

Q1 2022 Trading Update

11 May 2022

Dr. Dominik von Achten – Group CEO

René Aldach – Group CFO



Key Messages

- **Strong revenue growth (+13% LfL)** driven by very strong pricing.
- **Operational EBITDA** below prior year due to an exceptionally strong comparison base and continuing cost pressure.
- **Commercial excellence program** significantly ahead of initial expectation, target upgraded from “>350 m€” to “~2 billion EUR”.
- **Changing energy forward buying policy** to limit volatility in the future.
- **Solid trend in Co2 reduction** continues. Q1 figures better than our internal roadmap target.
- **Outlook confirmed:**
 - Strong increase in LfL revenue
 - Slight increase in LfL Operating EBITDA & RCO

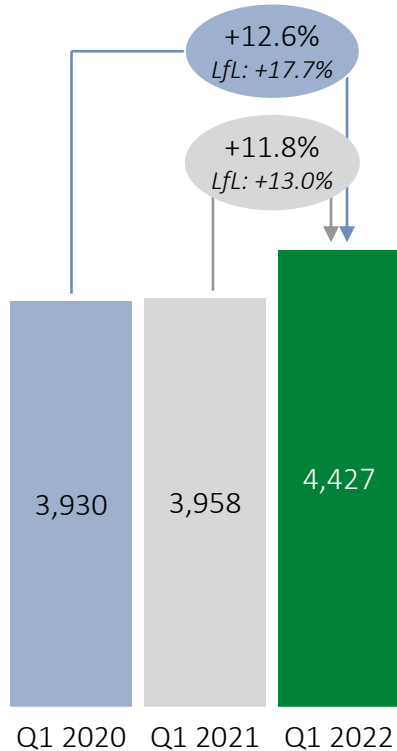
Capital Markets Day on 24th May, with focus on Sustainability

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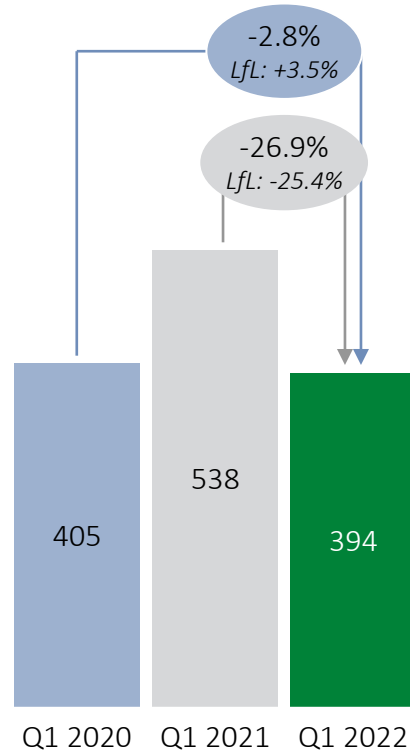


Positive pricing drives revenue growth. Exceptionally strong comparison base.

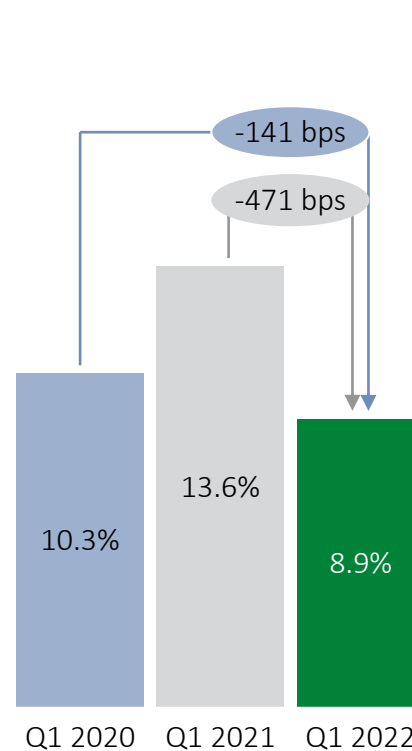
Revenue (m€)



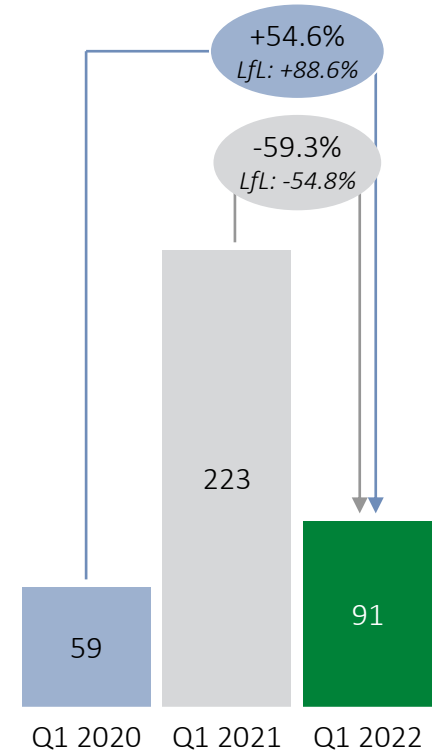
Operating EBITDA (m€)



Operating EBITDA Margin



Operating EBIT (RCO) (m€)



YoY '22 vs. '20

YoY '22 vs. '21

Overview

Volumes	Q1 20	Q1 21	Q1 22	Change	LfL
Cement sales volume (mt)	27.7	28.4	28.4	0.0	2.1%
Aggregates sales volume (mt)	60.1	61.3	61.9	0.6	5.3%
Ready mix sales volume (mt)	10.7	10.8	10.6	-0.2	1.6%

Revenue (mEUR)	Q1 20	Q1 21	Q1 22	Change	LfL
North America	920	849	798	-51	4.8%
Western & Southern Europe	1,105	1,236	1,446	210	15.8%
North & Eastern Europe – C.A.	584	571	682	111	21.7%
Asia Pacific	737	767	837	70	5.5%
Africa – Eastern Med. Basin	444	444	527	83	16.4%

Operating EBITDA (mEUR)	Q1 20	Q1 21	Q1 22	Change	LfL
North America	52	80	7	-73	-71.2%
Western & Southern Europe	62	121	81	-40	-34.0%
North & Eastern Europe – C.A.	63	67	59	-8	-10.4%
Asia Pacific	131	158	111	-47	-32.5%
Africa – Eastern Med. Basin	96	115	132	17	13.4%

Strong top line growth driven by solid pricing in all regions

North America

- Robust price development drives revenue growth. Volumes negatively impacted by unfavorable weather conditions in Northeast region.
- Energy and freight cost inflation put pressure on Q1 result; further price increases in execution to drive margin recovery.

Europe

- Significant increase in revenue driven by strong pricing across all countries.
- Rising cost inflation put pressure on EBITDA and margin.

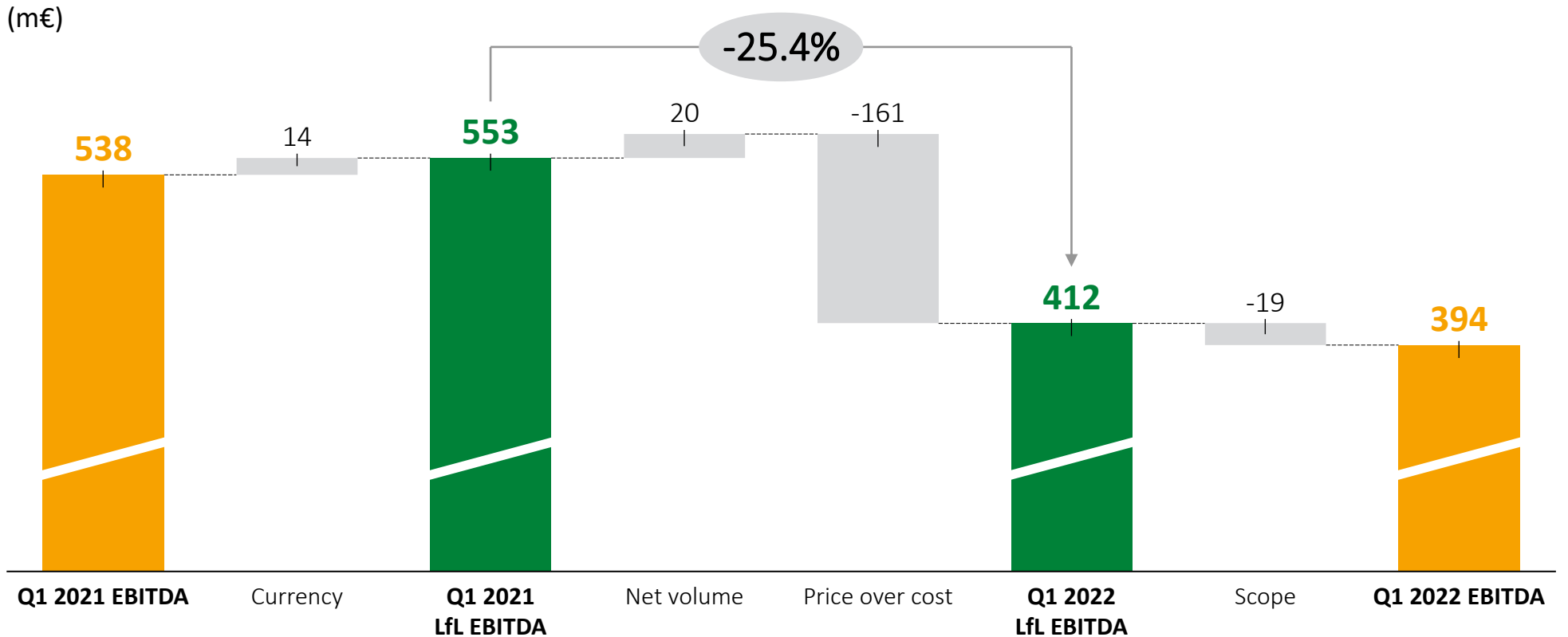
Asia-Pacific

- Volumes recovering in most Asian markets. Australia affected by floods in Q1.
- Pricing momentum now building to recover sharp input price increases.

Africa – Eastern Mediterranean

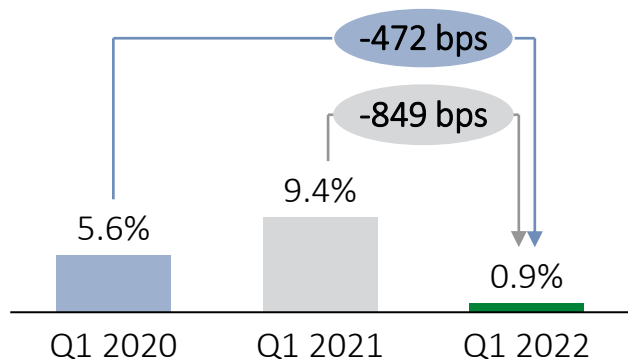
- Strong revenue growth as demand and pricing remain intact in Sub Sahara, Egypt and Morocco.
- EBITDA growth achieved despite increases in the inbound freight, raw material and fuel costs.

Q1 2021 Operating EBITDA Bridge

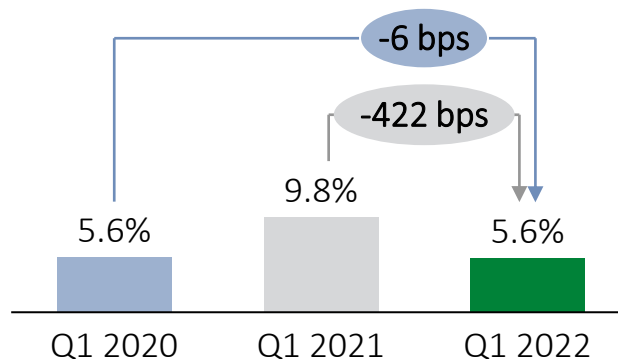


Operating EBITDA Margin Development

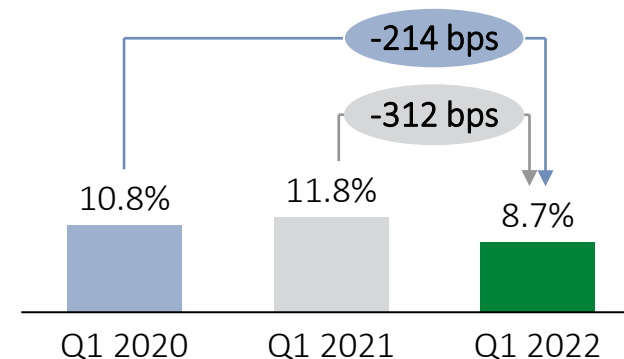
North America



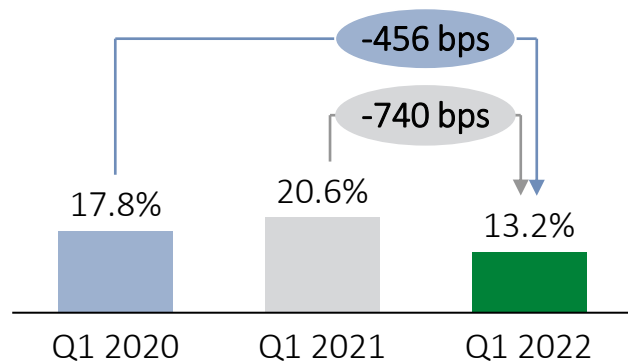
Western & Southern Europe



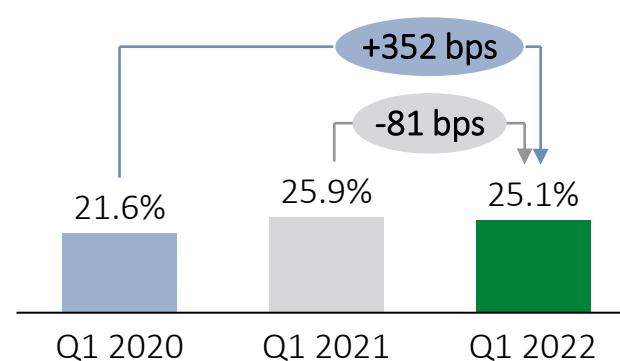
North & Eastern Europe – Central Asia



Asia Pacific



Africa-Eastern Mediterranean Basin

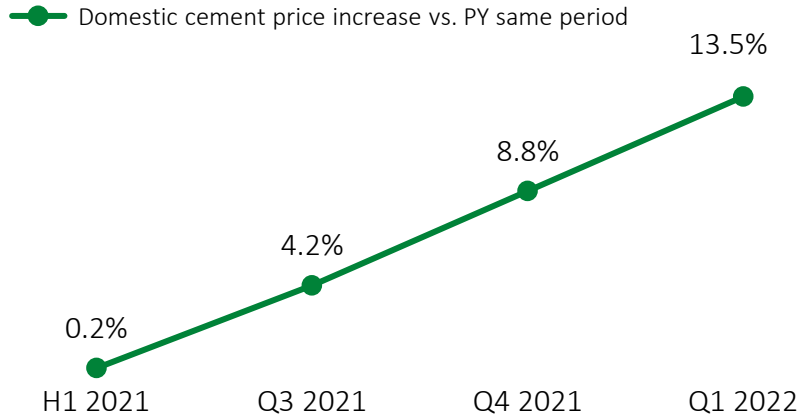


YoY '22 vs. '20

YoY '22 vs. '21

Very strong start to Business Excellence Program

Commercial Excellence



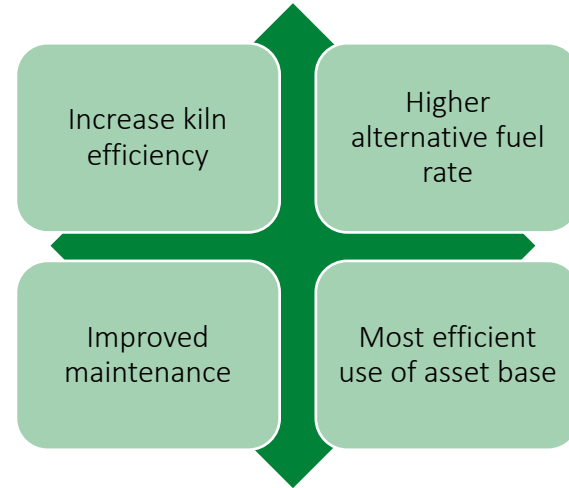
Announced target: >350 m EUR *

Significantly ahead of plan. 236 m€ already secured.

New target: ~2 billion EUR *

* "Above" normal price inflation of 2% p.a.

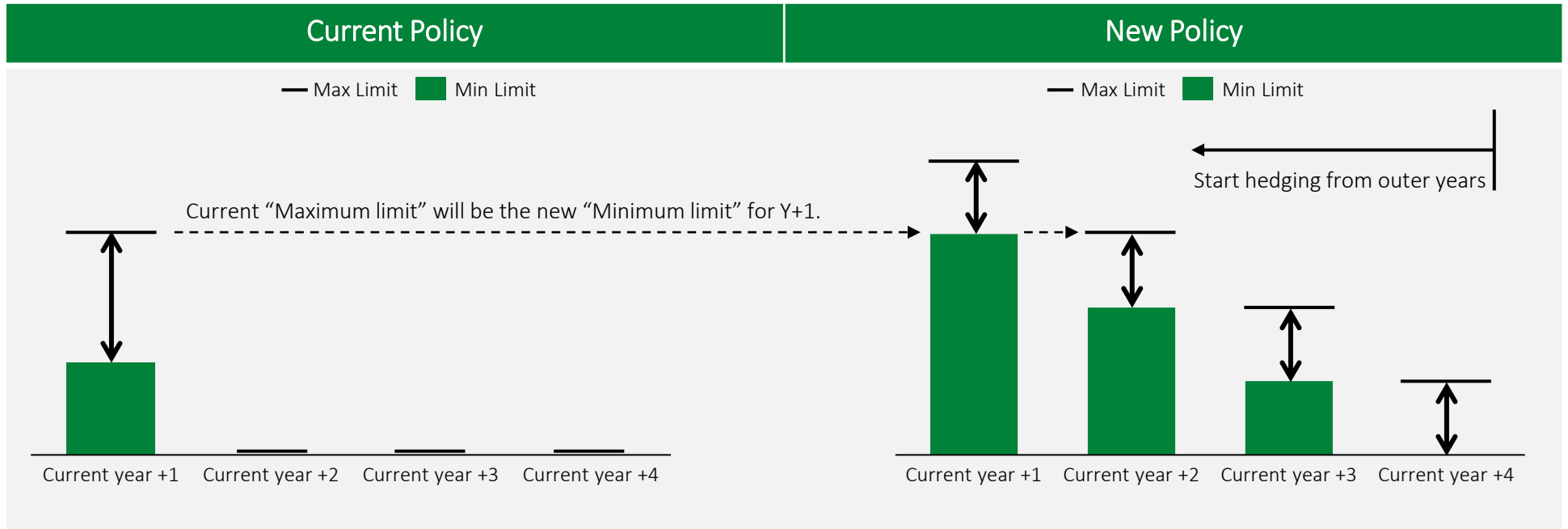
Operational Excellence



Announced target: 150 m EUR

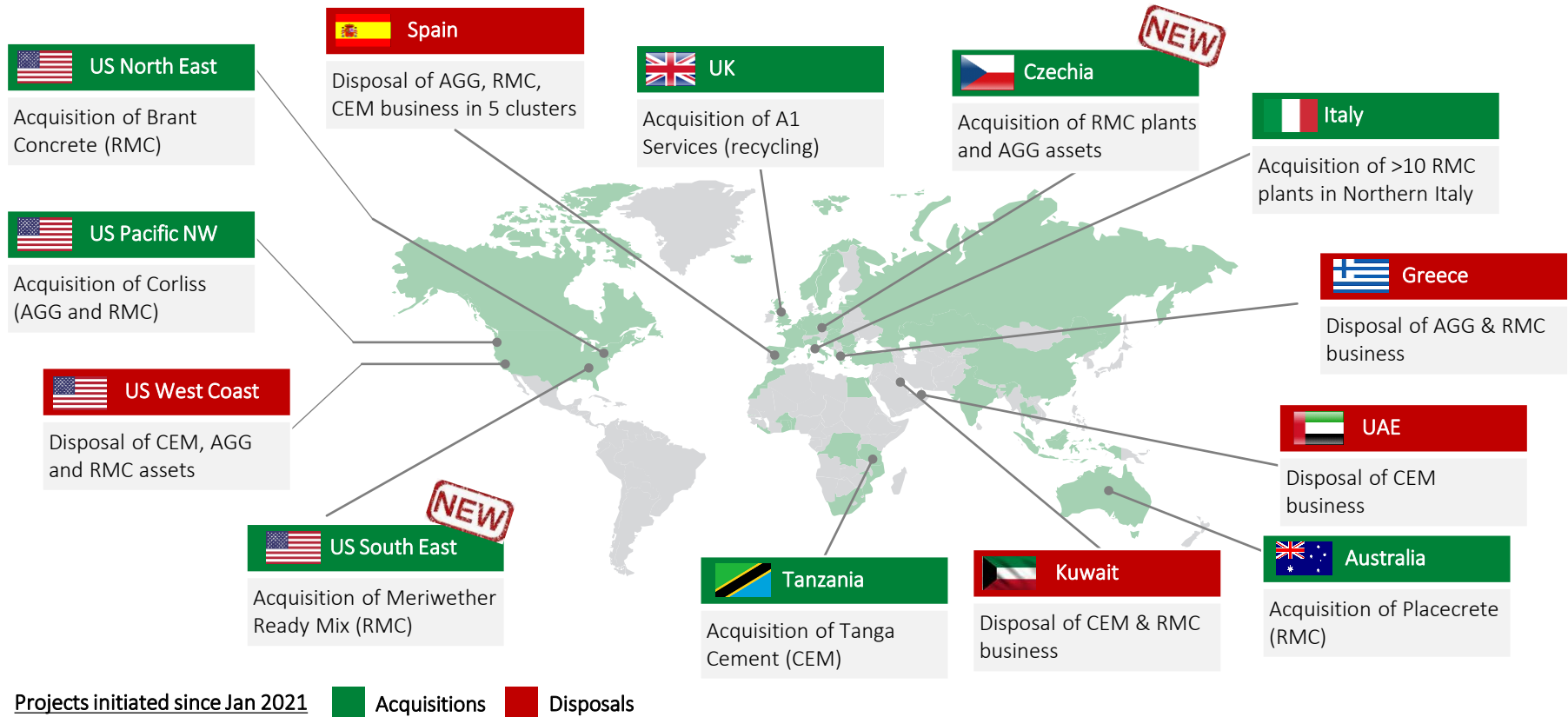
Program successfully initiated, based on locally defined roadmaps. 21 m€ secured in Q1.

New energy forward buying policy with longer hedge horizon



New policy for forward buying limits for all deregulated electricity and gas markets to reduce volatility

We continue to optimize our asset base



Decreasing complexity, while improving footprint in existing profitable markets with high returns

Clear focus on pricing and cost efficiency to drive further growth

Business outlook 2022



Demand increase in all business lines driven by infrastructure projects and ongoing residential growth.



Strong pricing across all markets.



High energy cost inflation, especially during the first half of the year.



Solid cash generation.

Guidance 2022



Strong increase in revenue, slight increase in operating EBITDA and RCO (all like-for-like)



CapEx Net <1.2 bn EUR



ROIC at around 9%



Leverage between 1.5x to 2.0x

We make the material to build our future by taking the Sustainability lead in the sector

We are fully committed to Sustainability by...

- ... driving the transition to sustainable construction.
- ... being on the right track to lead the sector in carbon emissions reduction.
- ... pioneering in different carbon capture technologies in our industry throughout the world.
- ... creating further value for customers through our sustainable products & solutions.
- ... an innovative R&D team and strong partnerships to lead decarbonization and circularity.



To be held as a hybrid event.

Please register for the live stream here: [Registration](#)

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Appendix



Sales volumes & Operational Result

Sales Volumes QUARTER	Cement ('000 t)				Aggregates ('000 t)				Ready Mix ('000 m3)				Asphalt ('000 t)			
	Q1 21	Q1 22	Change	LfL	Q1 21	Q1 22	Change	LfL	Q1 21	Q1 22	Change	LfL	Q1 21	Q1 22	Change	LfL
North America	3,089	2,549	-540	-2.4%	23,132	22,371	-761	5.8%	1,685	1,209	-476	-8.2%	537	50	-487	-0.8%
West / South Europe	6,800	6,834	35	0.5%	19,943	19,529	-415	-1.8%	4,191	4,233	42	1.3%	877	855	-22	-2.5%
North / East Europe	4,401	4,455	54	1.2%	7,978	8,794	816	16.0%	1,156	1,262	105	12.4%	0	0	0	0.0%
Asia Pacific	8,804	9,104	300	3.4%	8,473	9,249	776	9.2%	2,519	2,558	39	1.5%	502	448	-54	-10.8%
Africa / Med. Basin	5,229	5,421	191	5.2%	1,783	1,930	147	8.2%	1,240	1,315	75	6.0%	55	33	-22	-40.0%
Group Service	37	0	-37	0.0%	0	50	50	0.0%	0	0	0	0.0%	0	0	0	0.0%
HC GROUP	28,360	28,358	-1	2.1%	61,310	61,923	613	5.3%	10,791	10,576	-215	1.6%	1,972	1,386	-585	-5.2%

Operating Result YEAR TO DATE	Revenues (m€)				Operating EBITDA (m€)				Operating EBIT / RCO (m€)				EBITDA Margin			
	Q1 21	Q1 22	Change	LfL	Q1 21	Q1 22	Change	LfL	Q1 21	Q1 22	Change	LfL	Q1 21	Q1 22	Change	LfL
North America	849	798	-6.0%	4.8%	80	7	-91.1%	-71.2%	-3	-67	N/A	N/A	9.4%	0.9%	-849 bps	-681 bps
West / South Europe	1,236	1,446	17.0%	15.8%	121	81	-33.4%	-34.0%	28	-7	N/A	N/A	9.8%	5.6%	-422 bps	-420 bps
North / East Europe	571	682	19.4%	21.7%	67	59	-12.1%	-10.4%	21	11	-46.7%	-45.7%	11.8%	8.7%	-312 bps	-310 bps
Asia Pacific	767	837	9.1%	5.5%	158	111	-30.0%	-32.5%	99	52	-47.0%	-48.8%	20.6%	13.2%	-740 bps	-748 bps
Africa / Med. Basin	444	527	18.7%	16.4%	115	132	15.0%	13.4%	89	105	18.3%	17.4%	25.9%	25.1%	-81 bps	-65 bps
Group Service	263	461	75.4%	76.2%	6	9	52.6%	55.2%	6	9	54.6%	57.3%	2.3%	2.0%	-30 bps	-27 bps
HC GROUP	3,958	4,427	11.8%	13.0%	538	394	-26.9%	-25.4%	223	91	-59.3%	-54.8%	13.6%	8.9%	-471 bps	-462 bps

Scope and currency impacts

Scope & Currency QUARTER	Scope Impact on Volumes				Revenue		Operating EBITDA		Operating EBIT (RCO)	
	CEM	AGG	RMC	ASP	Scope	Currency	Scope	Currency	Scope	Currency
North America	-466	-2,107	-338	-483	-158	63	-17	6	-11	0
West / South Europe	0	-55	-13	0	-2	15	0	1	0	1
North / East Europe	0	-458	-38	0	-4	-7	0	-1	0	-1
Asia Pacific	0	0	0	0	2	24	0	6	-1	4
Africa / Med. Basin	-83	0	0	0	-6	14	0	2	0	1
Group Service	-37	0	0	0	-3	0	0	0	0	0
HC GROUP	-586	-2,620	-389	-483	-170	109	-19	14	-12	5

Contact information and financial calendar

Date	Events
24 May 2022	Capital Markets Day
28 July 2022	Half Year Results
03 November 2022	Q3 Trading Update

Contact Information

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"Operating EBITDA" definition included in this presentation represents "Result from current operations before depreciation and amortization (RCOBD)" and "Operating Income" represents "Result from current operations (RCO)" lines in the annual and interim reports.