

HeidelbergCement

Presentation - Iceland
March 2012



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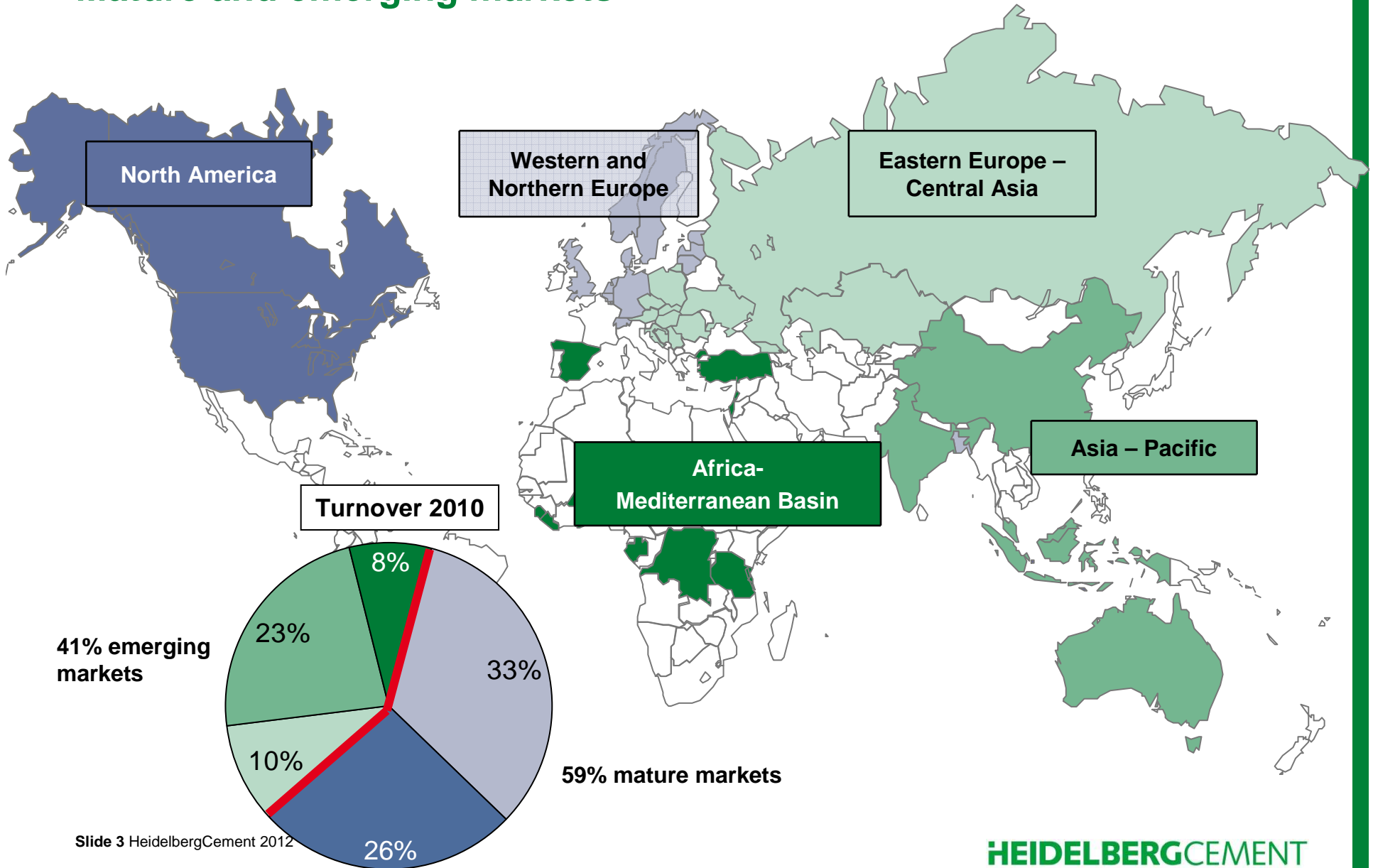
HeidelbergCement Group in figures (2011)

- **53,000 employees**
- **Core business**
 - Cement
 - Aggregates
 - Downstream activities
- **2,530 locations in more than 40 countries**
 - 566 production sites for sand, gravel and hard rock
 - 100 cement and grinding plants
 - 1,329 ready-mixed concrete plants
 - 96 asphalt plants
- **Cement capacity 116 Mt**
- **Aggregates reserves 19 billion t**
- **No 3 in cement**
- **No 1 in aggregates**
- **No 3 in ready-mixed concrete**



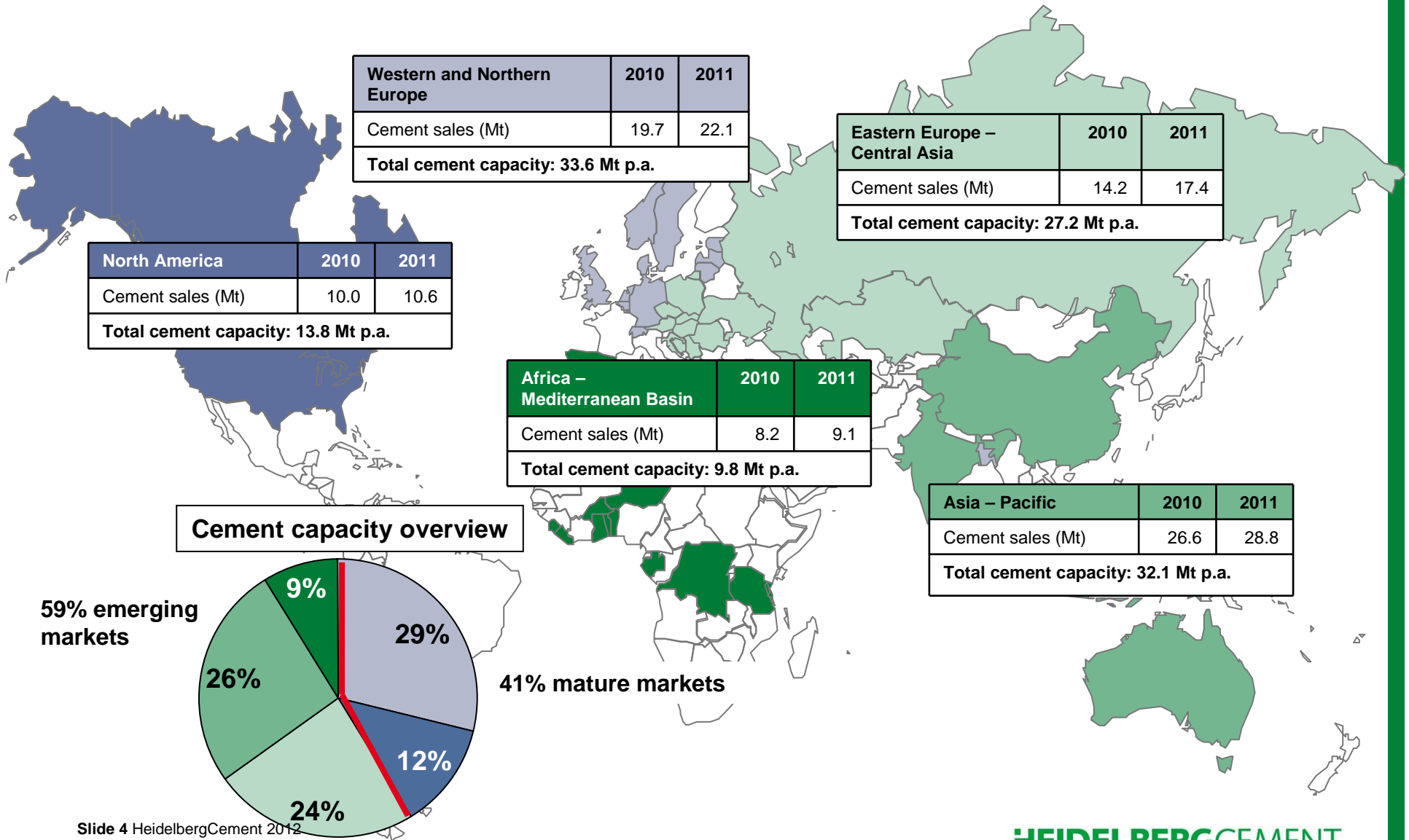
HC Group – Areas

Mature and emerging markets



HC Group - Cement capacity of 116 Mt

Focus on emerging markets



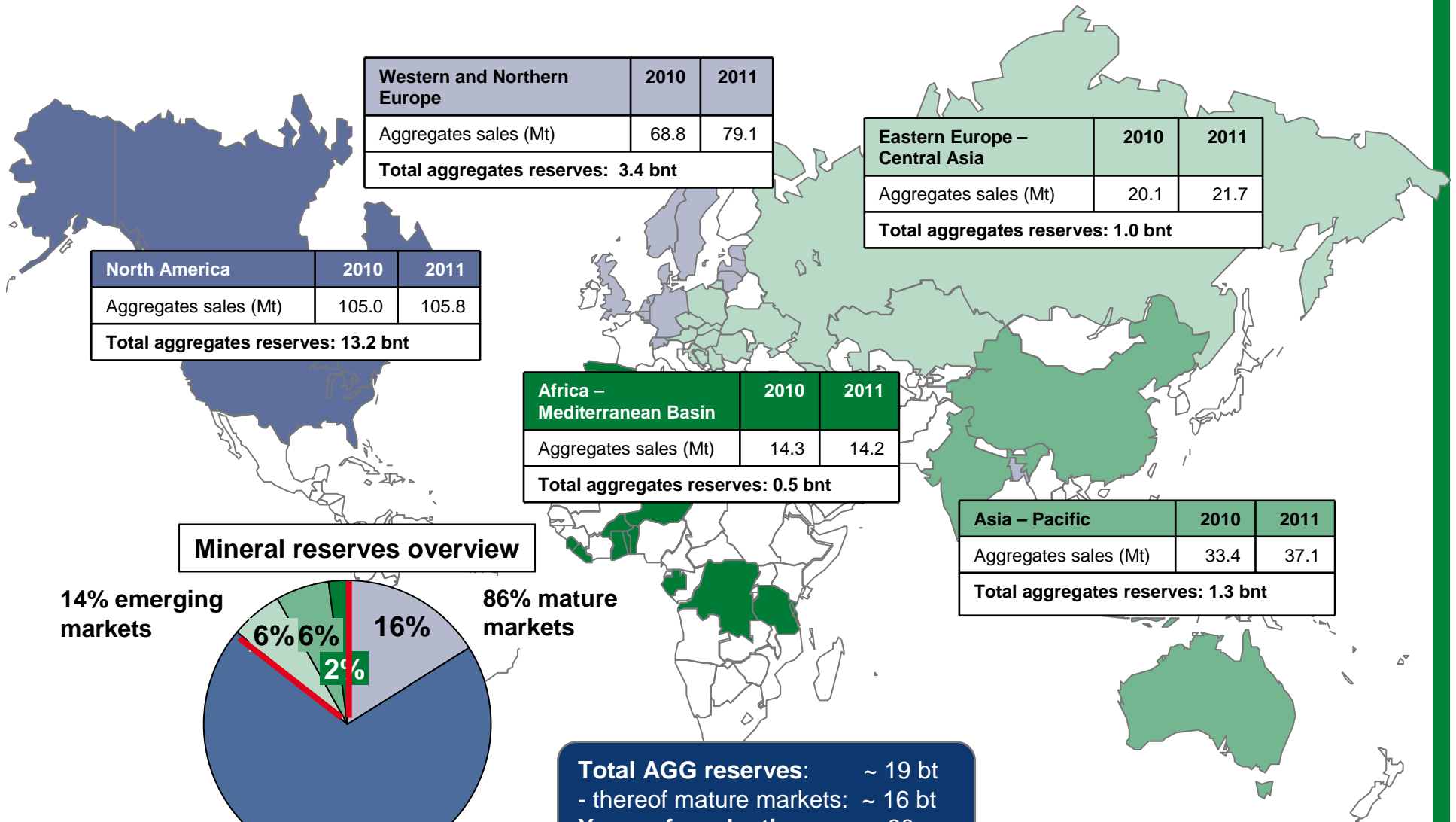
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* Source: Global construction perspectives / Oxford Economics study.

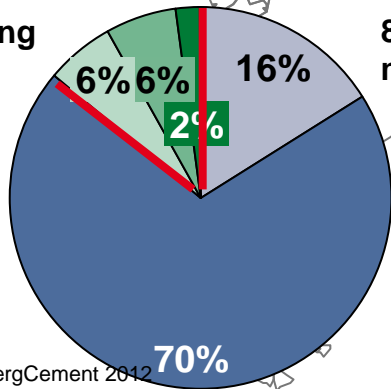
HC Group - High aggregates reserves of 19 bnt

Focus on mature markets



Mineral reserves overview

14% emerging markets

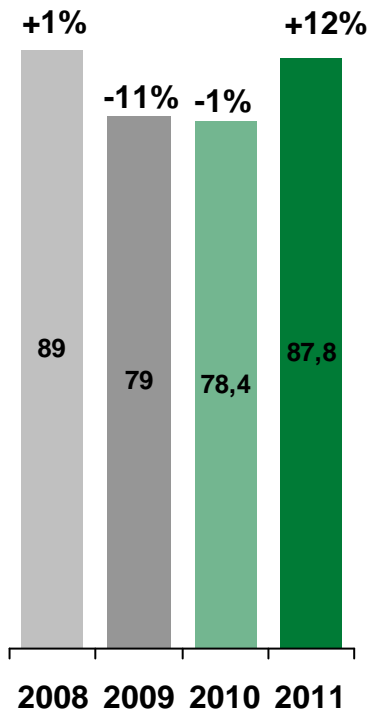


86% mature markets

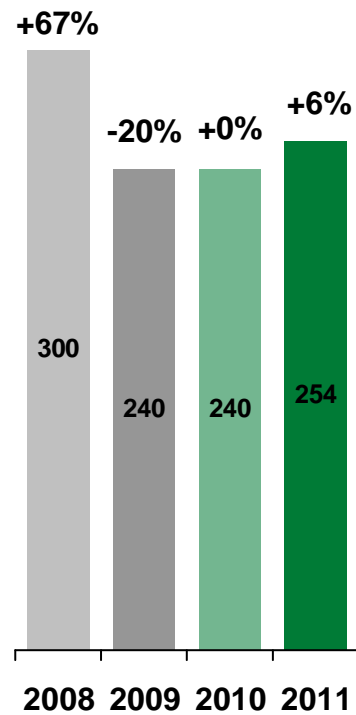
Total AGG reserves: ~ 19 bt
 - thereof mature markets: ~ 16 bt
Years of production: ~ 60 y

HC Group - Sales volumes 2008-2011

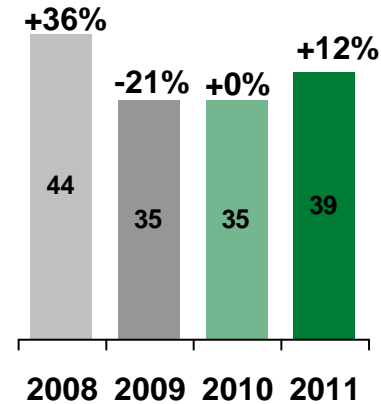
Cement (Mt)



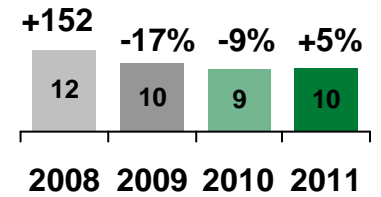
Aggregates (Mt)



Ready-mixed concrete (Mm³)

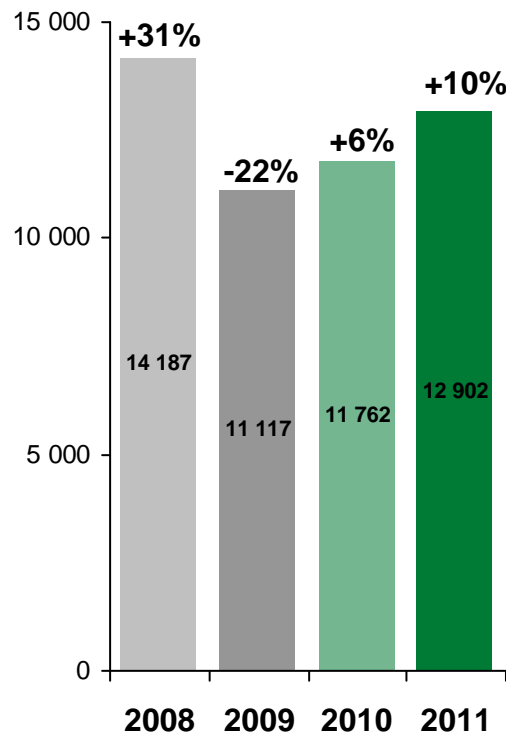


Asphalt (Mt)

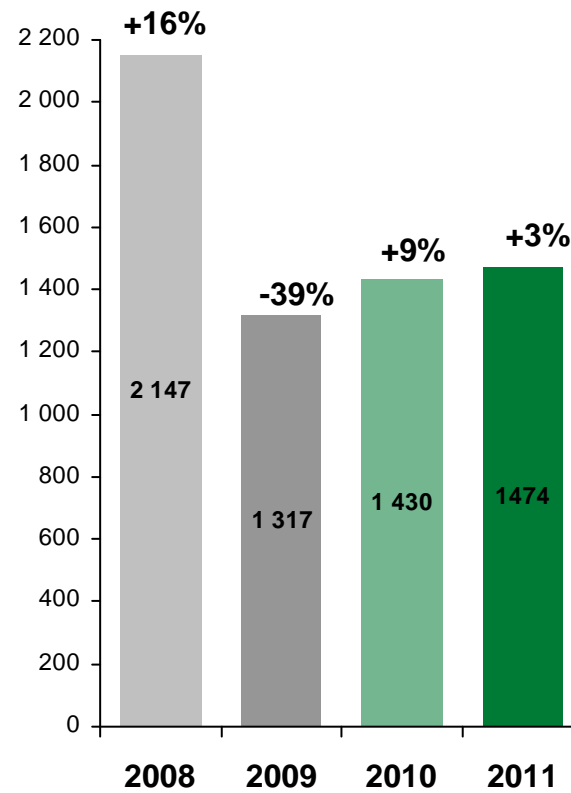


HC Group - Key figures (MEUR)

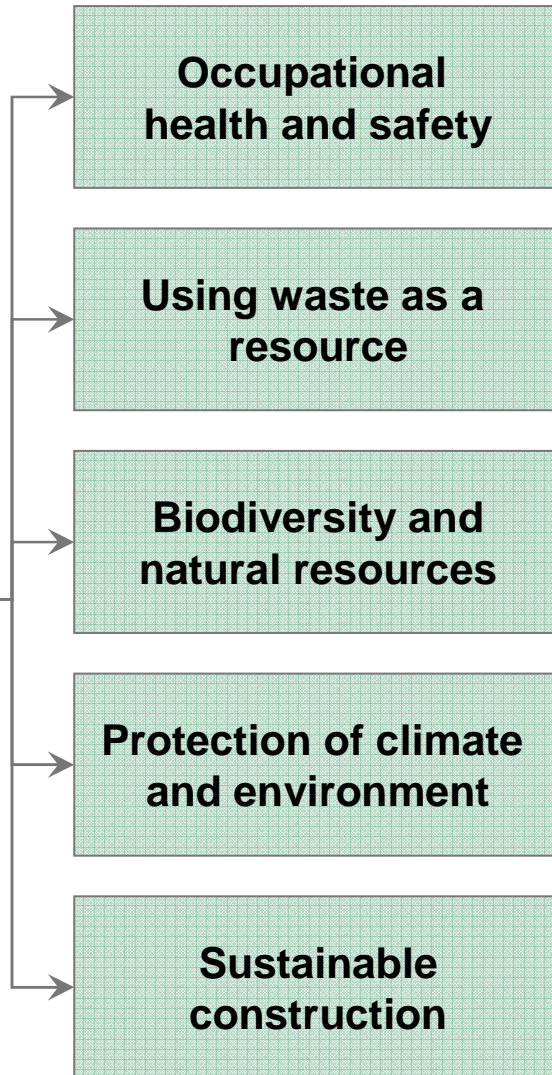
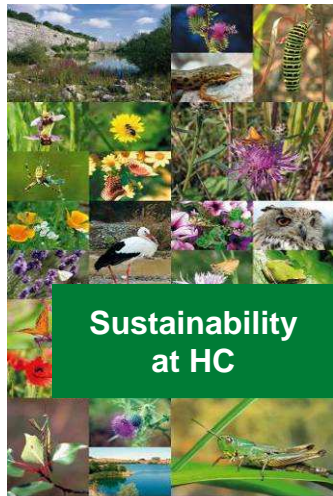
Turnover



Operating income



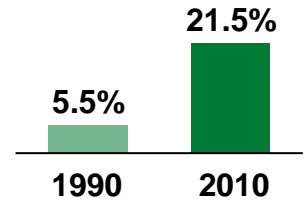
HC Group - Long-term commitment for sustainability



- Zero accidents mentality
- Policies introduced
- Compliance



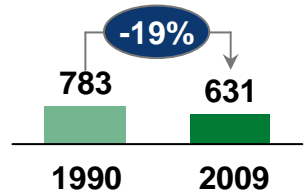
- Alternative fuel rate (in % of fuel mix)



- Conservation of resources
- Restoration of quarries
- Promotion of biodiversity
- Dialogue with stakeholders



- Reduction of specific CO₂ emissions (kg CO₂/tonne of cement)

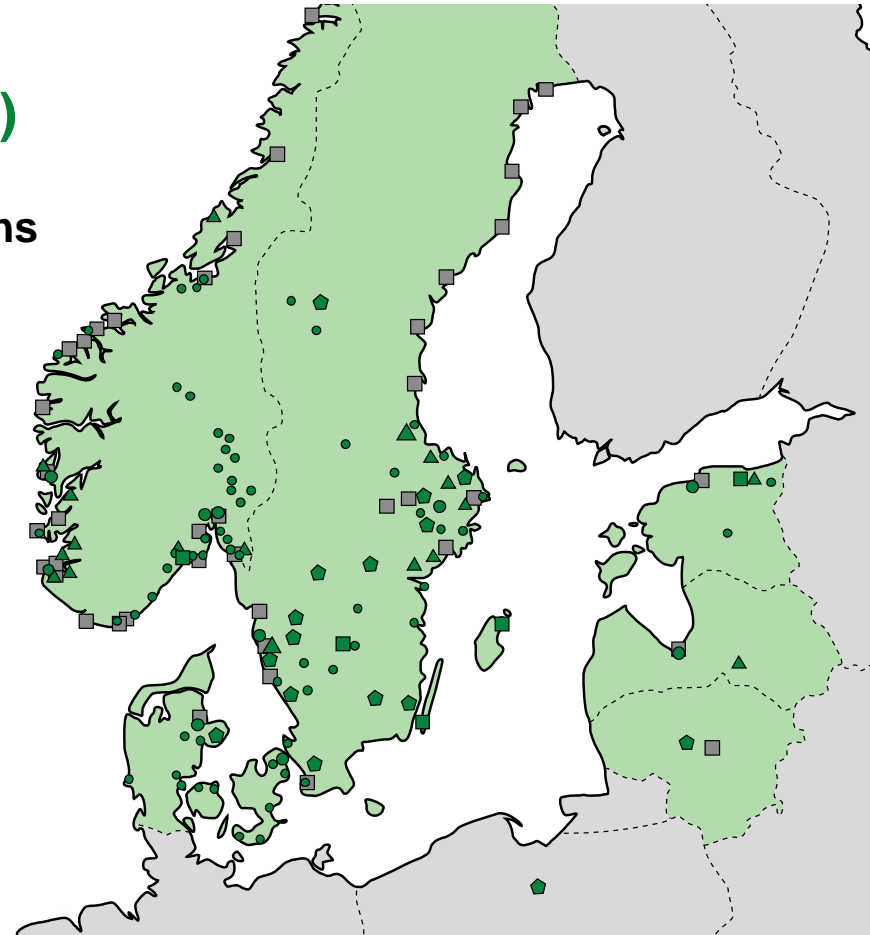


- Cement with low clinker content
- Recyclable products
- Innovative products

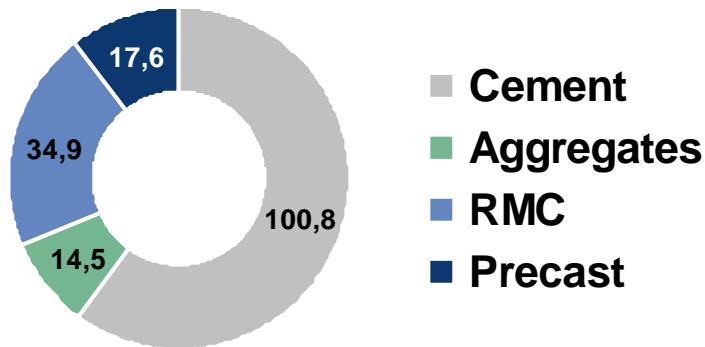


HC Northern Europe in figures (2011)

- 2,738 employees on more than 200 locations
- 1,026 million Euro gross sales
 - Cement and clinker: 486
 - Aggregates: 166
 - Ready-Mixed Concrete: 330
 - Precast : 156



OIBD per Business Line (MEUR)



| | | |
|---|----------------------|-----|
| ■ | Cement plants | 6 |
| □ | Cement terminals | 54 |
| ▲ | Aggregates | 43 |
| ● | Ready-Mixed Concrete | 103 |
| ◆ | Precast | 7 |

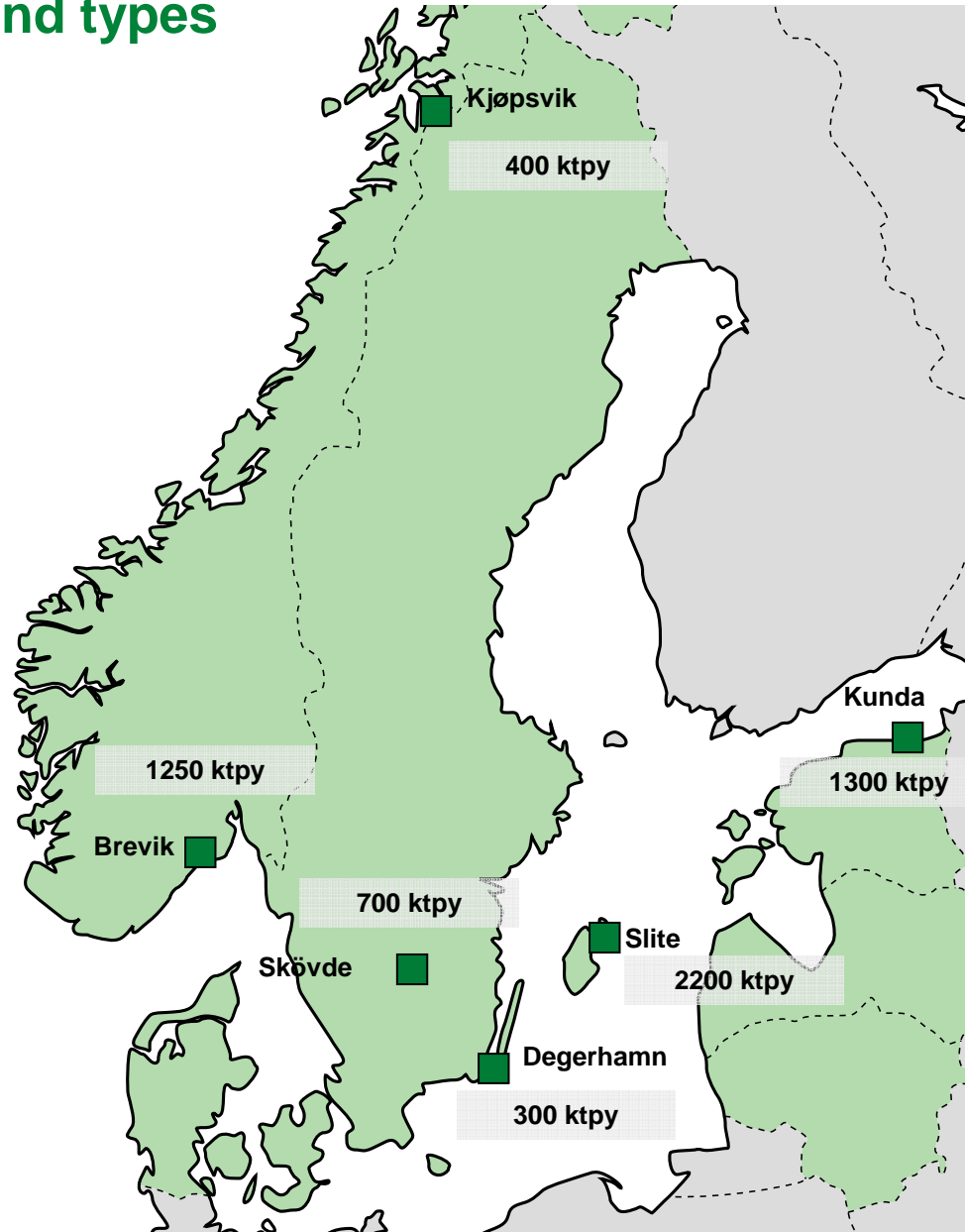
HC NE – Cement capacities and types

| Capacities (ktpy) | CEM (tot.) | CEM LA |
|-------------------|------------|--------|
| Cementa | 3200 | 650 |
| Norcem | 1650 | 300 |
| Kunda | 1300 | 0 |
| NE | 6150 | 950 |

| Prod. 2010 (ktpy) | CEM I | CEM II | LA | Total |
|-------------------|-------|--------|-----|-------|
| Slite | 670 | 915 | 20* | 1585 |
| Brevik | 630 | 535 | 225 | 1165 |
| Kunda | 110 | 280 | - | 390 |
| Skövde | 135 | 325 | - | 460 |
| Kjøpsvik | 40 | 260 | - | 300 |
| Degerhamn | 310 | - | 310 | 310 |
| NE | 1895 | 2315 | 555 | 4210 |

* 140 kt in 2011

- CEM I, CEM II represent 45 % and 55 % of total cement production.
- Low Alkali (LA) cement produced in Brevik, Degerhamn and Slite.



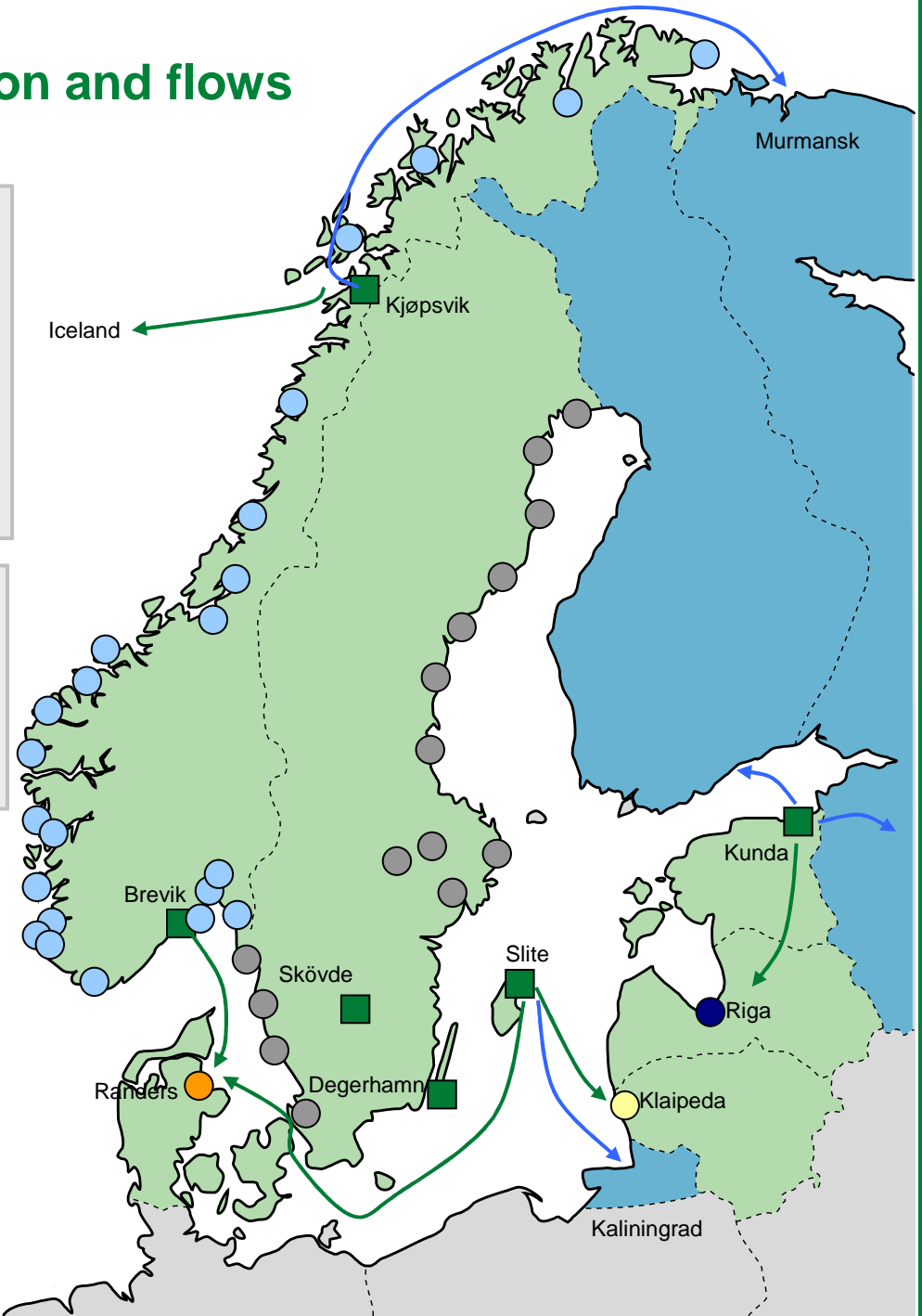
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HC NE – Cement market definition and flows

- Sales operations in Norway, Sweden, Denmark, Baltics and Iceland
- Export sales to Finland and Russia (Murmansk, Kaliningrad, St. Petersburg)
- **These markets (NO, SE, DK, BT, IS, FI, RU) put together form HC NE's regional market**

- Norway and Sweden with extensive network of coastal terminals
- Denmark, Iceland, Latvia and Lithuania supplied through import terminals

- Cement plant
- Cement terminal
- Norway (23 terminals, 176 kt total capacity)
- Sweden (15 terminals, 266 kt total capacity)
- Denmark (1 terminal, 9 kt capacity)
- Latvia (1 terminal, 2t capacity)
- Lithuania (1 terminal, 5 kt capacity)



HC NE - Cement Logistics

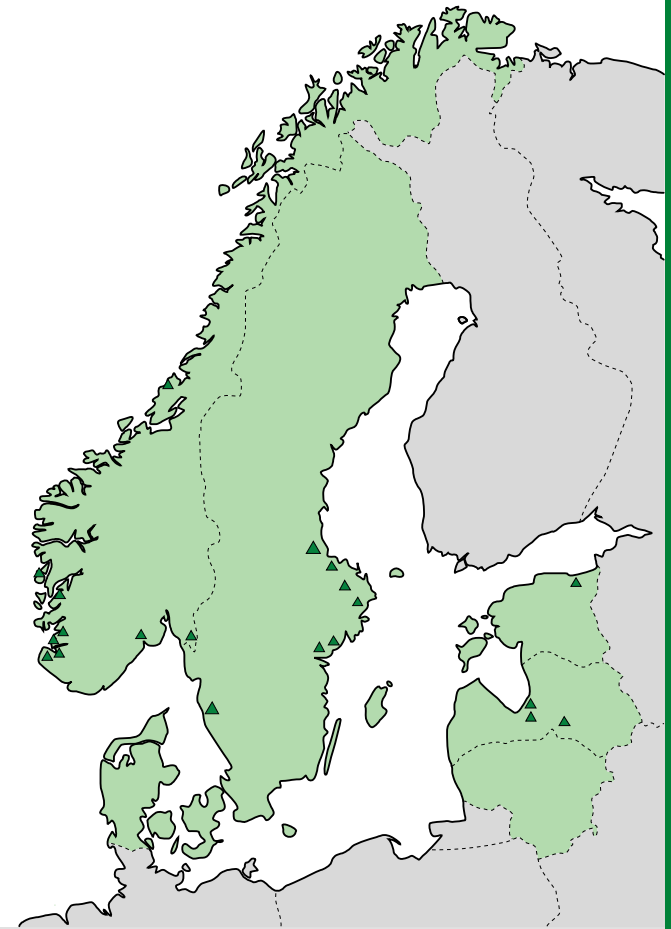
- **HeidelbergCement** views Northern Europe as one market and aims to optimize the transportation of cement within the region
- 80% of material in Norway and 70% in Sweden is transported by **ship**, rest by road.
- In 2010 **2,4 million tons** of cement transported by ship in the regional markets
- In addition more than one million ton cement and clinker exported by ship to markets outside our region
- HCNE operates a fleet of **10 vessels** and 1 barge with capacities ranging from 2000 – 8000 tons for inter-regional shipping
- Export outside the region performed with vessels up to 40 000 tons through HC Trading



HC NE - Aggregates (2011)

■ 13.9 million tons in total sales

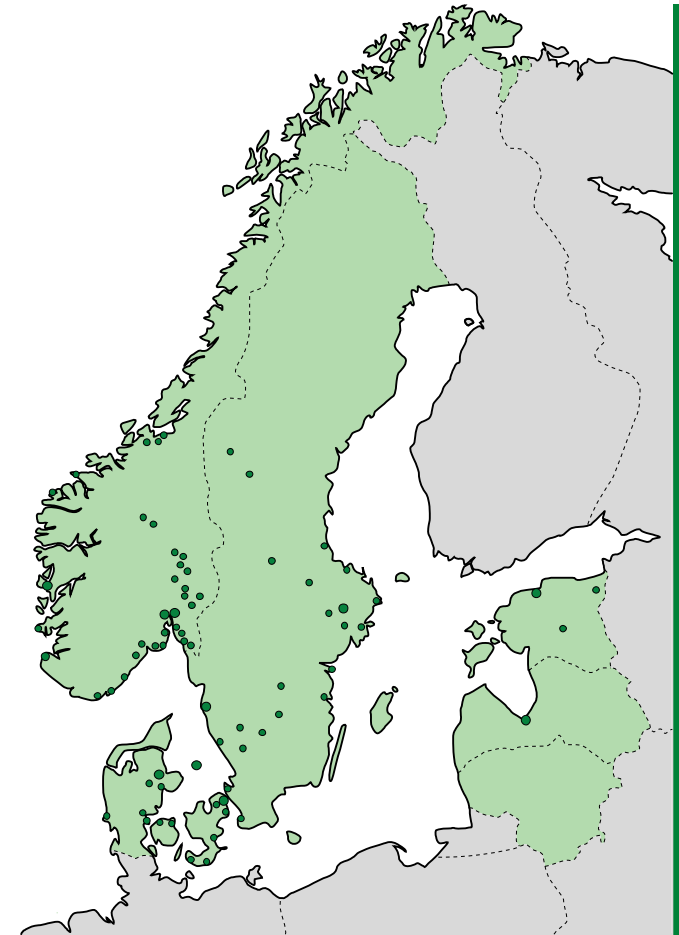
| Country | Plants | Terminals | Sales 2011 (t) |
|------------------------|-----------|-----------|----------------|
| Estonia | 1 | | 658 |
| Latvia | 3 | | 366 |
| Norway | 11 | 4 | 6 930 |
| Sweden | 20 | 4 | 5 978 |
| Northern Europe | 35 | 8 | 13 932 |



HC NE - Ready-Mixed Concrete (2011)

■ 2,35 million m³ in total sales

| Country | Plants |
|-----------------|--------|
| Estonia | 5 |
| Denmark | 21 |
| Latvia | 4 |
| Norway | 40 |
| Sweden | 33 |
| Northern Europe | 103 |



For better building

