

Materials & Infrastructure Conference

1 December 2020

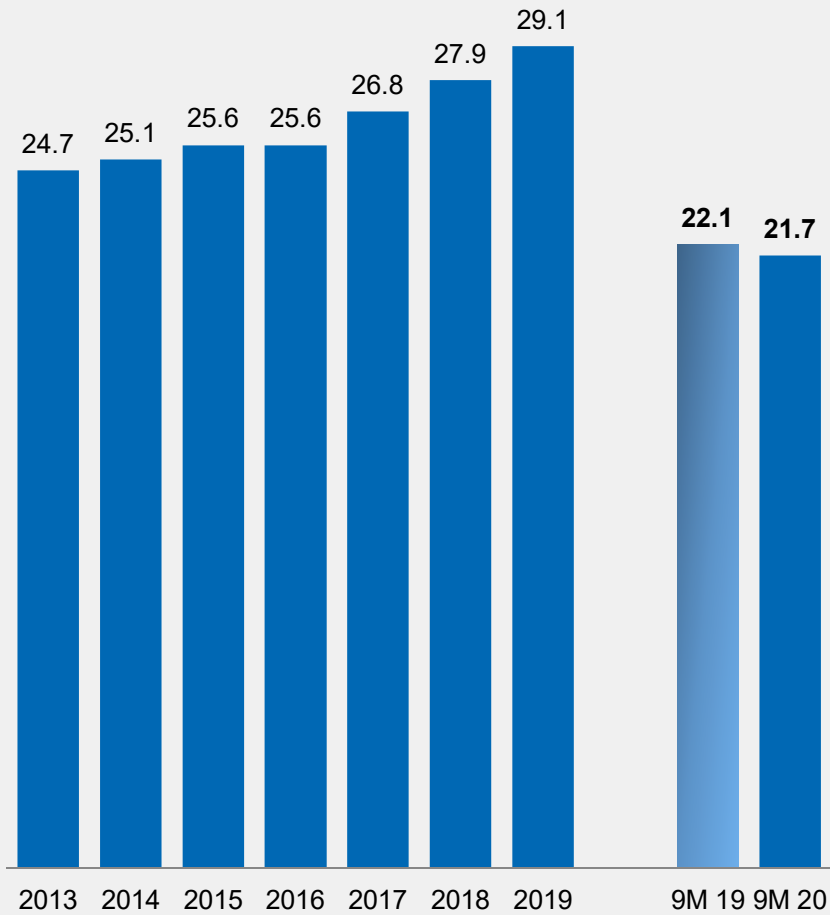


Executive Summary

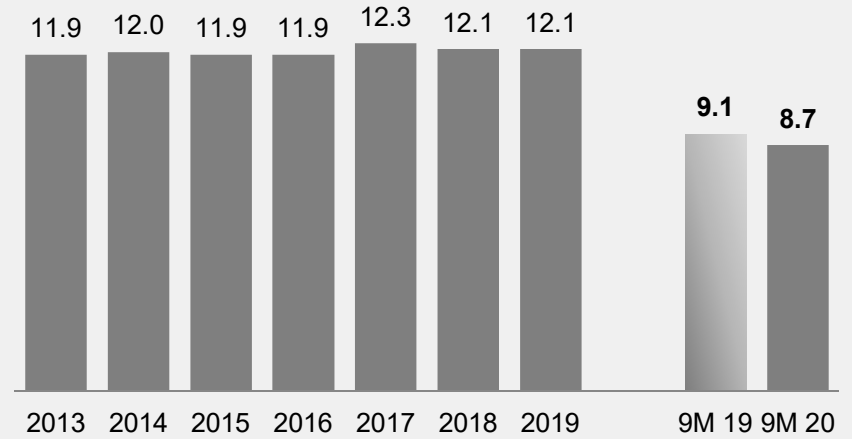
VOLUMES & PRICES	<ul style="list-style-type: none">• Volumes: Q3 cement volumes increased in Italy and in Germany. They declined in Eastern Europe, due to the pandemic impact, and in USA, mainly to the tough comparison. For Q3 as a whole, cement volumes showed a slight trend of recovery. YTD cement volumes down (-1.8%) at 21.7 mton; ready-mix concrete volumes more impacted (-4.9%)• Prices: Favorable variance across the board in local currencies, particularly in Poland, Czech Rep and Italy
FOREIGN EXCHANGE	YTD negative impact of almost €m 22 on Net sales mainly due to weaker ruble
FINANCIALS	<ul style="list-style-type: none">• Net Sales at €m 2,408 (€m 2,424 in 9M19), -0.3% like-for-like• Net debt at €m 282 versus €m 568 at year end 2019
GUIDANCE	Guidance for 2020: recurring EBITDA expected to be close to previous year
ACQUISITION IN BRAZIL	<p>The BCPAR joint venture strengthens its presence in Brazil through the acquisition of CRH group's Brazilian business (3.4 mt per year of production capacity)</p> <p>Agreement based on a price of USD 218 million (subject to adj on net financial position at closing date)</p>
SAVINGS SHARES CONVERSION	<p>On 19 Nov the Shareholders' Meetings approved the mandatory conversion of savings shares into ordinary shares, at a conversion rate of 0.67, as well as the distribution of the extraordinary dividend equal to € 0.75 per share.</p> <p>Closing in Feb 21, after the expiration of the withdrawal right period</p>

Volumes 9M 2020

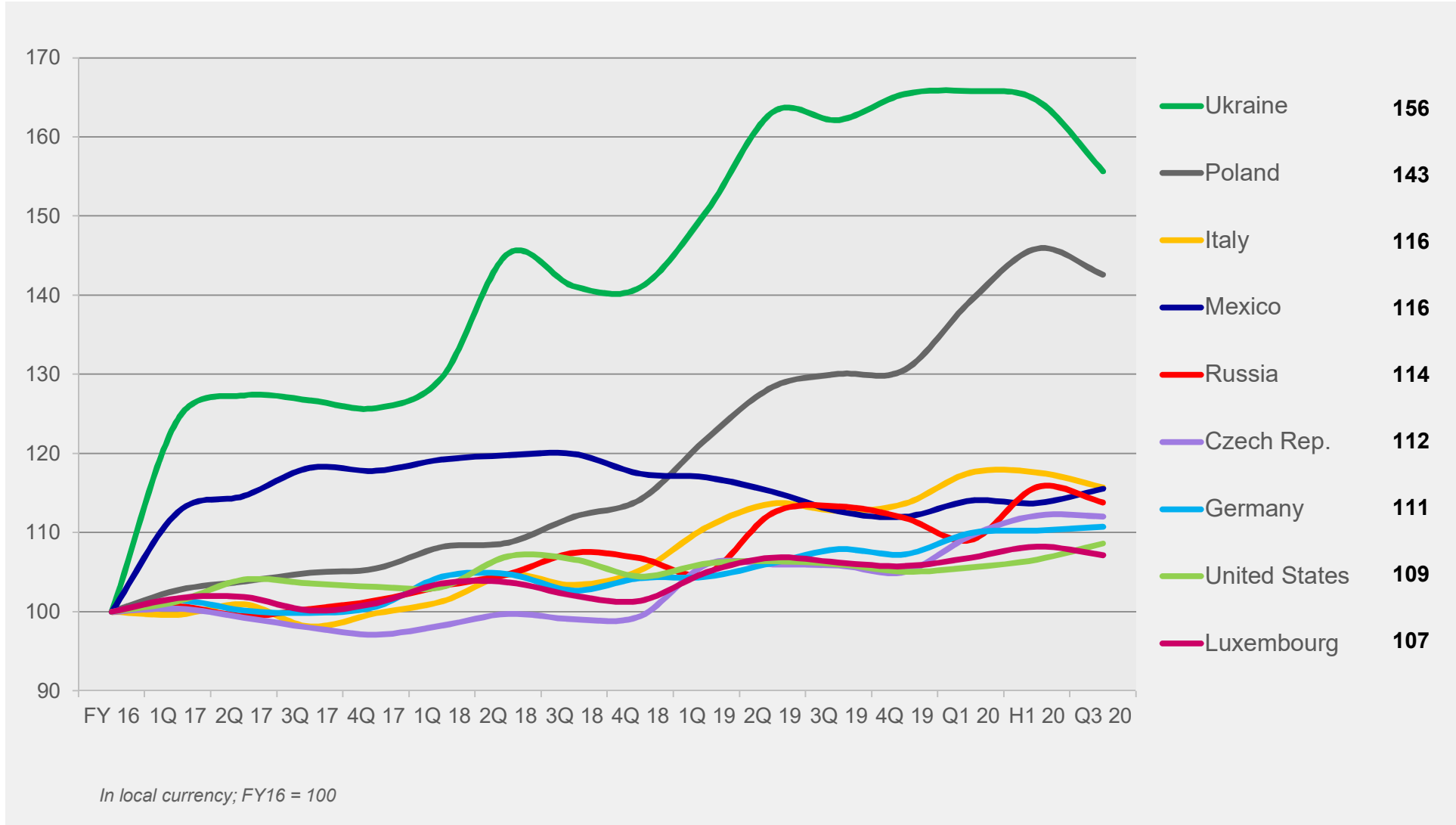
Cement (m ton)










Ready-mix concrete (m m3)



Price Index by country

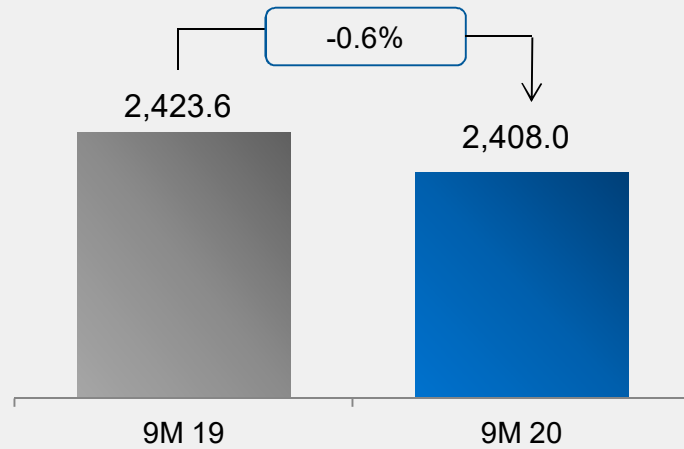


FX changes

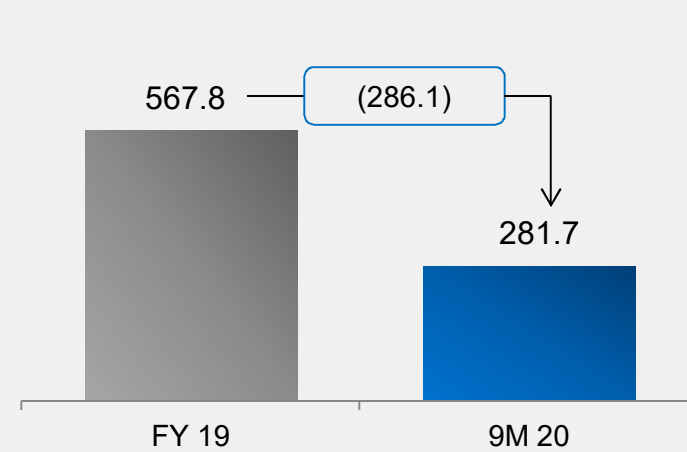
		9M 20	9M 19	Δ	2019	Current
EUR 1 =		avg	avg	%	Avg	
	USD	1.13	1.12	-0.1	1.12	1.19
	RUB	79.96	73.09	-9.4	72.46	90.99
	UAH	29.88	29.61	-0.9	28.92	33.95
	CZK	26.38	25.70	-2.7	25.67	26.21
	PLN	4.42	4.30	-2.8	4.30	4.49
	MXN	24.52	21.63	-13.4	21.56	23.94
	BRA	5.71	4.36	-30.8	4.41	6.40

9M 20 Financial Highlights

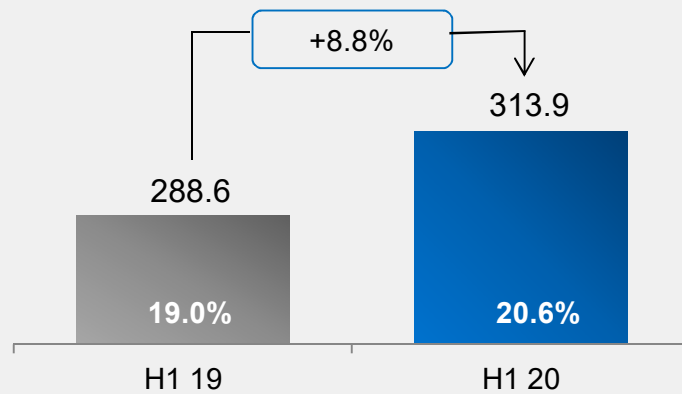
Net sales (€m)



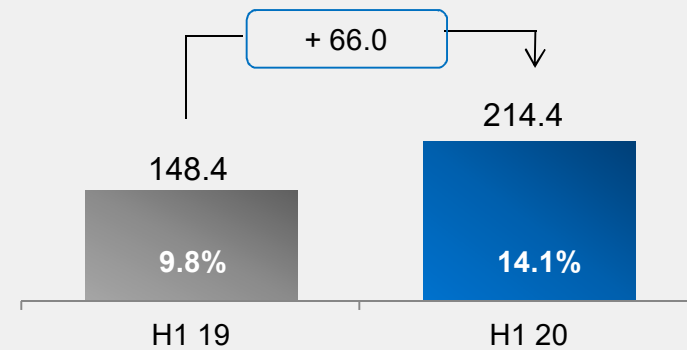
Net Debt (€m)



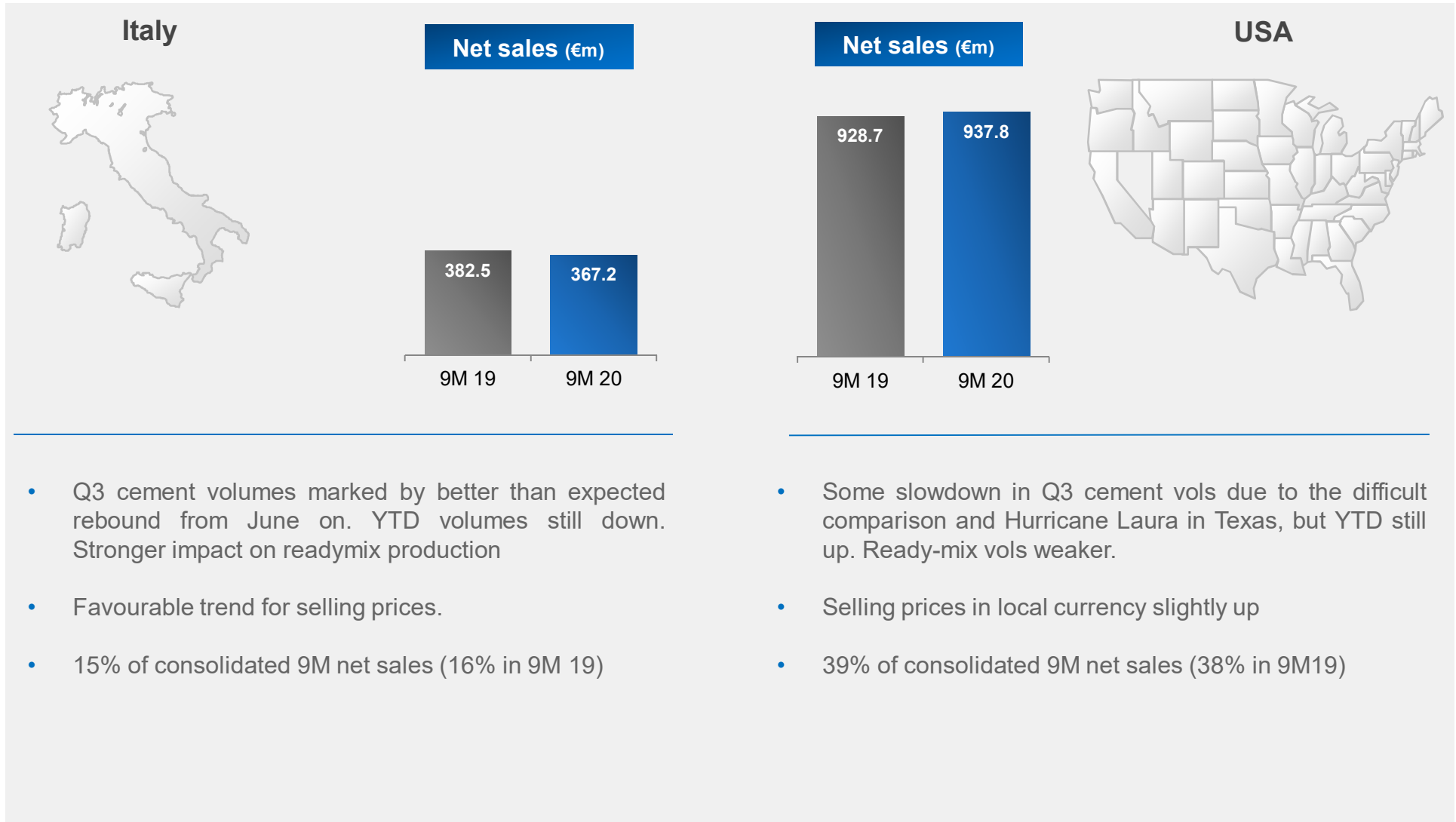
EBITDA (€m, % of sales)



Net Cash from operations (€m, % of sales)



Results by Geographic Area | Italy & United States of America

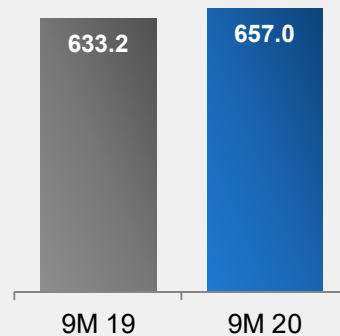


Results by Geographic Area | Central & Eastern Europe

Central Europe



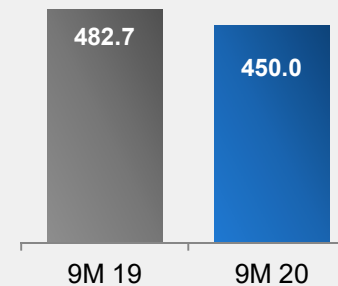
Net sales (€m)



Eastern Europe



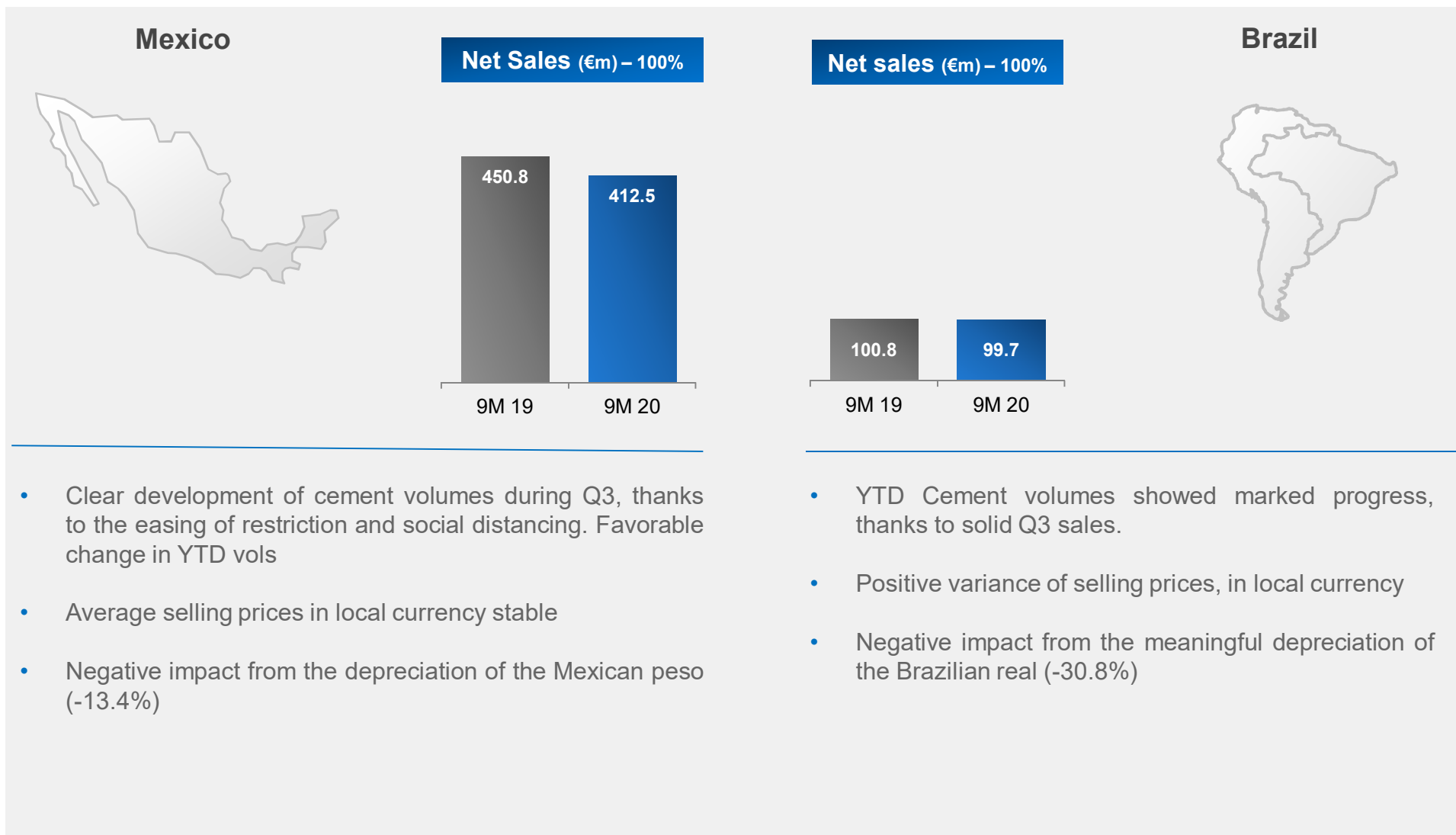
Net sales (€m)













- YTD cement vols stable in Germany, thanks to limited negative impact from Covid-19. Luxembourg still weak due to the lack of rebound during Q3. Ready-mix concrete up thanks to different scope in Germany
- Average selling prices improved
- 27% of consolidated 9M net sales (26% in 9M 19)

- Weak cement shipments in Ukraine and Poland, mainly due to the pandemic impact and slightly down in Czech Republic; ready-mix negatively impacted too
- Average selling prices in local currency improved (Poland in particular)
- 19% of consolidated 9M net sales (20% in 9M 19)

Results by Geographic Area | Mexico & Brazil (valued at equity)



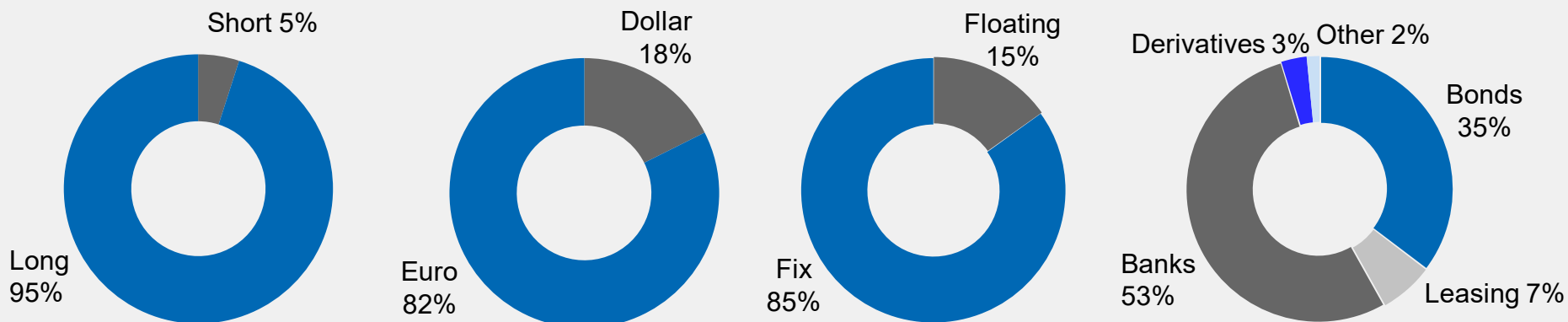
Net Sales by country

	9M 20	9M 19	Δ	Δ	Forex	Scope	Δ I-f-I
EURm			Abs	%	Abs	abs	%
 Italy	367.2	382.5	(15.3)	-4.0	-	6.9	-5.8
 United States	937.8	928.7	9.1	+1.0	(1.2)	-	+1.1
 Germany	539.5	511.2	28.3	+5.5	-	5.7	+4.4
 Lux / Netherlands	138.7	143.2	(4.5)	-3.1	-	-	-3.1
 Czech Rep / Slovakia	120.1	123.1	(3.0)	-2.5	(2.7)	-	-0.3
 Poland	90.4	94.8	(4.4)	-4.7	(2.5)	-	-2.0
 Ukraine	88.7	98.5	(9.8)	-9.9	(0.8)	-	-9.1
 Russia	152.4	167.9	(15.4)	-9.2	(14.3)	-	-0.7
<i>Eliminations</i>	<i>(26.8)</i>	<i>(26.3)</i>	<i>(0.5)</i>				
Total	2,408.0	2,423.6	(15.5)	-0.6	(21.6)	12.6	-0.3
 Mexico (100%)	412.5	450.8	(38.3)	-8.5	(55.1)	-	+3.7
 Brazil (100%)	99.7	100.8	(1.1)	-1.1	(30.7)	-	+29.3

Net Financial Position

EURm	Sept 20	Dec 19	Δ	Sept 19
			abs	
Cash and other financial assets	1,133.0	840.9	292.1	706.2
Short-term debt	(47.9)	(72.2)	24.4	(144.8)
Short-term leasing	(21.6)	(22.5)	0.9	(22.0)
Net short-term cash	1,063.5	746.1	317.4	539.4
Long-term financial assets	2.3	2.9	(0.6)	3.1
Long-term debt	(1,276.3)	(1,242.1)	(34.2)	(1,181.0)
Long-term leasing	(71.2)	(74.7)	3.5	(71.7)
Net debt	(281.7)	(567.8)	286.1	(710.1)

Gross debt breakdown (1,417.0 €m)



Guidance 2020: Recurring EBITDA expected to be close to previous year

Key points

- Sharp slowdown in Covid-19 infections during summer quarter, especially in Europe
- The rebound of industrial activity in Q3 does not cancel all the concerns arising from GDP decline and increase in unemployment
- From Oct on, high increase in infections causing lot of unknowns ahead even in the medium term
- Unfavorable development of exchange rates
- Tailwind from energy cost inflation
- USA: challenging comparison with last year
- Eastern Europe: worsening of the outlook

EBITDA 2020

- Recurring EBITDA for the full year expected to be close to the level reached in 2019

Approval of the Savings Shares conversion

- **On 19 Nov the Shareholders' Meetings approved the mandatory conversion of savings shares into ordinary shares**

The Meeting of Ordinary Shareholders approved the mandatory conversion of the existing savings shares into 27,277,005 newly issued ordinary shares (conversion ratio equal to 0.67) and the distribution of an extraordinary dividend of €0.75 for each ordinary share already outstanding and newly issued following the conversion (max amount equal to €144.1m)

The Special Meeting of Savings Shareholders approved the conversion too. The Special Meeting was attended by 64% of the savings capital and 81% of those present voted in favor

- **Conversion expected to be closed in Feb 2021**
 - Dec 2020: starting of the withdrawal period (15 days)
 - If there will be withdrawals, the pre-emptive offer will take an additional 30 days

The change in capital structure

	Ordinary Shares	Savings shares	Total Shares	Buzzi Family stake
Current	165,349,149	40,711,949	206,061,098	58.3%
After the conversion	192,626,155	-	192,626,155	51.5%

Saving Shares Conversion – The Rationale

- **Untangle the Governance**

A single class of shares, with the same rights and the same price, shall align the rights of all shareholders (“*one share – one vote*” rule)

- **More liquidity and higher market cap for common shares after conversion**

- **Improve P/E ratio**

EPS accretive transaction that should lead to an increase in the share price

- **Streamline and simplify the capital structure**

Capital structure rationalization and simplification mean less corporate obligations and costs associated with the existence of different class of shares

- **Market-friendly approach**

The conversion reflects a trend that is clearly visible in the Italian market and has been often solicited by the investors

Strategic Move: BCPAR strengthens its presence in Brazil - 1

RATIONALE

- 1. Increase market penetration:** following the acquisition of CRH's operations, BCPAR becoming the 4th largest producer in the country and in the Southeast region (in terms of cement volumes sold)
- 2. Establish a relevant position in the Southeast:** the largest market in Brazil (cement consumption of about 25 mt per year) with significant potential
- 3. Entry point in the State of Rio De Janeiro**
- 4. Interesting cost synergy potential**

Strategic Move: BCPAR strengthens its presence in Brazil - 2

- On 26 Oct, the Brazilian Companhia Nacional de Cimento (CNC), a wholly owned subsidiary of BCPAR, company in which Buzzi Unicem holds 50% of the share capital in a joint venture with Grupo Ricardo Brennand, has signed a purchase agreement for the businesses of the CRH group operating in Brazil
- The CRH companies operating in Brazil own three full-cycle cement plants and two grinding plants, all of them located in the South-East area of the country
- The parties have agreed a price of US\$ 218 million, subject to adjustments based on the net financial situation at the closing date, and the contract includes the usual guarantees provided for this type of transaction
- Buzzi Unicem intervenes in the transaction in order to ensure its success, in particular by financing CNC, on an arm's length basis, for a maximum amount equal to the expected consideration. This financial support may occur by using cash as well as credit lines already available
- Buzzi Unicem and Grupo Ricardo Brennand have agreed on some changes to the existing shareholders' agreements, in order to consider the new scope of consolidation. However, the changes do not have significant impacts on the current structure of the pacts

Strategic Move: BCPAR strengthens its presence in Brazil - 3

Assets geographic footprint



- **Five production sites:**
 - Three integrated plants (Matozinhos, Arcos Jazida and Cantagalo)
 - Two grinding stations (Arcos Cidade and Santa Luzia)
- **Cement capacity:** 3.4 mt per year

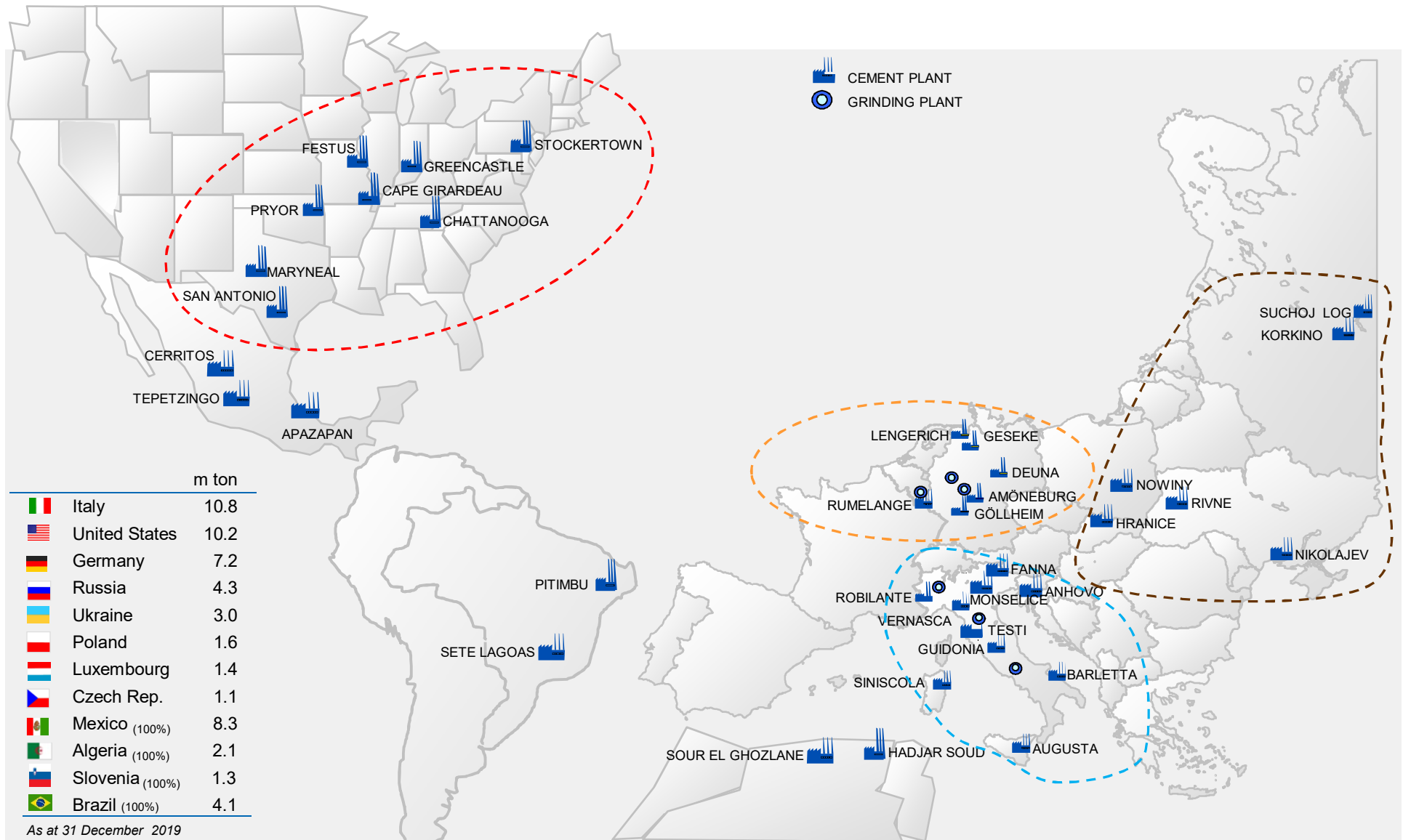
Appendix

Buzzi Unicem at a Glance

- International multi-regional, “heavy-side” group, focused on cement, ready-mix and aggregates
- Dedicated management with a long-term vision of the business
- Highly efficient, low cost producer with strong and stable cash flows
- Successful geographic diversification with leading positions in attractive markets
 - Italy (# 2 cement producer), United States (# 4 cement producer), Germany (# 2 cement producer), material joint venture assets in Mexico and Brazil
 - Significant positions in Luxembourg, The Netherlands, Poland, Czech Republic, Slovakia, Russia and Ukraine, as well as entry point in Slovenia and Algeria
- High quality and environmentally friendly assets
- Leading product and service offering
- Conservative financial profile and balanced growth strategy

“Value creation through lasting, experienced know-how and operating efficiency”

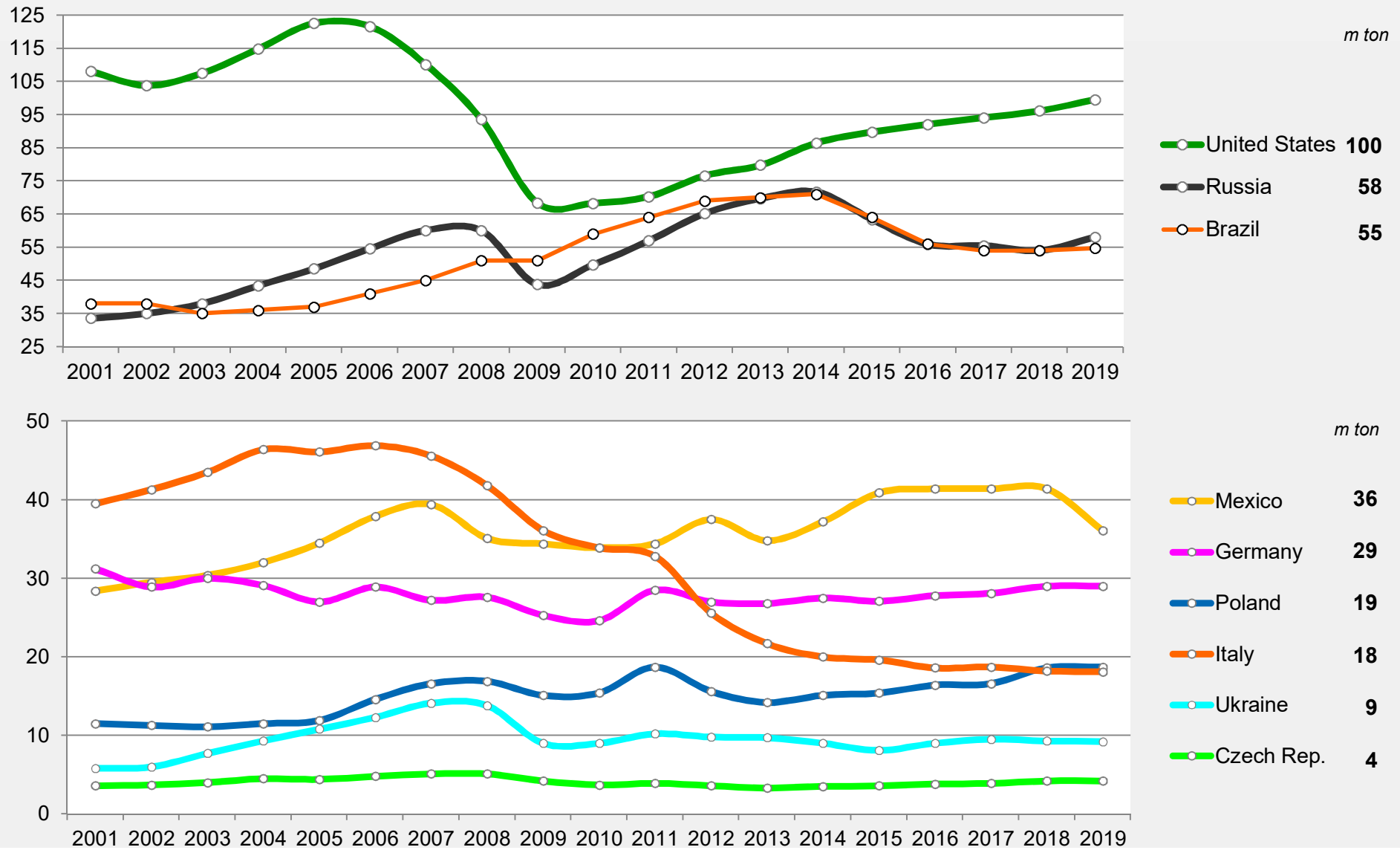
Cement plants location and capacity



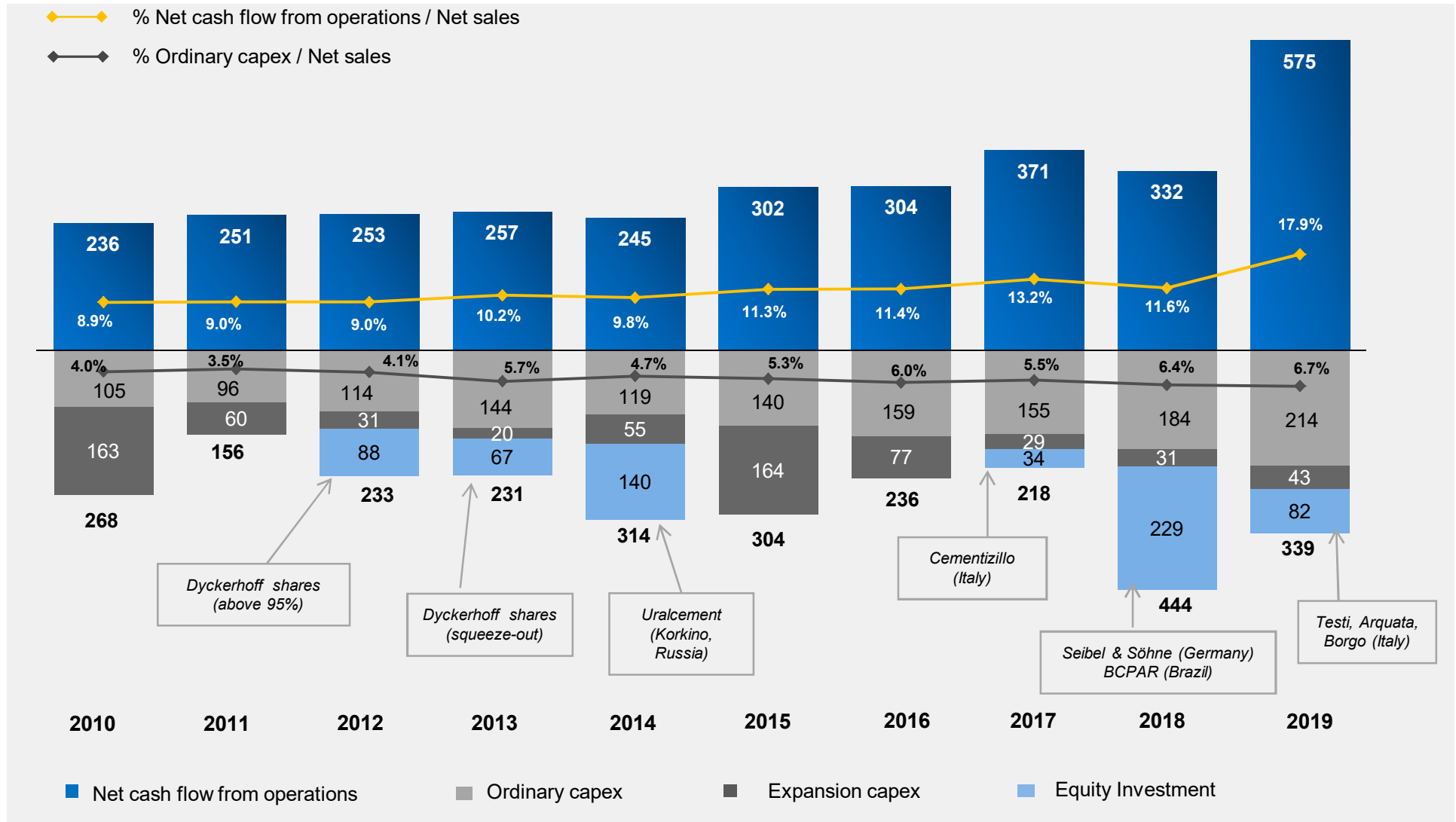
2019 Consumption vs. Peak












Historical series of cement consumption by country



Net Cash Flow from Operations and Capex | €m



Historical EBITDA development by country

		2011	2012	2013	2014	2015	2016	2017	2018	2019	
	Italy	<i>EBITDA</i>	10,3	-5,9	-18,1	-18,7	-37,2	-22,2	-79,7	-1,7	43,4
		<i>margin</i>	1,8%	-1,2%	-4,2%	-4,8%	-9,8%	-5,9%	-18,6%	-0,4%	8,6%
	Germany	<i>EBITDA</i>	90,3	72,2	108,1	88,6	72,1	76,8	78,1	82,5	102,3
		<i>margin</i>	14,2%	12,0%	18,0%	14,7%	12,6%	13,4%	13,3%	13,0%	15,1%
	Lux/ Netherlands	<i>EBITDA</i>	35,0	8,3	11,5	15,9	19,7	25,8	17,6	23,1	22,7
		<i>margin</i>	15,7%	4,3%	6,3%	9,7%	11,7%	14,7%	9,4%	11,7%	11,8%
	Czech Rep/ Slovakia	<i>EBITDA</i>	35,2	25,4	19,2	27,0	32,6	34,4	36,5	43,6	46,3
		<i>margin</i>	20,5%	17,0%	14,6%	20,2%	24,0%	25,2%	24,7%	26,5%	27,5%
	Poland	<i>EBITDA</i>	36,9	21,8	27,1	18,2	22,7	23,4	24,1	31,9	32,1
		<i>margin</i>	26,6%	20,0%	26,8%	20,4%	20,4%	24,6%	24,9%	28,6%	25,9%
	Ukraine	<i>EBITDA</i>	6,9	15,8	12,3	11,0	4,0	12,8	16,0	7,0	21,0
		<i>margin</i>	6,2%	11,8%	10,0%	12,5%	5,7%	16,1%	16,9%	8,0%	15,9%
	Russia	<i>EBITDA</i>	65,7	96,1	92,6	73,4	48,4	43,2	46,0	50,1	57,7
		<i>margin</i>	37,4%	41,0%	37,2%	35,0%	29,0%	28,0%	24,9%	27,0%	26,9%
	USA	<i>EBITDA</i>	71,4	123,9	151,0	207,3	311,7	356,5	369,6	341,2	402,7
		<i>margin</i>	12,8%	18,2%	20,7%	24,2%	28,1%	31,9%	33,0%	31,9%	32,4%
	Mexico	<i>EBITDA</i>	82,6	97,5	77,5	<i>Adoption of IFRS 11</i>					
		<i>margin</i>	34,7%	36,2%	33,2%						
	Group	<i>EBITDA</i>	434,3	455,1	481,2	422,7	473,2	550,6	508,2	577,2	728,1
		<i>margin</i>	15,6%	16,2%	17,5%	16,9%	17,8%	20,6%	18,1%	20,1%	22,6%