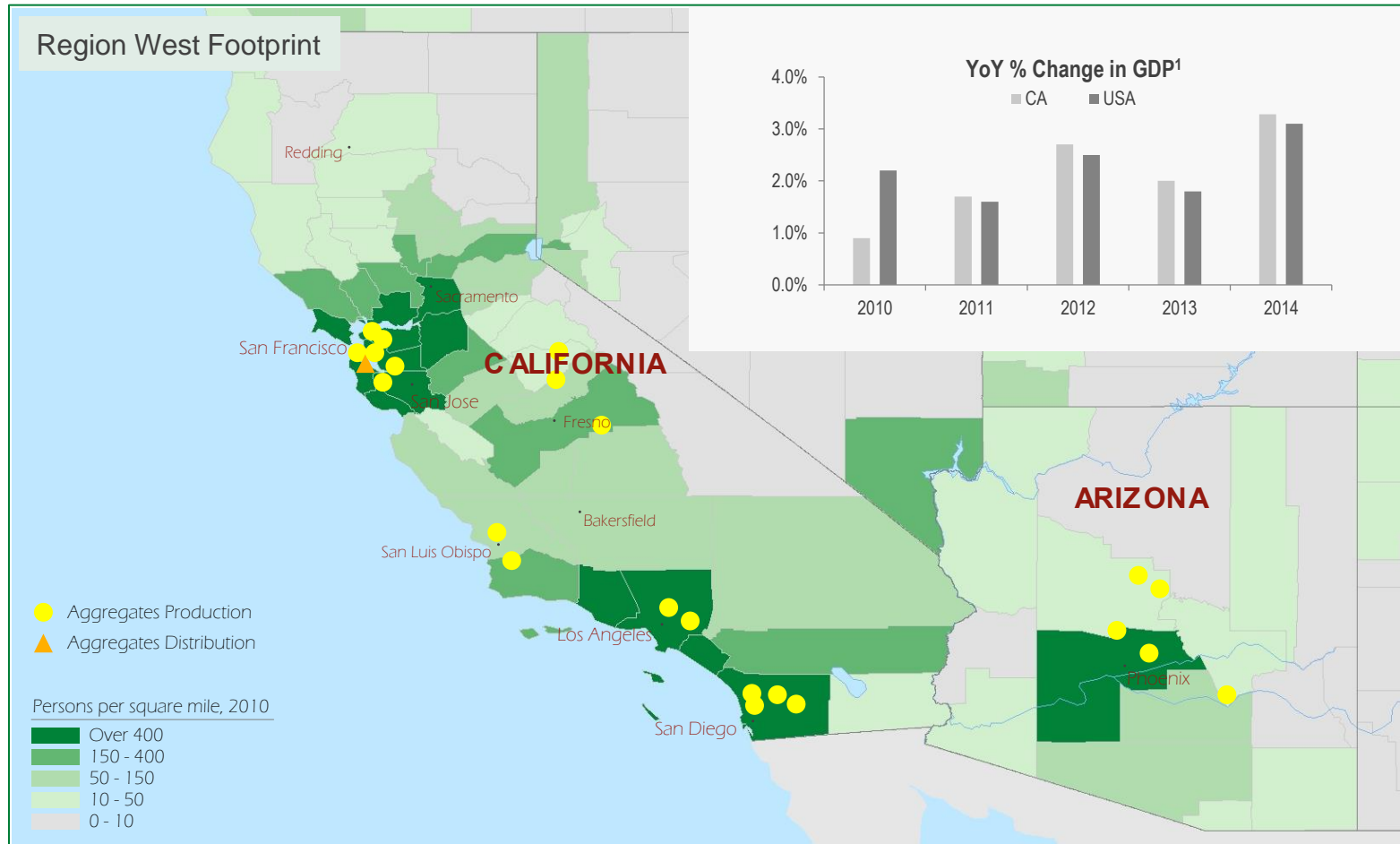
Cement Locations



California is the most populous state in the U.S. and has the largest GDP

Superior reserves with plants located in growth areas

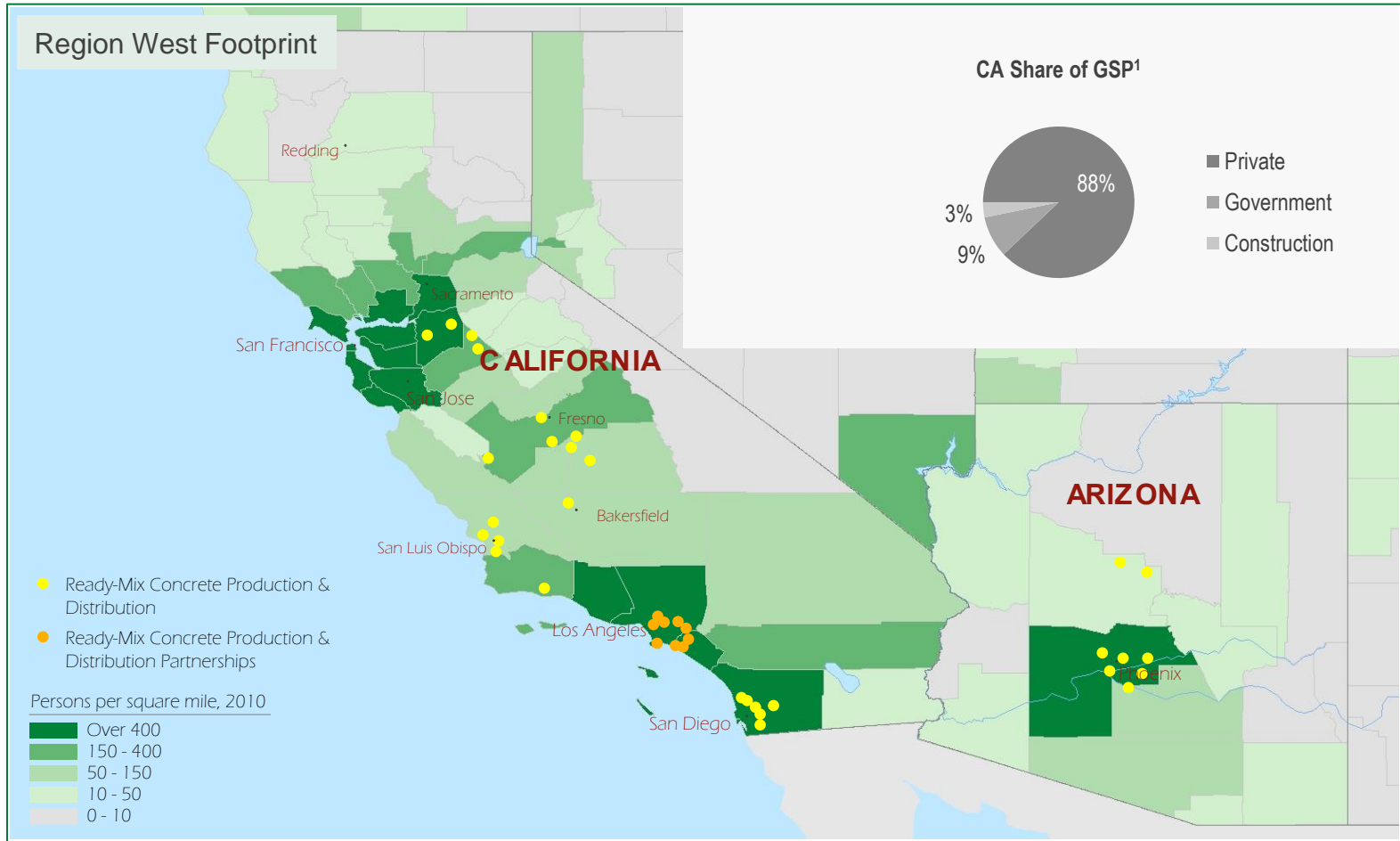
Aggregates Locations



California economy growing at a faster pace than overall U.S.

Efficient & strong local brands, partnerships

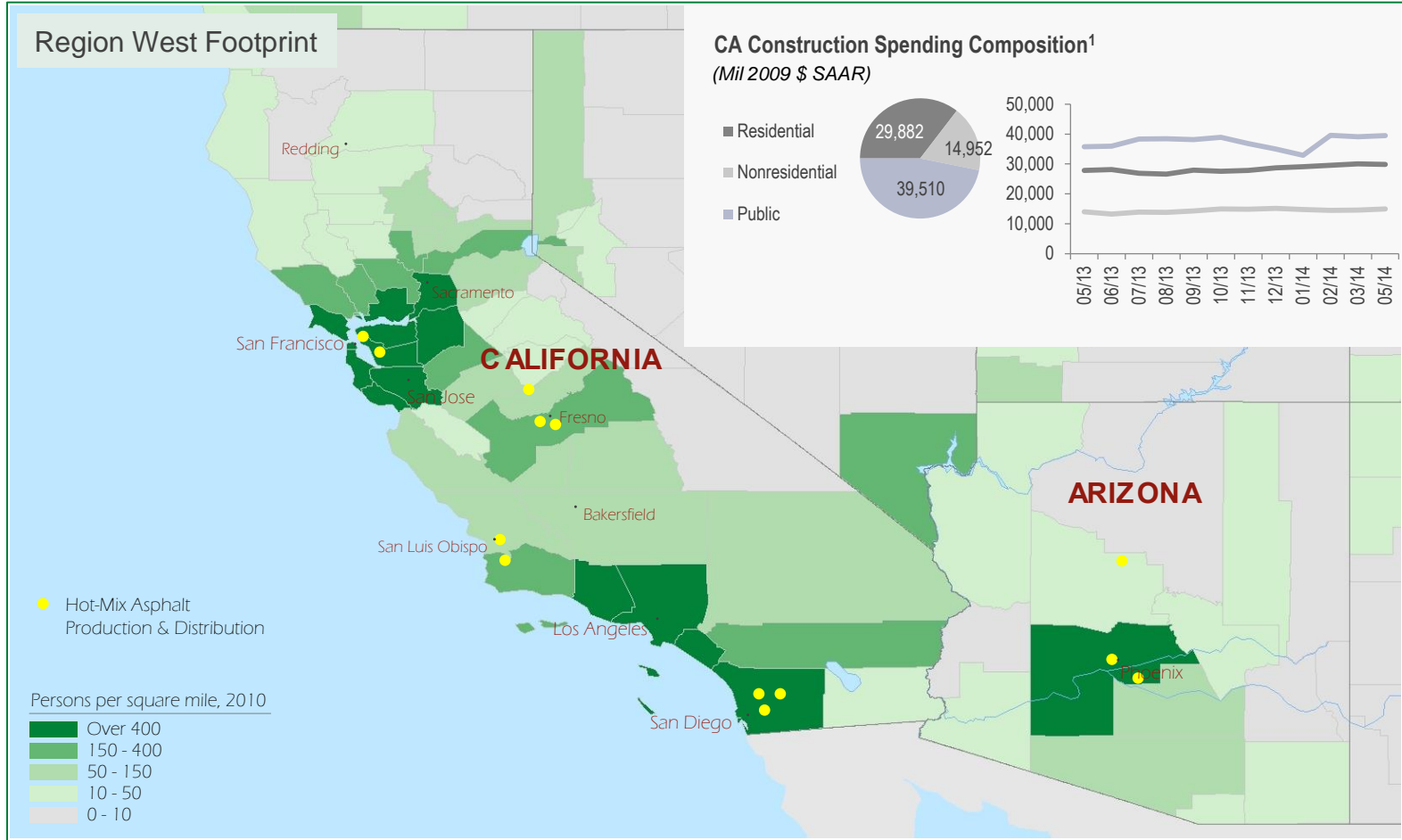
Ready Mixed Concrete (RMC) Locations



Centralized dispatch operations in micro-markets; first-in-class customer service

Well-positioned in growth areas

Asphalt Locations



Flexible operations allow for made-to-order products

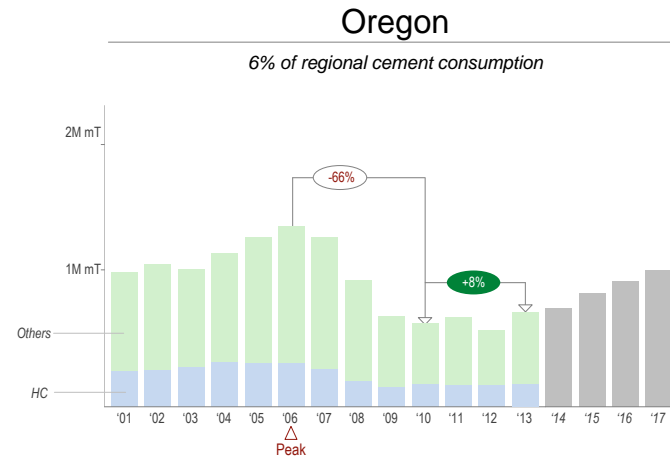
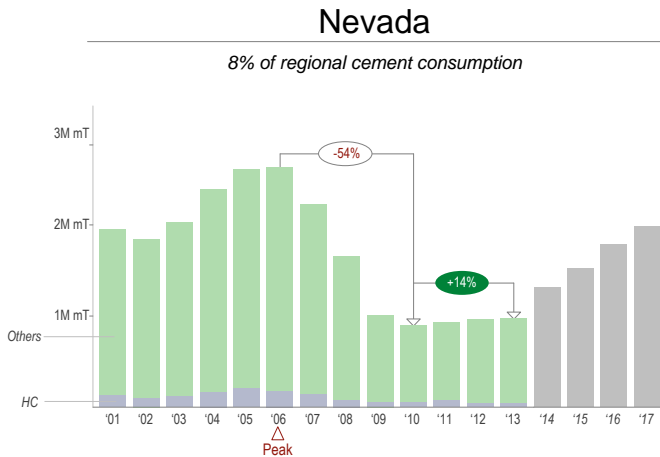
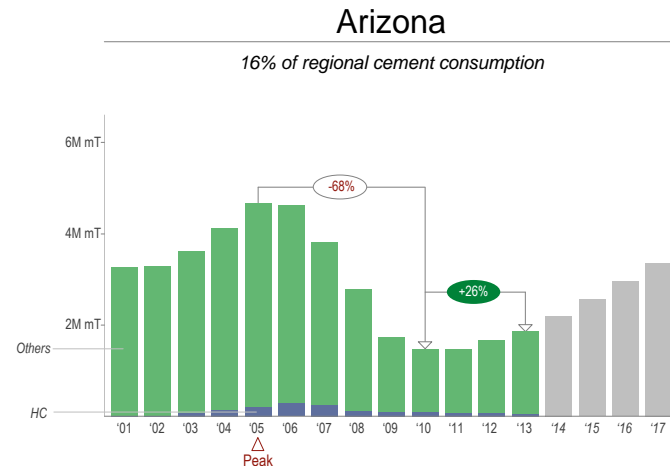
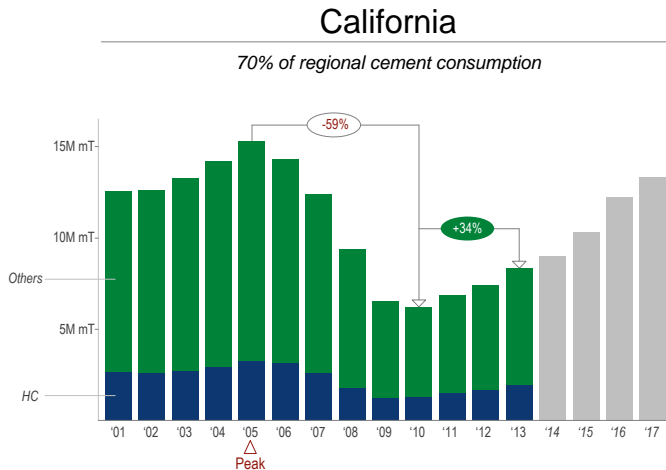
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9M mT of cement will be consumed this year in California

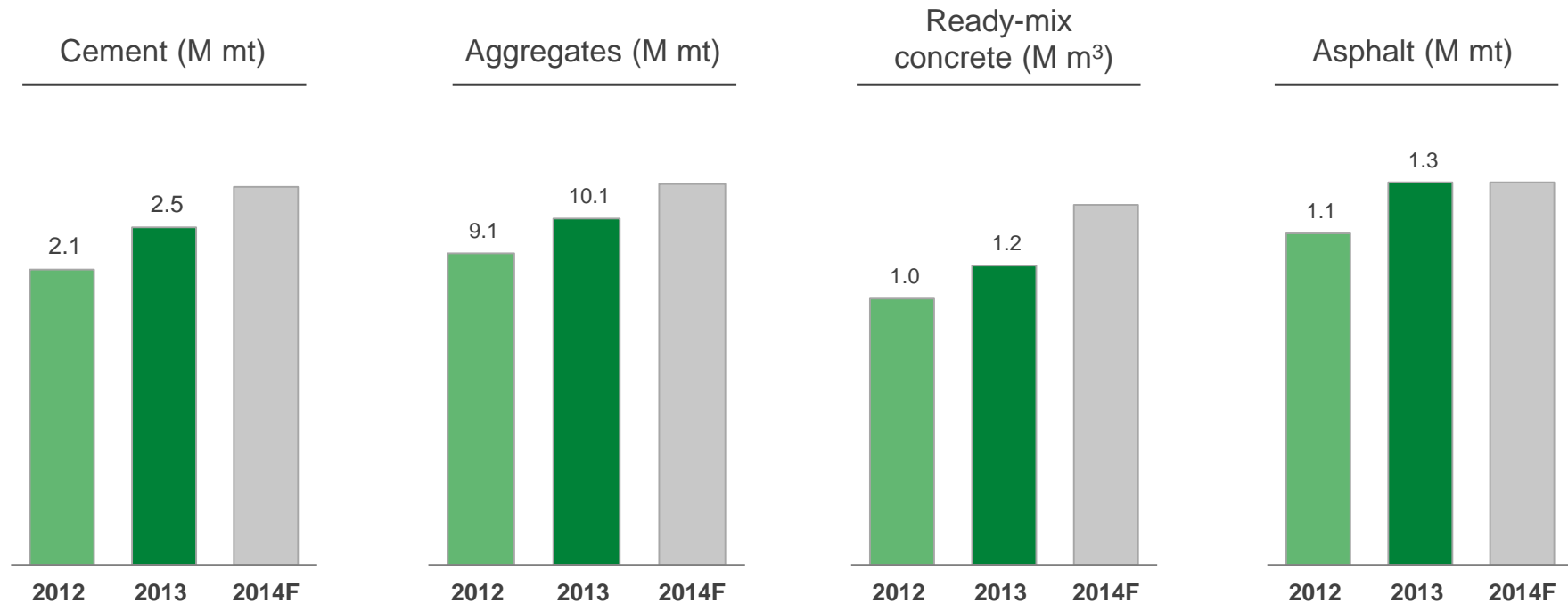
Portland Cement Consumption in the Region



California tracking the strongest recovery in the region. Real construction spending in the state grew by 10% in JAN 2014 on a seasonally adjusted basis from prior year.

Double-digit growth outlook for key product lines in 2014

Region West Volumes – Full Year



“The positive growth trend is likely to continue through 2018”... *Portland Cement Association*

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Permanente Cement Plant

Cupertino

■ Constructed - 1939

- Henry Kaiser
 - Industrialist / Visionary
- Shasta (CA) Dam
- 12 months to construction
- Birthplace of Kaiser Permanente Healthcare System

■ Modernized - 1981

- Preheater / Precalciner
- 1.3 M mt p.a. clinker capacity
- Complex Environmental and Political Environment

■ Performance

- “Sold-out” condition
- Strong margins
- Positive market supports price growth



Region West's Most Valuable Asset

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A diverse footprint enhances market share

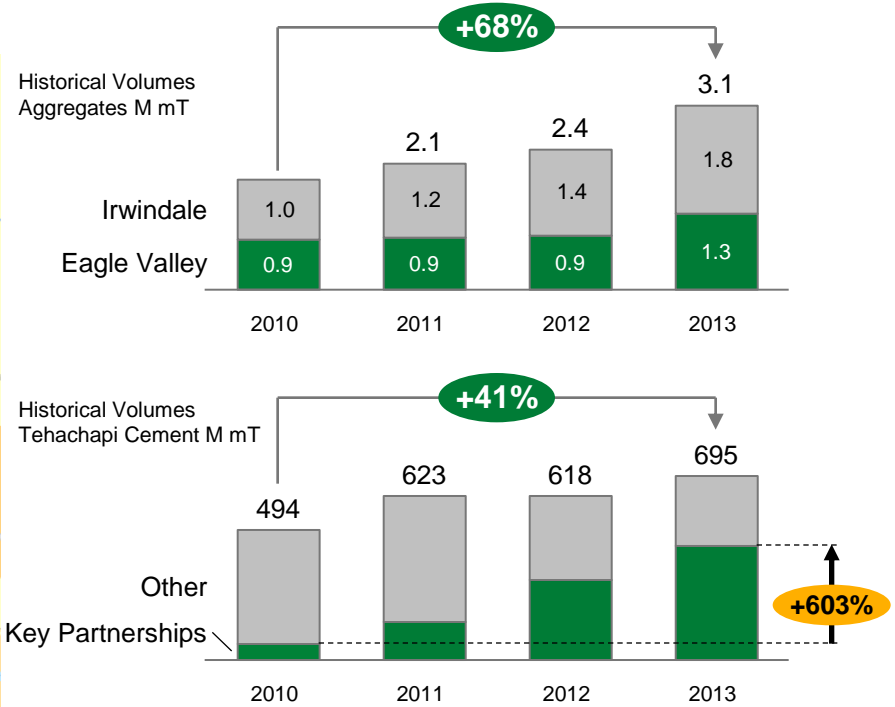
San Francisco Bay Area Projects



Integrated marketing in micro-markets

Partnering for profitability

Los Angeles Ready-Mix Concrete



Restructuring Concrete division greatly benefits aggregates and cement

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Summary

- **Safety is a core focus of each employee**
 - Trust and personal involvement critical to vastly improved results
- **A diversified footprint throughout Region West**
 - Strong in all four product lines...asphalt acquisitions essential for future growth
- **Reorganized to promote Entrepreneurial Spirit**
 - Granular management focus key to Region's turnaround
- **California will rebound faster than most states**
 - 38 M population (larger than many countries)
- **Permanente Cement is critical to success**
 - Valuable asset...in a booming market
- **Integrated Marketing key to Bay Area market share**
 - Future growth based on strong market and small bolt-on acquisitions

Region West produced linear growth in a challenging market