Buzzi Unicem

PRESS RELEASE

Interim results at March 31, 2013

- **Cement and ready-mix volumes down 11.0% and 17.1% respectively**
- **March precipitations and fewer working days affected trading in Europe**
- **Good volumes growth in Russia and recovery confirmed in the United States of America; penalizing comparison with a very favorable Q1-12 in Poland, Ukraine and Mexico**
- **Net sales at €503.1 million (€562.2 million in 2012); EBITDA at €11.8 million (€24.0 million in 2012)**
- **We envisage for full year 2013 operating results in moderate improvement over the previous year**
- **Set at €47.16 per share the cash compensation to be granted to Dyckerhoff's minority shareholders**

Consolidated data		**Jan-Mar 13**	**Jan-Mar 12**	**% 13/12**
Cement sales	m ton	4.8	5.3	-11.0
Ready-mix sales	m m3	2.3	2.8	-17.1
Net sales	€m	503.1	562.2	-10.5
EBITDA	€m	11.8	24.0	-51.0
Net profit (loss)	€m	(62.8)	(45.8)	-37.1
Consolidated net profit (loss)	€m	(66.3)	(49.8)	-33.1
		Mar 13	**Dec 12**	**Change**
Net debt	€m	1,227.0	1,124.9	(102.0)

The Board of Directors of Buzzi Unicem met on May 10, 2013 to examine the interim management report as of March 31, 2013.

In the first quarter of the year 2013, in the different countries where the group operates, cement and ready-mix concrete demand showed a slowdown from the same period a year earlier. Seasonality and especially the adverse weather which hit Europe during the month of March, slowed down deliveries. The Italian situation continued to be very difficult, not only for the abundant precipitation but also for the deepening of the economic crisis. In the United States of America, activity level was higher than in Q1-12, with some regions much more lively than the average. Sales volumes were favorable in Russia, whereas Poland and Ukraine, besides being penalized by snowfalls in March, suffered also from the unfavorable comparison with the previous year's positive trend, driven by the infrastructure works linked to the European Soccer Championship. In Mexico, demand showed a clear slowdown, due to the physiological break in building activity between the taking office of the new federal president and the actual start of the political program for the next six years.

In the first months of 2013 world trade strengthened and economic activity showed signs of recovery, especially in the United States and in some emerging economies, after its sluggishness in the last quarter 2012. As for the short-term outlook, downside risks have lessened but still penalizing are the uncertainties on the development of the US budget policy linked to public spending cuts and the possible reach of the federal debt ceiling; moreover the sovereign debt crisis in the euro area cannot be considered as completely over. For the current year, global economy is predicted to moderately grow from the levels attained in 2012 while recovery should gather strength in 2014. Inflation remained contained in mature economies while it increased in the main emerging countries.

Cement sales by the group at 4.8 million tons were down 11.0% from Q1-12. The unfavorable variance affected all countries of operations, except for Russia whose sales were buoyant and the United States where demand confirmed the good level of activity attained in the same period a year earlier. Ready-mix concrete volumes showed a more marked decline and totaled 2.3 million cubic meters, down 17.1% from Q1-12.

Price effect was overall positive compared with Q1-12 thanks to a favorable trend in Russia, Ukraine, Germany, Italy and the United States. Conversely, net unit revenues, always in local currency, were lower in Poland, Luxembourg, the Czech Republic and Mexico.

Consolidated net sales declined by 10.5% from €562.2 million to €503.1 million. The decrease stems from an unfavorable volume effect for €70.4 million, only partly offset by the above mentioned positive price effect for €11.5 million. Ebitda stood at €11.8 million, down €12.3 million from Q1-12. Changes in the scope of consolidation accounted for an increase in net sales of €1.4 million while foreign exchange effect was negative for €1.1 million; their impact on Ebitda was not material. On a like-for-like basis, net sales and Ebitda would have decreased by 10.6% and 52.0% respectively. The Q1-12 figure included other revenues for €1.8 million referring to the sale or trade of CO2 emission rights whereas no such income is included in the current period. After amortization and depreciation for €53.8 million (€56.5 million in Q1-12) Ebit was negative for €42.0 million (-€32.5 million in 2012). Net finance costs were lower than in the previous year (€25.8 million vs. €29.2 million in 2012). Due to the impact of the factors outlined above, the first quarter 2013 closed with a loss before tax of €68.8 million vs. a loss of €64.2 million at March 2012. After taxes, net loss for the period came in at €62.8 million (€66.3 million being the share attributable to the owners of the company).

Cash flow was negative for €9.0 million (positive for €10.7 million at March 2012). Net debt as at 31 March 2013 amounted to €1,227.0 million, up €102.0 million over year-end 2012. Investments accounted for a total of €39.2 million of the figure (€35.3 million in Q1-12), €4.6 million thereof referring to special projects. As at March 31, 2013, total equity, inclusive of non-controlling interests, stood at €2,613.0 million vs. €2,602.6 million as at December 31, 2012. Consequently debt/equity ratio was equal to 0.47 (0.43 at 2012 year-end).

Italy

The decrease in sales volumes was substantially in line with that of domestic consumption (-24.8%), sharpened by adverse weather in February and March and only partly mitigated by an increase in exports. Selling prices showed a good steadiness (+2.8%) compared with the early 2012 levels. The trend in the ready-mix concrete sector was even more difficult, with sales volumes down 36.5% and only slightly higher prices. Overall, net sales came in at €83.6 million, down 26.3% from €113.4 million in the previous year. Ebitda was negative for €10.2 million vs. a negative of €4.6 million in Q1-12.

Central Europe

In Germany, an especially cold month of March penalized shipments in the first quarter of the year. Cement and ready-mix concrete volumes which up to the end of February had been virtually in line with those of the same period a year earlier, closed decreasing by 16.6% and 24.8% respectively. Cement selling prices slightly increased (+2.8%). Overall net sales stood at €95.4 million vs. €115.7 million in Q1-12 and Ebitda was negative for €9.9 million (loss of €0.4 million in the previous year). The 2012 figure included other operating revenues from the sale of CO2 emission rights for €1.8 million.

Also in Luxembourg, mainly due to adverse weather conditions, our cement and clinker volumes reported a sizeable decrease (-20.0%) with rather weak prices (-6.9%). Net sales at €19.2 million, were down 17.9% from €23.4 million in 2012. Ebitda was equal to -€1.1 million vs. -€1.4 million in the previous year.

In the Netherlands, the negative economic situation and the harsh climate caused a sharp contraction (-37.1%) of ready-mix concrete volumes sold in the first three months. Also prices were slightly declining. Consequently net sales decreased by 37.0% and Ebitda was negative for €2.8 million (-€1.8 million in 2012).

Eastern Europe
Adverse weather together with a rather high basis of comparison penalized cement volumes sold especially in Poland (-39.0%) and Ukraine (-16.8%). The trend was less critical in the Czech Republic (-6.2%) since building material demand has been on the low stage of the cycle for some years. Quite different was the performance of the Russian market where cement demand continued to thrive (sales volumes +14.8%). The upward trend of prices in local currency was confirmed in Ukraine (+10.3%) and in Russia (+7.3%), whereas average unit revenue was weaker compared with Q1-12 in Poland (-8.8%) and in the Czech Republic (-1.6%). In the countries where the group operates also in the ready-mix concrete business, especially the Czech Republic/Slovakia and Poland, volumes sold in that sector posted a quite marked decline, in line with cement trend.

Overall net sales came in at €91.6 million from €94.8 million in 2012 (-3.4%). The Ebitda realized in the area was however confirmed, from €5.0 million in 2012 to €5.2 million in 2013, inclusive of €0.1 million negative effect due to foreign exchange fluctuation.

United States of America
Despite a challenging comparison with Q1-12 results, our cement volumes progressed (+3.9%) with average unit prices in local currency up 2.7%. Ready-mix concrete operations, which are located in the fastest-growing States, reported a sizeable output increase (+18.7%) with prices in improvement. Overall net sales totaled €148.8 million vs. €136.1 (+9.3%). Foreign exchange effect was unfavorable for €1.1 million. Ebitda stood at €10.2 million vs. €2.5 million in 2012.

Mexico (50% consolidation)
Moctezuma's cement volumes sold decreased by 15.5% in the presence of a similar decline in domestic consumption and a renewed competitive pressure, against a basis of comparison which had benefited from the election thrust. Such market stage reflected also on prices in local currency which were slightly down (-2.5%). Ready-mix concrete sales remained on the same level as in the previous year (+0.3%), with marginally lower prices. Net sales in euro declined by 12.4% from €64.8 million to €56.8 million. Ebitda decreased by 17.7% and came in at €20.4 million vs. €24.8 million in 2012. The Mexican peso appreciation (+1.9%) positively impacted the translations of the results into euro. At constant exchange rate, net sales and Ebitda would have decreased by 14.0% and 19.2% respectively.

Outlook
In Central Europe and in most Eastern Europe markets, the first quarter 2013 featured heavy snowfalls, which delayed the opening of the construction sites in spring. Moreover, compared to our initial assumptions, operating trends have lately appeared more unfavorable in Italy and Central Europe and more positive in the United States. The likely developments of the current year can thus be better defined only after the second quarter results. As of now, based on the assumption that the lack of volumes reported in March can be recovered, we deem it advisable to confirm for the full year 2013 our expectations of operating results in moderate improvement over those posted in the previous year.

Squeeze-out of Dyckerhoff minority interests
Moreover the Board of Directors has determined the cash compensation to be granted to Dyckerhoff AG's minority shareholders, within the proposed squeeze-out procedure.
Based on an opinion prepared by Ernst&Young GmbH Wirtschaftsprüfungsgesellschaft, the cash compensation has been set at €47.16 per each Dyckerhoff AG's ordinary share and preferred share. Given that Dyckerhoff AG's minority shareholders own #397,108 ordinary shares and #987,975 preferred shares, equal to a total interest of 3.36% of the share capital, the unit price determined corresponds to an overall amount of €63.5 million, to be paid by use of cash and equivalents or existing credit facilities. The fairness of this cash compensation shall be examined by the chartered accountant already chosen and appointed by the Court of Frankfurt.

The manager responsible for preparing the company's financial reports, Silvio Picca, declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records.

Casale Monferrato, May 10, 2013

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BUZZI UNICEM SPA

CONSOLIDATED BALANCE SHEET (in thousands of euro)

	31.03.2013	31.12.2012
ASSETS		
Non-current assets		
Goodwill	584.831	584.199
Other intangible assets	12.413	12.425
Property, plant and equipment	3.252.582	3.208.706
Investment property	28.640	19.299
Investments in associates	205.392	202.944
Available-for-sale financial assets	3.157	3.513
Deferred income tax assets	74.642	66.244
Other non-current assets	51.881	55.284
	4.213.538	**4.152.614**
Current assets		
Inventories	445.265	437.565
Trade receivables	437.698	439.383
Other receivables	125.286	116.085
Available-for-sale financial assets	1.987	86.989
Derivative financial instruments	2.855	2.307
Cash and cash equivalents	558.574	556.193
	1.571.665	**1.638.522**
Assets held for sale	9.604	11.546
Total Assets	**5.794.807**	**5.802.682**
EQUITY		
Equity attributable to owners of the company		
Share capital	123.637	123.637
Share premium	458.696	458.696
Other reserves	214.280	156.324
Retained earnings	1.643.772	1.694.273
Treasury shares	(4.768)	(4.768)
	2.435.617	**2.428.162**
Non-controlling interests	177.362	174.461
Total Equity	**2.612.979**	**2.602.623**
LIABILITIES		
Non-current liabilities		
Long-term debt	1.393.856	1.385.154
Derivative financial instruments	17.000	22.310
Employee benefits	424.857	437.640
Provisions for liabilities and charges	127.057	126.239
Deferred income tax liabilities	415.922	403.282
Other non-current liabilities	15.129	16.655
	2.393.821	**2.391.280**
Current liabilities		
Current portion of long-term debt	290.487	288.146
Short-term debt	76.556	70.685
Derivative financial instruments	2.691	4.994
Trade payables	207.768	244.713
Income tax payables	11.524	11.223
Provisions for liabilities and charges	40.266	40.342
Other payables	158.715	148.676
	788.007	**808.779**
Total Liabilities	**3.181.828**	**3.200.059**
Total Equity and Liabilities	**5.794.807**	**5.802.682**

CONSOLIDATED INCOME STATEMENT	**1Q 2013**	**1Q 2012** *restated **
Net sales	**503.135**	**562.230**
Changes in inventories of finished goods and work in progress	3.668	(7.308)
Other operating income	13.794	14.877
Raw materials, supplies and consumables	(233.664)	(258.174)
Services	(143.607)	(162.146)
Staff costs	(109.787)	(106.645)
Other operating expenses	(21.786)	(18.828)
Operating cash flow (EBITDA)	**11.753**	**24.006**
Depreciation, amortization and impairment charges	(53.781)	(56.503)
Operating profit (EBIT)	**(42.028)**	**(32.497)**
Gains on disposal of investments	(1)	252
Finance revenues	17.905	28.252
Finance costs	(43.737)	(57.467)
Equity in earnings of associates	(959)	(2.783)
Prifit before tax	**(68.820)**	**(64.243)**
Income tax expense	6.034	18.462
Profit for the period	**(62.786)**	**(45.781)**
Attributable to		
Owners of the company	(66.321)	(49.813)
Non-controlling interests	3.535	4.032

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit for the period	**(62.786)**	**(45.781)**
Items that will not be reclassified subsequently to profit or loss		
Actuarial gains (losses) on post employment benefit obligations	16.370	(299)
Income taxes relating to actuarial gains (losses)	(5.912)	115
Items that may be reclassified subsequently to profit or loss		
Currency translation differences	65.866	(1.482)
Income taxes relating to components of other comprehensive income	(136)	324
Other comprehensive income for the period, net of tax	**76.188**	**(1.342)**
Total comprehensive income for the period	**13.402**	**(47.123)**
Attributable to		
Owners of the company	745	(59.211)
Non-controlling interests	12.657	12.088

* restated data following the early adoption of IAS 19 revised - Employee benefits.