Half-Yearly financial report as at June 30, 2015

Buzzi Unicem S.p.A.

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Share capital €123,636,658.80

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CONTENTS

INTERIM MANAGEMENT REPORT

Global economic activity continues in its recovery phase, however not free from some slowdowns, which have a temporary nature in the advanced countries and are instead more persistent in the emerging markets, thus foreseeing for the current year a marginal weakening of international growth. In mature countries, during the second quarter, economic activity strengthened again, particularly in the United States, where employment growth continued at a sustained rate and the unemployment rate stood at pre-crisis levels. In the emerging countries growth remains strong in India, is still weaker in China and in Brazil the contraction increased, while in Russia the GDP reduction is weakening. In the Eurozone the pace of growth in the first quarter of 2015, consistent with respect to the previous quarter, was supported by the spending of households and businesses; France was recovering, Italy improving while Germany slowing down. In the second quarter growth turned out to be more uniform, with favorable prospects in Germany, confirming the recovery consolidation and the widespread expectations of a turning point in the economic situation. At the beginning of the year international trade contracted, while later consistent signs of return to growth came to light as well as rather expansive and optimistic expectations for the year. Consumer price index remains subdued, reflecting the trend in prices of raw materials; it increased everywhere in emerging countries, except from Russia, where it fell in June to 15.3% from the peak of 16.9% reached in March. The oversupply of crude oil, revised upwards following the removal of the embargo against Iran, should continue to maintain low oil prices for a prolonged time. The difficult negotiations and the extended period of uncertainty on the outcome of talks between Greece and international creditors led to increased market volatility; the consequences were on the whole limited and temporary. In the second quarter of 2015 the euro recovered only a small part of the sharp depreciation of the previous months. The growth prospects of global economy are still influenced by tensions that could result from rising interest rates in the United States expected at the end of the year, by the possible consequences caused by the instability of the stock market on economic activity in China, by the progression of the crisis in Greece and by the trend in oil prices. Within such framework, during the second quarter, the overall demand for cement and ready-mix concrete in the geographical areas of group operations was again up slightly compared to the previous year, specifically: moderate growth in Italy, with a still weak domestic market but export recovering; sales in Central Europe lower than in 2014; favorable change in Eastern Europe, particularly in Poland and, thanks to the Korkino plant, in Russia; positive sign in the United States of America, above all driven by the Midwestern regions.
Net sales for the six months were up 4.9% to €1,238.2 million from €1,180.7 million in 2014, while Ebitda grew by 20.3%, from €138.5 to €166.6 million. Price effect in local currency was favorable in the United States and Ukraine, neutral in Germany and Russia, while unit revenues suffered a decrease in Poland and Italy; marginal declines were found in the Czech Republic and Luxembourg. The volume effect was basically unfavorable, due to the slowdown of Central Europe and of the ready-mix concrete in the United States. The currency trend, characterized by the strengthening of the dollar and by the ruble and hryvnia depreciation, had a significant impact, resulting in a favorable net variance of €43.7 million on sales and €10.5 million on Ebitda. As of 1 December 2014 the Korkino cement plant (Russia) entered the consolidation scope of the group. Like for like, net sales would have confirmed the same figures of the previous year and Ebitda would have been up 12.8%. After amortization and depreciation for €96.5 million (€124.4 in the previous year) Ebit amounted to € 70.1 million (+€56.0 million on 2014) and the period closed with a net profit of €36.4 million, compared to a net loss of € 20.8 million in the first half of 2014.

Operating and financial results

Cement sales of the group in the first half of 2015 increased by 1.6% compared to the same period of 2014, standing at 11.8 million tons. The unfavorable variances recorded in Luxembourg, Germany and Ukraine were offset by the progress achieved in the other markets. Ready-mix concrete output amounted to 5.6 million cubic meters, down 3.8% from the previous year. In this sector the decline of shipments affected especially Germany and the United States, while positive variances were recorded in Italy, the Netherlands and Luxembourg.

In Italy net sales stood at €188.8 million (-2.5%), worsened by a strong decline in selling prices. In the United States the turnover was lower than expected, due to very penalizing weather conditions all over the second quarter but, thanks to a positive price and exchange rate effect, net sales totaled €494.0 million (+33.9%). In Central Europe net sales suffered from the difficult comparison with the first half of last year, characterized by a mild weather, closing at €341.8 million (-7.9%). Overall net sales in Eastern Europe came in at €219.5 million, against €249.3 million in 2014 (-11.9%) due to the strongly negative exchange rate effect in Russia and Ukraine (-€48.4 million).

The consolidated Ebitda was up €166.6 million, compared with €138.5 million in 2014 (+20.3%). The figure for the first half-year benefited from net non-recurring income of €1.5 million (in the same period of 2014 non-recurring costs for €7.0 million were recorded); net of those amounts Ebitda for the first half of 2015 would have increased by €19.7 million (+13.6%). Exchange rates variances had a net positive impact thanks to the strengthening of the US dollar, partly offset by the loss in value of the Russian ruble and the Ukrainian hryvnia. Like for like Ebitda for the first half of 2015 would have increased by 12.7%. Ebitda to sales margin in the first six months improved by approximately 100 basis points, with the help of the United States, the Czech Republic and Poland, while margins weakened above all in Central Europe, Russia and Ukraine; unfortunately in Italy the operating loss increased. Production costs benefited from a generally favorable trend in the main variable expenses (raw materials, fuels, electric power). Capacity utilization worsened in Central Europe, Russia and Ukraine compared to the first half of 2014 and improved elsewhere; therefore some higher incidence of fixed unit costs was mainly caused by the strengthening of the dollar.

After amortization and depreciation for €96.5 million (€124.4 million in the first half of 2014 including €30.9 million referring to goodwill of the CGU Ukraine), Ebit amounted to €70.1 million (€14.1 million in June 2014). Profit before tax was positive for €54.1 million (negative for €11.1 million in 2014), after net finance costs for €51.8 million (€47.0 million in 2014), a contribution of €30.2 million from equity earnings (€21.8 million in 2014) and gains on sale of investments for €5.7 million. The income statement of the period closed with a net profit of €36.4 million, compared to a net loss of €20.8 million in the first half of 2014; net profit attributable to the owners of the company increased from a loss of €22.6 million in 2014 to a profit of €34.9 million during this period.

Cash flow for the half year stood at €132.9 million, compared to €103.6 million in the same period of 2014. Net debt as at 30 June 2015 amounts to €1,119.7 million, up €56.9 million compared to €1,062.7 million at 31 December 2014. In the six months under review, the group distributed dividends for €11.3 million, of which €10.3 million from the parent company, and realized total capital expenditures for €152.9 million. Investments in property, plant and equipment referring to expansion or special projects totaled €82.4 million, all related to the erection of the new production line in Maryneal (TX). No sizeable equity investments were made.

The assets and liabilities forming the net financial position, subdivided by their degree of liquidity, are reported in the following table:

(millions of euro)	30.06.2015	31.12.2014
Cash and short-term financial assets:		
- Cash and cash equivalents	391,4	412,6
- Short-term monetary investments	0,1	0,1
- Other current financial receivables	10,0	9,0
Short-term financial liabilities:		
- Current portion of long-term debt	(194,8)	(158,2)
- Short-term debt	(2,4)	-
- Other current financial liabilities	(1,6)	(2,7)
- Derivative financial instruments	(34,7)	(14,6)
Net short-term cash	**168,1**	**246,3**
Long-term financial assets:		
- Derivative financial instruments	14,8	4,2
- Other non-current financial receivables	12,6	13,1
Long-term financial liabilities:		
- Long-term debt	(1.286,1)	(1.304,4)
- Derivative financial instruments	(25,2)	(18,6)
- Other non current financial liabilities	(3,8)	(3,3)
Net debt	**(1.119,7)**	**(1.062,7)**

Shareholders’ equity as at 30 June 2015, including non-controlling interests, amounted to €2,558.6 million vs. €2,362.1 million as at 31 December 2014. The debt/equity ratio was consequently 0.44 (0.45 at the end of 2014).

Italy
The economy started to expand again slowly and GDP increase, which began in the first quarter of this year, fortified in the second. Domestic demand resumed to support growth, the industrial cycle strengthened recovery and business confidence improved. The decline in housing prices, which started over three years ago, slowed down and the construction sector is showing some signs of recovery. Investments, which had been declining almost continuously since 2008, showed a first trend reversal. Employment grew moderately and in spring the use of subsidized lay-off was reduced. Monetary expansion is being transmitted to the credit activity, thus creating the conditions for an easier access to financing. The most recent estimates, revised upwards, expect a gradual strengthening of GDP (+0.7% in 2015). In this context, however, the construction industry is likely to report lower investment activity in real terms for the eighth year in a row. The National Association of Builders indicates for the current year a decrease by 1.3%. The decline in investments was mitigated by the extension of tax incentives for building renovations and energy efficiency as well as by some measures related to public works. The forecast of an increase in fixed investment by the Public Administration, which refers to the impact of the measures included in the European Fund for Strategic Investments (so-called Juncker Plan) and in the "Unlock Italy" Decree, is believed to have limited results in the current year and more important ones starting from 2016. The contraction of new residential building (-8.8%) is a result of building permits that are down 80% from the peak levels of 2005, while the renovation of residential properties may confirm a good performance (+2%). Thanks to a less unfavorable economic cycle and the loosening of the credit squeeze, private investment in non-residential construction should mark a smaller decrease (-1.2%). As for cement consumption, the latest estimates made by the industry association (AITEC) envisage for the current year a level of 19.7 million tons (-2% on the previous year). After nine years of crisis in a row and a decline of almost 60% compared to 46.9 million tons of consumption in 2006, volumes have reached the domestic consumption level of the distant 1961. Ready-mix concrete output, which is closely related, is expected to develop consistently with the cement one.

Our hydraulic binders and clinker volumes, exports included, in the first six months confirmed the figures in the same period of the previous year (+0.5%). A decline in shipments in the domestic market, also related to the reduction in the scope of activities concerning the North East area, was partially offset by increases in export volumes and clinker. Sales prices showed an average total decrease by 9.1%, mainly due to more intense competitive pressure on the domestic market. In the ready-mix concrete sector sales were up 5.3%, with prices substantially stable (-1.1%). In line with this trend in volumes and prices, net sales in Italy came in at €188.8 million, down 2.5% (€193.6 million in 2014). Since the beginning of the year energy factors showed an increase in electric power costs, offset by a favorable trend in fuels. In the ready-mix concrete sector some serious situations of insolvency occurred again and unexpectedly, which led to losses on trade receivables equal to €4.0 million (compared with €1.6 million in 2014). At the end of June, Ebitda ended in a loss of -€15.1 million (from -€9.7 in 2014). However it must be pointed out that the figure of 2015 includes on the one hand a non-recurring income for €5.6 million referred to the partial release of provisions for antitrust risks (outcome of the litigation in the ready-mix concrete sector for events occurred in the nineties in the province of Milan) and on the other hand non-recurring costs for dismantling and transportation of equipment for €1.8 million, restructuring expenses for €0.4 million and provisions for legal claims for €0.3 million. Net of non-recurring items, Ebitda decreased by €10.8 million. Moreover last year the company realized other operating revenues for €4.2 million from the swap of CO_2 emission rights.

(millions of euro)		*1H 15*	*1H 14*
Net sales		188,8	193,6
EBITDA		-15,1	-9,7
EBITDA recurring		-18,1	-7,4
% of net sales		*-9,6*	*-3,8*
Capital expenditures		8,5	8,2
Headcount end of period	(no)	1.462	1.636

Germany

After a moderate growth phase during the first quarter, since spring economic activity has been expanding again and there are signals of improvement expectations and of a more favorable outlook. Private consumption, thanks to the strengthening of disposable income and the unemployment rate decline, is supporting domestic demand, in a business environment that benefits from lower fuel costs and low interest rates, characterized moreover by a strong performance of exports and investments. GDP growth for the current year was recently confirmed at +1.6%, in line with the previous year. Estimates of investment in the construction industry for 2015 show a positive trend (+2%), with cement consumption slightly declining compared to 2014.

In the first six months of the year our cement volumes sold decreased by 5.1% from the same period last year, when rather favorable weather conditions had boosted the construction activity. The weaker oil-well cement demand contributed to the decline in deliveries. Sales prices were almost unchanged (+0.2%). The ready-mix concrete sector recorded a higher decrease in output (-10.9%), with prices down (-1.1%). Overall net sales came in at €269.4 million (€296.4 in 2014), down 9.1%, and Ebitda increased from €23.5 million to €24.1 million (+2.7%). However it must be pointed out that in June 2014 non-recurring costs for €4.6 million had been registered. Net of non-recurring items, Ebitda decreased by €4.0 million (-14.1%). Among operating costs the trend was favorable for both fuels (-8.2%) and electric power (-18.6%). In the period the company incurred other operating costs for €1.6 million from the purchase of CO_2 emission rights (nil in 2014).

(millions of euro)		*1H 15*	*1H 14*
Net sales		269,4	296,4
EBITDA		24,1	23,5
EBITDA recurring		24,1	28,1
% of net sales		*8,9*	*9,5*
Capital expenditures		16,3	18,6
Headcount end of period	(no)	1.734	1.793

Luxembourg
Since 2013 the economic trend has been consistently developing among the most brilliant in Europe, and a similar path should continue in 2015, due to the strengthening of the development model which fosters social and fiscal stability with an extraordinary international openness. The country, through its flexibility and ability to adapt to the impacts of the crisis and the changes in demand, confirmed its vocation as a primary center for advanced financial services in Europe. The estimate of GDP growth for the current year is set at 2.5%, thanks to stronger employment growth, higher disposable income and low inflation. Construction investments and domestic cement consumption are estimated in line with the previous year.

The good results achieved in the first half of 2014, thanks above all to the mild weather, made the comparison with shipments of this year challenging; volumes also suffered a slowdown in exports towards the neighboring countries. In such a context our cement and clinker sales, inclusive of internal sales and export volumes, were down 6.3%, with average unit revenues down from the previous year (-1.6%). The ready-mix concrete sector showed a strong increase in production (+20.7%) in a scenario of weaker prices. Net sales amounted to €51.7 million, 6.7% lower from the previous year (€55.4 million). Ebitda came in at €5.9 million (€7.8 million in 2014). As for the main operating costs, the trend was favorable for both electric power (-12.8%) and fuels (-9.3%). In the period the company realized other operating revenues for €0.4 million from the purchase or swap of CO_2 emission rights, deemed in excess compared to production volumes (nil in 2014).

		1H 15	*1H 14*
(millions of euro)			
Net sales		51,7	55,4
EBITDA		5,9	7,8
% of net sales		*11,5*	*14,0*
Capital expenditures		3,6	1,9
Headcount end of period	(no)	190	185

The Netherlands
The path of economic recovery in the country, which was triggered in 2014, is expected to strengthen during the current year, thanks to growth in exports and the support of domestic consumption, as well as investment rebound. GDP growth is estimated for the full year at 1.6%. The construction sector, after a protracted period of decline, began to show signs of improvement, with property values strengthening on the market and investment level increasing (+2.3% expected in 2015).

Our ready-mix concrete sales totaled 0.34 million cubic meters, up from the previous year (0.29 million cubic meters), with prices tending to decline (-2.5%). Net sales amounted to €31.8 million (€28.8 million in 2014). Ebitda closed the period gradually improving at -€0.2 million (-€0.6 million in 2014).

(millions of euro)		*1H 15*	*1H 14*
Net sales		31,8	28,8
EBITDA		-0,2	-0,6
% of net sales		*-0,6*	*-2,0*
Capital expenditures		0,0	0,9
Headcount end of period	(no)	171	183

The Czech Republic and Slovakia

The strong exports and robust domestic demand increase continue to support the economic situation. Employment growth, rise in real wages as well as a modest inflation, favored by the drop in energy factors and food prices, help to increase consumption and enhance GDP growth, which is estimated in the current year at +3%, up on the previous year. Construction investments are expected to grow (+3.3%) and cement consumption should benefit from this consistently.

Cement sales in the first six months of the year confirmed the good levels achieved in the same period of 2014 (+0.8%), with average sales prices in local currency slightly down (-1.4%). The ready mix concrete sector, which includes also Slovakia operations, showed a not completely consistent trend, with lower volumes (-2.0%) but with prices recovering (+4.1%). Overall net sales, which was only marginally penalized by the exchange rate effect, decreased from €61.4 million to €60.1 million (-2.0%), and Ebitda increased by €3.3 million, from €9.1 million in 2014 to €12.4 million in the period under review. Among operating costs in local currency, the price trend was favorable for both fuels (-3.9%) and electric power (-6.4%). In the period the company realized other operating revenues for €0.6 million from the purchase or swap of CO_2 emission rights, deemed in excess compared to production volumes (nil in 2014).

(millions of euro)		*1H 15*	*1H 14*
Net sales		60,1	61,4
EBITDA		12,4	9,1
% of net sales		*20,6*	*14,8*
Capital expenditures		2,1	3,1
Headcount end of period	(no)	761	811

Poland

The start to the year was characterized by a good GDP growth in the first quarter (+3.5%). The recovery development, in place since 2014, after the slowdown of the previous two years, is now supported by the robust increase in domestic demand, driven by a higher disposable income, a good employment rate, low inflation rate and is favored by the interconnection and stronger EU integration policies. GDP growth for 2015 is still estimated at +3.5%. Investments expected in the construction sector (+4%) confirm the favorable pace of recovery, continuing from last year, while cement consumption should achieve the figures of the previous period.

Our commercial activity in the first half of the year showed a steady trend, in tune with the potential and the historical position of the company rather than with the figures of last year, penalized in spring and summer by the difficulty of implementing a new price list. Cement volumes sold by our plant reported a 22.3% increase. Ready-mixed concrete output confirmed the good figures of the previous year (-0.8%). The average prices level in local currency was lower for cement (-12.6%), and rather stable for ready-mix concrete (+0.9%). These market dynamics led to a turnover of €48,2 million, versus €43.6 million in 2014 (+10.4%). Ebitda increased from €8.4 million to €10.0 million (+19.3%). The moderate appreciation of the zloty resulted in a minor exchange rate effect: like-for-like net sales would have increased by 9.5% and Ebitda by 18.3%. Among operating costs, electric power increased (+6.4%) while fuel showed a favorable trend (-9.2%). In the period the company realized other operating revenues for €0.8 million from the purchase or swap of CO_2 emission rights, deemed in excess compared to production volumes (nil in 2014).

(millions of euro)		*1H 15*	*1H 14*
Net sales		48,2	43,6
EBITDA		10,0	8,4
% of net sales		*20,8*	*19,3*
Capital expenditures		1,8	5,4
Headcount end of period	(no)	359	373

Ukraine

The unresolved geopolitical conflict and the resulting territorial tensions, which are persisting, led the economic situation of the country to a very critical stage. Efforts to return to normality, supported by remarkable levels of assistance by the International Monetary Fund, the European Union and the United States, aimed at restoring the economic balance and promoting structural and growth reforms, are continuing with difficulty in an environment complicated by the recessive climate and by the uncertainties about possible developments of the hostilities. GDP contraction for the current year is estimated at 5.5%.

Our operations, in the circumstances, showed a rather regular trend, more positive in the first quarter than in the second. In the first six months cement sales volumes were down 4.4%, with average prices in local currency pushed upwards by the high inflation rate (+19.1%). Net sales decreased from €43.3 million in 2014 to €29.2 million in the period under review (-32.5%) and also Ebitda from €5.4 million to €1.5 million. The dramatic depreciation of the local currency (-66.5%) had a very negative impact on the translation of results into euro: at constant exchange rates net sales would have indeed increased (+12.3%) while Ebitda would have been down €2.9 million. Among the main operating costs in local currency, the price trend recorded a hike both for fuels (+54.8%) and electric power (+41.8%).

(millions of euro)		1H 15	1H 14
Net sales		29,2	43,3
EBITDA		1,5	5,4
% of net sales		*5,1*	*12,4*
Capital expenditures		3,2	4,6
Headcount end of period	(no)	1.380	1.459

Russia
In the first quarter GDP declined (-1.9%), despite the partial recovery of oil prices, and, according to the main indicators, the recession phase is supposed to continue. The deteriorating economic situation is a result of the fall in oil prices, the impact of sanctions and counter-sanctions, as well as of the contraction of domestic demand, caused by the reduction of real wages and the weakening of confidence inside the country. Inflation, after peaking in the first quarter (+16.9%) decreased in the six months to 15.3%, also due to the currency stabilization. The most recent estimates for the whole 2015 point to a GDP decrease by 3.4%, while inflation should achieve at year-end 12.5%. Construction investments for the current year are expected to decline (-7%), with negative consequences on cement consumption.

At the end of June sales volumes, which benefited from Korkino cement plant entering the scope of consolidation, were up 10.6% compared to 2014. Like for like they would have been down 13.7%. The category of oil well cements, used in the extraction industry, continued to show a good performance. Prices in local currency did not change (-0.3%); it should be reminded, though, that the average price of the products delivered by the Korkino cement plant is lower range compared to the mix of Suchoi Log plant. Net sales stood at €83.4 million versus €102.6 million in 2014 (-18.7%), while Ebitda came in at €23.2 million versus €35.4 million in 2014, down 34.4%. The figure achieved in the first half period includes €0.5 million non-recurring costs. The strong devaluation of the ruble (-34.7%) had an unfavorable impact on the translation of results into euro; net of foreign exchange effect and at constant scope net sales and recurring Ebitda would have decreased by respectively 4.8% and 10.1%. Among operating costs in local currency, the price trend was stable for fuels (-1.5%) and favorable for electric power (-5.8%).

(millions of euro)		1H 15	1H 14
Net sales		83,4	102,6
EBITDA		23,2	35,4
EBITDA recurring		23,7	35,4
% of net sales		*28,4*	*34,5*
Capital expenditures		3,4	7,0
Headcount end of period	(no)	1.576	1.000

United States of America

Temporary conditions slowed down investment and exports during the first quarter, thus causing a GDP decline by 0.2% on an annual basis. Economic activity picked up momentum in the second quarter, with strong growth in employment and positive signs from retail sales and the housing market, while industrial production remained rather weak, reflecting the performance of the energy sector. Inflation, due to the effects of raw material prices, was nil in May, from -0.2% in April. Interest rates are expected to rise by year-end, but it should occur more gradually than previously estimated. The forecast of GDP growth for the year (+2.5%) was recently revised downwards to the same levels as 2014. Investments of the construction industry are expected to grow (+4,7%), particularly in the commercial (+8.8%) and residential (+6.7%) building segments, while public infrastructure, after some years of progressive reductions, is expected to recover (+2.4%). Cement consumption should improve in line with such developments.

The exceptionally wet weather from March to May, especially in the South Western regions, seriously hampered the business and distribution activity. Sales volumes closed the period with a 2.8% growth, thanks to the good performance in the Midwestern regions and despite a significant contraction in deliveries of oil well cements. Ready-mix concrete output, mainly present in Texas, declined (-6.9%) compared to the previous year. Cement prices in local currency rose by 8.5% and ready-mix concrete prices showed a very positive trend (+12.0%). Net sales amounted to $551.2 million, up 9.0% from $505.6 million in the first half 2014. Ebitda stood at $117.0 million (+43.9% from $81.3 million last year). The exchange rate effect led to very favorable figures, so that in euros net sales revenue increased from €368.9 million to €494.0 million (+33.9%) and Ebitda from €59.3 million to €104.8 million (+76.8%). This intermediate result includes €1.1 million non-recurring costs. The cost of energy factors had a favorable development as regards fuels (-12%) and was almost stable for electric power. The works for the upgrade and expansion of the plant in Maryneal, Texas, are progressing as scheduled, with completion expected in early 2016.

		1H 15	*1H 14*
(millions of euro)			
Net sales		494,0	368,9
EBITDA		104,8	59,3
EBITDA recurring		105,9	59,3
% of net sales		*21,4*	*16,1*
Capital expenditures		113,9	33,5
Headcount end of period	(no)	2.326	2.315

Mexico (valued by the equity method)

Thanks to the close relationship with the economy of the United States and the good performance of domestic demand, the country continued in its economic expansion phase. GDP growth expected for the full year 2015 is estimated at 2.4%, higher than the previous year. Cement sales trend continued to be promising and higher than expected also in the second quarter, after the positive start to the year, with average prices in local currency increasing compared to the same period of 2014. Ready-mix concrete sales maintained a consistent development, thanks to different construction projects focused on the capital city. Net sales and Ebitda in local currency increased by 23.7% and 34.2% respectively. The strengthening of the Mexican peso favored the translation of results into euro; with reference to 100% of the associate, net sales stood at €320,7 million (+31.7%) and Ebitda increased from €91.9 million to €131.4 million (+42.9%). Among the main operating costs in local currency both fuels and electric power had a favorable trend. The equity earnings referring to Mexico, included in the line item that encompasses the investments valued by the equity method, amount to €27.4 million (€18.7 million in 2014).

Algeria (valued by the equity method)
Cement demand in the country continues to grow, driven among other things by the re-launching of the five-year Governmental plan for the realization of new infrastructural works, while domestic production is unable to fully meet the demand. Therefore it was necessary to increase the volume of imports, which is estimated at approximately 5 million tons. Some legal measures aiming at regulating and rationalizing imports into the country in general are being issued; the new rules, which to date still need to be finalized, will apply certainly also to the cement business. Several public and private initiatives aimed at building new cement production lines are in progress: the private ones are being carried out faster compared to the public ones, which are delayed, sometimes even significantly.

In the first half 2015, the two associates of Buzzi Unicem achieved clinker and cement output volumes overall lower than in the previous period. In particular, Hadjar Soud maintained its cement production rather stable (+1.8%) and improved the clinker one (+4.8%), while Sour El Ghozlane, due to technical problems in the kiln operation, closed the first six months with a decline in clinker and cement output of over 30%. The technical problems of Sour El Ghozlane are being solved, therefore we expect an improvement in production during the second half. The preliminary results of the period, with reference to 100% of the associates, closed with net sales at €48.7 million (-14%) and Ebitda at €22.8 million (-26%). The equity earnings referring to the Algerian market, included in the line item that encompasses the investments valued by the equity method, amount to €2.8 million (€4.5 million in 2014).

Risk management and description of main risks
The following companies, parent and subsidiaries, are included in the scope of risk assessment:

- Buzzi Unicem SpA (parent)
- Unicalcestruzzi SpA
- Dyckerhoff GmbH and its subsidiaries
- Buzzi Unicem USA, Inc. and its subsidiaries
- Alamo Cement Company and its subsidiaries

Risks are assessed by considering their likelihood of occurrence and their impact on group income, in accordance with certain standards, and considering their respective relevance and importance. Overall, compared with the situation as at June 2014, a decrease is recorded in the amount of total risks. The decrease affected 8 out of the 16 categories used; looking by geographical area, risks declined in Italy, while they increased in Central Europe, Eastern Europe and the United States of America due to the appreciation of the dollar against the euro.
Concerning the individual categories, according to IFRS guidelines, currency risks on intercompany loans, future collection of dividends and possible impacts on Ebitda are included. In Ukraine and Russia we detected the risk of higher costs to be incurred for procurement denominated in currencies other than the local one. About trading in Poland, the

risk of a reduction in sales volumes declined. In Ukraine the risk of a fall in volumes and prices is increasing, due to the economic and political uncertainty of the country. The risk of loss of capital invested in banks, which fluctuates mainly in relation to the available liquidity, decreased.

Following the mitigation actions already implemented or envisaged, the residual risk represents a limited share of equity.

Transactions with related parties

Information on transactions with related parties is available in note 45 of these half-yearly condensed consolidated financial statements as at June 30, 2015.

Outlook

The first half of 2015 featured very satisfactory results in the United States, amplified by the dollar strengthening, which were able to offset the persistent weakness of Italy and the expected slowdown occurred in Russia and Ukraine, also as a consequence of the particularly negative currency effect. In those markets where the volume and price trend was less dynamic, Ebitda to sales margin was driven by stable or decreasing energy and commodity costs, as well as by the projects for the continuous improvement of capacity utilization, work productivity and efficiency of the organizational structure in general. In the rest of the year the development of the major operating variables (demand, prices, costs) will continue to be rather different in the various markets of presence.

In Italy demand is gradually stabilizing, prices are recovering from the low point, but we believe that these conditions are not sufficient to improve the operating loss compared to 2014.

Assuming that the precipitation will return to normal, in the second half of the year the United States should benefit from an acceleration in demand; therefore, we can confirm the outlook of a significant improvement of the results even at year end.

Central Europe suffered from the comparison with the brilliant first half of 2014 but is still showing a slower trend than initially expected, which should lead to results in line with the previous year.

The market evolution in Poland and the Czech Republic should develop quite favorably, as occurred in the first six months.

In Ukraine the political and economic difficulties persist, but we believe that our business operations will continue in the second half of the year on a regular basis and with an outcome similar to the first half as regards economic results.

Finally, in Russia, the demand in the Urals is suffering more than other parts of the country, nevertheless the new contribution of the Korkino plant proved to be strategic, harbinger of interesting synergies and significant in mitigating the slowdown of the results associated with temporary economic difficulties.

Based on the above considerations we believe that, for the group as a whole, also the next six months will post an operating profitability higher than the previous year’s one. Consequently, for the full financial year 2015, we expect to report an improvement of recurring Ebitda over the previous year and around €450 million in absolute value.

* * *

Pursuant to articles 70 and 71 of Consob Regulation no 11971/99, the company avails itself of the faculty of making exception to the obligations to publish the Information Documents required in the event of significant transactions of mergers, spin-offs, capital increases by means of the conferral of assets in kind, acquisitions and disposals.

Casale Monferrato, August 04, 2015

For the Board of Directors

Enrico BUZZI
(Chairman)

CONSOLIDATED BALANCE SHEET

(thousands of euro)	Note	Jun 30, 2014	Dec 31, 2014
ASSETS			
Non-current assets			
Goodwill	8	584,057	571,213
Other intangible assets	8	9,954	10,326
Property, plant and equipment	9	3,039,871	2,835,410
Investment property	10	23,633	23,822
Investments in associates and joint ventures	11	379,879	371,914
Available-for-sale financial assets	12	2,452	2,377
Deferred income tax assets		60,685	61,470
Derivative financial instruments	13	14,797	4,204
Other non-current assets	14	41,564	44,561
		4,156,892	**3,925,297**
Current assets			
Inventories	15	387,648	377,003
Trade receivables	16	434,185	360,499
Other receivables	17	94,897	87,982
Available-for-sale financial assets	12	2,932	3,595
Cash and cash equivalents	18	391,391	412,590
		1,311,053	**1,241,669**
Assets held for sale	19	4,003	2,636
Total Assets		**5,471,948**	**5,169,602**

(thousands of euro)	Note	Jun 30, 2014	Dec 31, 2014
EQUITY			
Equity attributable to owners of the company			
Share capital	20	123,637	123,637
Share premium		458,696	458,696
Other reserves	21	200,858	46,466
Retained earnings		1,749,474	1,711,063
Treasury shares		(4,768)	(4,768)
		2,527,897	**2,335,094**
Non-controlling interests	22	30,701	27,038
Total Equity		**2,558,598**	**2,362,132**
LIABILITIES			
Non-current liabilities			
Long-term debt	23	1,286,108	1,304,359
Derivative financial instruments	13	25,247	18,587
Employee benefits	24	432,794	441,569
Provisions for liabilities and charges	25	84,403	86,960
Deferred income tax liabilities		433,467	402,882
Other non-current liabilities	26	18,153	19,137
		2,280,172	**2,273,494**
Current liabilities			
Current portion of long-term debt	23	194,791	158,156
Short-term debt	23	2,357	-
Derivative financial instruments	13	1,558	2,687
Trade payables	27	250,854	226,399
Income tax payables		11,973	8,240
Provisions for liabilities and charges	25	20,732	17,266
Other payables	28	150,111	120,018
		632,376	**532,766**
Liabilities held for sale		802	1,210
Total Liabilities		**2,913,350**	**2,807,470**
Total Equity and Liabilities		**5,471,948**	**5,169,602**

CONSOLIDATED INCOME STATEMENT

(thousands of euro)	Note	Jan-Jun 2015	Jan-Jun 2014
Net sales	29	**1,238,174**	**1,180,721**
Changes in inventories of finished goods and work in progress		(5,157)	(9,474)
Other operating income	30	33,934	29,098
Raw materials, supplies and consumables	31	(516,245)	(504,639)
Services	32	(320,150)	(305,887)
Staff costs	33	(225,513)	(212,343)
Other operating expenses	34	(38,405)	(38,990)
Operating cash flow (EBITDA)		**166,638**	**138,486**
Depreciation, amortization and impairment charges	35	(96,520)	(124,379)
Operating profit (EBIT)		**70,118**	**14,107**
Equity in earnings of associates and joint ventures	36	30,166	21,793
Gains on disposal of investments	37	5,705	27
Finance revenues	38	35,182	18,836
Finance costs	38	(87,031)	(65,863)
Profit before tax		**54,140**	**(11,100)**
Income tax expense	39	(17,731)	(9,714)
Profit (loss) for the period		**36,409**	**(20,814)**
Attributable to:			
Owners of the company		34,876	(22,629)
Non-controlling interests		1,533	1,815

Earnings per share	40	(in euro)	
basic			
- ordinary		0.167	(0.141)
- savings		0.179	0.015

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(thousands of euro)	Note	Jan-Jun 2015	Jan-Jun 2014
Profit (loss) for the period		**36,409**	**(20,814)**
Items that will not be reclassified to profit or loss			
Actuarial gains (losses) on post-employment benefits		16,114	(28,167)
Income tax relating to items that will not be reclassified		(5,119)	8,794
Total items that will not be reclassified to profit or loss		**10,995**	**(19,373)**
Items that may be reclassified subsequently to profit or loss			
Currency translation differences		163,751	(32,864)
Income tax relating to items that may be reclassified		-	1,562
Total items that may be reclassified subsequently to profit or loss		**163,751**	**(31,302)**
Other comprehensive income for the period, net of tax		**174,746**	**(50,675)**
Total comprehensive income for the period		**211,155**	**(71,489)**
Attributable to:			
Owners of the company		206,423	(72,515)
Non-controlling interests		4,732	1,026

CONSOLIDATED STATEMENT OF CASH FLOWS

(thousands of euro)

	Note	Jan-Jun 2015	Jan-Jun 2014
Cash flows from operating activities			
Cash generated from operations	41	115,386	93,611
Interest paid		(18,056)	(21,828)
Income tax paid		(16,340)	(12,534)
Net cash generated from operating activities		**80,990**	**59,249**
Cash flows from investing activities			
Purchase of intangible assets	8	(1,652)	(1,610)
Purchase of property, plant and equipment	9	(151,210)	(79,987)
Purchase of other equity investments	11	(5)	(172)
Proceeds from sale of property, plant and equipment		4,440	2,879
Proceeds from sale of equity investments		7,346	1,314
Changes in available-for-sale financial assets	12	978	-
Changes in financial receivables		10,291	882
Dividends received from associates		22,584	18,826
Interest received		4,540	4,726
Net cash used in investing activities		**(102,688)**	**(53,142)**
Cash flows from financing activities			
Proceeds from long-term debt	23	49,827	-
Repayments of long-term debt	23	(59,360)	(76,864)
Net change in short-term debt	23	2,157	426
Changes in financial payables		(765)	(5)
Changes in ownership interests without loss of control		(54)	(564)
Dividends paid to owners of the company		(10,277)	(10,277)
Dividends paid to non-controlling interests		(917)	(1,782)
Net cash used in financing activities		**(19,389)**	**(89,066)**
Increase (decrease) in cash and cash equivalents		**(41,087)**	**(82,959)**
Cash and cash equivalents at beginning of period		**412,590**	**527,931**
Translation differences		19,888	2,656
Cash and cash equivalents at end of period	18	**391,391**	**447,628**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the company							
(thousands of euro)	*Share capital*	*Share premium*	*Other reserves*	*Retained earnings*	*Treasury shares*	***Total***	*Non-controlling interests*	***Total Equity***
Balance as at January 1, 2014 restated*	**123,637**	**458,696**	**41,219**	**1,642,079**	**(4,768)**	**2,260,863**	**37,875**	**2,298,738**
Profit (loss) for the period	-	-	-	**(22,629)**	-	**(22,629)**	**1,815**	**(20,814)**
Other comprehensive income for the period, net of tax	-	-	(30,524)	(19,362)	-	**(49,886)**	(789)	**(50,675)**
Total comprehensive income for the period		-	**(30,524)**	**(41,991)**	-	**(72,515)**	**1,026**	**(71,489)**
Dividends paid	-	-	-	(10,277)	-	**(10,277)**	(1,782)	**(12,059)**
Withholding tax on foreign dividends	-	-	-	(1,183)	-	**(1,183)**	-	**(1,183)**
Acquisition of non-controlling interests	-	-	-	(176)	-	**(176)**	(388)	**(564)**
Other changes	-	-	(851)	833	-	**(18)**	(4)	**(22)**
Balance as at June 30, 2014	**123,637**	**458,696**	**9,844**	**1,589,285**	**(4,768)**	**2,176,694**	**36,727**	**2,213,421**
Balance as at January 1, 2015	**123,637**	458,696	**46,465**	**1,711,064**	**(4,768)**	**2,335,094**	**27,038**	**2,362,132**
Profit (loss) for the period	-	-	-	**34,876**	-	**34,876**	**1,533**	**36,409**
Other comprehensive income for the period, net of tax	-	-	160,552	10,995	-	**171,547**	3,199	**174,746**
Total comprehensive income for the period	-	-	**160,552**	**45,871**	-	**206,423**	**4,732**	**211,155**
Dividends paid	-	-	-	(10,277)	-	**(10,277)**	(1,067)	**(11,344)**
Withholding tax on foreign dividends	-	-	-	(1,079)	-	**(1,079)**	-	**(1,079)**
Acquisition of non-controlling interests	-	-	-	(2,417)	-	**(2,417)**	3	**(2,414)**
Other changes	-	-	(6,159)	6,312	-	**153**	(5)	**148**
Balance as at January 30, 2015	**123,637**	**458,696**	**200,858**	**1,749,474**	**(4,768)**	**2,527,897**	**30,701**	**2,558,598**

* restated data following adoption of IFRS 11 Joint arrangements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

Buzzi Unicem SpA "the company" and its subsidiaries (together "the group" or "Buzzi Unicem") manufacture, distribute and sell cement, ready-mix concrete and aggregates.
The group has manufacturing plants in several countries, which also represent the natural outlet for its goods and services. The operations are located mainly in Italy, the United States of America, Germany, Luxembourg, the Netherlands, Poland, the Czech Republic and Slovakia, Ukraine, Russia and Mexico.

Buzzi Unicem SpA is a stock corporation organized under the laws of Italy. The address of its registered office is Via Luigi Buzzi 6, Casale Monferrato (AL). The company has its primary listing on the Borsa Italiana stock exchange.

This half-yearly financial report was approved for issue by the board of directors on 4 August 2015.

2. Basis of preparation

The condensed consolidated financial statements for the six months ended 30 June 2015 have been prepared in accordance with art. 154 ter of Legislative Decree 58/1998 and drawn up in compliance with International Financial Reporting Standards (IFRS), according to the provisions of IAS 34 Interim Financial Reporting. They should be read in conjunction with the annual financial statements for the year ended 31 December 2014.

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these interim financial statements, the significant judgments made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2014, with the exception of changes in estimates that are required in determining the income tax expense for the period.
The items presented in these consolidated financial statements have been slightly adjusted and integrated compared with those previously published, to give a better representation of the financial position and economic performance of the group.

3. Accounting policies

Except as described below, the principles adopted are consistent with the recognition and evaluation criteria used in the preparation of the annual financial statements as at 31 December 2014, to which reference is made for additional information.
Some valuation procedures, especially the assessment of fixed assets impairment, if any, are generally carried out in full only during annual report preparation, when all necessary information is available, unless there is an indication of impairment that requires an immediate impairment test. Similarly, the actuarial evaluations on employee benefits are usually only carried out during annual report preparation.
Income tax expense is accrued using the tax rate that would be applicable to expected total annual profit or loss.

The following standards, amendments and interpretations are mandatory for the first time effective from 1 January 2015.

- IFRIC 21 Levies (effective from 1 January 2014 but endorsed for application in the European Union in June 2014 and thus effective for the group from 1 January 2015), an interpretation on the accounting for levies imposed by governments. It clarifies what the obligating event is that gives rise to pay a levy and when should a liability be recognized. The adoption did not have a significant impact on the interim consolidated financial statements.
- IAS 19 (amendment) Employee Benefits, defined benefit plans: employee contributions. The amendments apply to contributions from employees or third parties to defined benefit plans. The objective of the amendments is to simplify the accounting for contributions that are independent of the number of years of employee service, for example employee contributions that are calculated according to a fixed percentage of salary. The impacts of the adoption were not significant.
- Annual Improvements 2010–2012 Cycle; a collection of amendments to IFRSs, in response to eight issues addressed during the 2010–2012 cycle. They relate largely to clarifications, therefore their adoption did not have material impacts on the interim consolidated financial statements.
- Annual Improvements 2011–2013 Cycle; a collection of amendments to IFRSs, in response to four issues addressed during the 2011–2013 cycle. They relate largely to clarifications, therefore the adoption did not have any effect on the interim consolidated financial statements.

The following standards, amendments and interpretations have been issued but are not yet effective for the period beginning January 1, 2015 and have not been early adopted:

- IFRS 9 Financial instruments and subsequent amendments (effective from 1 January 2018, early adoption is permitted). The complete version of IFRS 9 was issued in July 2014. The standard replaces IAS 39 Financial instruments: recognition and measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortized cost, fair value through OCI and fair value through profit or loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. IFRS 9 introduces a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities the main change relates to the accounting for changes in fair value attributable to changes in the credit risk of financial liabilities designated at fair value through profit or loss, which shall be presented directly in other comprehensive income, without affecting the income statement. The standard reforms the approach to hedge accounting too. IFRS 9 is likely to affect accounting of financial assets/liabilities and the group is yet to assess its full impact.
- IFRS 11 Joint arrangements (amendment): Accounting for acquisitions of interests in joint operations (effective from 1 January 2016). The amendment clarifies the accounting for acquisitions of an interest in a joint operation that constitutes a business.
- IAS 16 Property, plant and equipment and IAS 38 Intangible assets (amendments) clarification of acceptable methods of depreciation and amortization (effective from 1 January 2016). The amendments clarify that a depreciation method that is based on revenue that is generated by an activity that includes the use of an asset is not appropriate. This is because such methods reflect a pattern of generation of economic

benefits that arise from the operation of the business of which an asset is part, rather than the pattern of consumption of an asset's expected future economic benefits.

- IFRS 15 Revenue from contracts with customers (effective from 1 January 2017). The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. The standard results in enhanced disclosures about revenue, provides guidance for transactions that were not previously addressed comprehensively and improves guidance for multiple-element arrangements.
- IAS 16 Property, plant and equipment and IAS 41 Agriculture (amendments): bearer plants (effective from 1 January 2016). Bearer plants should be accounted for in the same way as property, plant and equipment because their operation is similar to that of manufacturing. The amendments include them in the scope of IAS 16 rather than IAS 41.
- IAS 27 Separate financial statements (amendment): equity method in separate financial statements (effective from 1 January 2016). The amendment will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements.
- IFRS 10 Consolidated financial statements and IAS 28 Investments in associates and joint ventures (amendments): sale or contribution of assets between an investor and its associate or joint venture (the effective date of 1 January 2016 has been postponed waiting an Exposure Draft from IASB). A full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if those assets are in a subsidiary.
- Annual improvements 2012-2014 Cycle (effective from 1 January 2016); is a series of amendments to IFRSs in response to four issues raised during the 2012-2014 cycle. They relate largely to clarifications, therefore their adoption will not have a material impact on the group.
- IAS 1 Presentation of financial statements (amendment): disclosure initiative (effective from 1 January 2016): It is designed to further encourage companies to apply professional judgment in determining what information to disclose in their financial statements. For example, the amendment makes clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures.
- Investment entities (amendments to IFRS 10, IFRS 12 and IAS 28): applying the consolidation exception (effective from 1 January 2016). The amendments address issues that have arisen in the context of applying the consolidation exception for investment entities.

The results and financial position of all the group entities that have a functional currency different from the presentation currency have been translated using the following exchange rates:

euro 1 =	Year-end		Average	
Currency	30 June 2015	31 December 2014	30 June 2015	31 December 2014
US Dollar	1.1189	1.2141	1.1158	1.3285
Czech Koruna	27.2530	27.7350	27.5021	27.5359
Ukrainian Hryvnia	23.5406	19.2060	23.8723	15.8643
Russian Ruble	62.3550	72.3370	64.6407	50.9518
Polish Zloty	4.1911	4.2732	4.1409	4.1843
Hungarian Forint	314.9300	315.5400	307.5057	308.7061
Mexican Peso	17.5332	17.8679	16.8887	17.6550
Algerian Dinar	110.6980	106.6070	106.7598	106.8672

4. Financial risk management and Financial instruments

4.1 Financial risk factors

The group's activities are exposed to a variety of financial risks such as market risk (including currency and price), credit risk and liquidity risk. The group uses derivative financial instruments to hedge certain risk exposures. A central treasury department carries out risk management and identifies, evaluates and possibly hedges financial risks in close co-operation with the group's operating units.

The consolidated interim financial statements do not include all financial risk management disclosures required for the annual financial statements; therefore they should be read in conjunction with the consolidated annual report of the group as at 31 December 2014. Since year end, there have been no organizational changes in the risk management department or related risk management policies.

4.2 Fair value estimation

Hereunder an analysis of financial instruments carried in the balance sheet at fair value. The different levels have been defined as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2);
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the assets and liabilities that are measured at fair value at 30 June 2015:

(thousands of euro)	Level 1	Level 2	Level 3	Total
Assets				
Derivative financial instruments (non-current)	-	14,797	-	14,797
Derivative financial instruments (current)	-	-	-	-
Available-for-sale financial assets (current)*	2,855	17	-	2,872
Total Assets	**2,855**	**14,814**	**-**	**17,669**
Liabilities				
Derivative financial instruments (non-current)	-	(25,247)	-	(25,247)
Derivative financial instruments (current)	-	(1,208)	(350)	(1,558)
Total Liabilities	**-**	**(26,455)**	**(350)**	**(26,805)**

* temporary cash investments equal to € 60 thousand are not included

The following table presents the assets and liabilities that are measured at fair value at 31 December 2014:

(thousands of euro)	Level 1	Level 2	Level 3	Total
Assets				
Derivative financial instruments (non-current)	-	4,204	-	4,204
Derivative financial instruments (current)	-	-	-	-
Available-for-sale financial assets (current)	3,464	16	-	3,480
Total Assets	**3,464**	**4,220**	**-**	**7,684**
Liabilities				
Derivative financial instruments (non-current)	-	(18,588)	-	(18,588)
Derivative financial instruments (current)	-	(2,337)	(350)	(2,687)
Total Liabilities		**(20,925)**	**(350)**	**(21,275)**

* temporary cash investments equal to € 115 thousand are not included

In the first half of 2015 there were no transfers between the different levels of fair value measurement. The fair value of assets and liabilities was mainly influenced by the trend of the euro/dollar exchange rate and by interest rates curves.

The fair value of derivatives considers the adjustment for credit and/or counterparty risk, also taking into account the existence of guarantees granted. There were no changes in the valuation techniques used during these periods.

4.3 Valuation techniques used to derive level 2 fair values

Level 2 derivatives comprise forward foreign exchange contracts, interest rate swaps, cross currency swaps and the cash settlement option related to the equity-linked convertible bond. Forward foreign exchange contracts have been fair valued using forward exchange rates that are quoted in an active market using a discounted cash flow approach. Interest rate swaps are fair valued using forward interest rates extracted from observable yield curves and applied to different contract maturities. Cross currency swaps have been fair valued using

exchange rates that are quoted in an active market and forward interest rates extracted from the interest rate swap curve and applied to different contract maturities. The cash settlement option has been fair valued using markets values of the company’s public bonds and ordinary share, considering the implied volatility.
Level 2 available-for-sale financial assets are fair valued at nominal value.

5. Scope of consolidation

The most important change in consolidation area in respect to the first half of 2014 is related to the acquisition of a 100% interest in Uralcement (now named OOO Dyckerhoff Korkino Cement) and line-by-line consolidation of the new subsidiary from 1 December 2014.
At the end of June the investment in the joint venture Addiment Italia Srl, valued by the equity method, has been sold.
Some mergers occurred within the group during the first half, without any material effect on the consolidated interim financial statements. The disclosures provided in the course of these notes point out the relevant impacts following the changes in the consolidation area.

6. Seasonality of operations

Demand for cement, ready-mix concrete and other construction materials is seasonal because climatic conditions affect the level of activity in the building industry. Buzzi Unicem usually experiences a reduction in sales during the first and fourth quarters, reflecting the effect of the winter season, and tends to see an increase in sales in the second and third quarters, reflecting the effect of the summer season.

7. Segment information

The chief operating decision-maker identifies with the executive directors, who review the group’s internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.
The executive directors consider the business by geographical area of operations and from a product perspective they assess in a combined way the performance of “cement” and “ready-mix concrete and aggregates”, since the two businesses, vertically integrated, are strictly interdependent. In particular, ready-mix concrete represents essentially a distribution channel for cement and does not require, for the chief operating decision maker, evidence of separate results.
The executive directors assess the performance of the reportable operating segments based, as main reference, on a measure of operating profit (EBIT). Net finance costs and income tax expense are not included in the result for each operating segment that is reviewed by the executive directors. The measurement of segment profit or loss is consistent with that of the annual financial statements.

The segment named Central Europe consists of Germany, Luxembourg and the Netherlands; Eastern Europe covers Poland, the Czech Republic, Slovakia, Ukraine and Russia.

(thousands of euro)	Italy	Central Europe	Eastern Europe	United States of America	Unallocated items and adjustments	Total	Mexico 100%
Six month ended 30 June 2015							
Segment revenue	188,102	341,809	219,539	488,400	324	**1,238,174**	320,746
Intersegment revenue	(297)	-	-	-	297	**-**	-
Revenue from external customers	187,805	341,809	219,539	488,400	621	**1,238,174**	320,746
Operating cash flow	(15,240)	29,842	47,105	104,822	109	**166,638**	131,372
Operating profit	(30,496)	7,919	27,993	64,592	110	**70,118**	116,586

(thousands of euro)	Italy	Central Europe	Eastern Europe	United States of America	Unallocated items and adjustments	Total	Mexico 100%
Six month ended 30 June 2014							
Segment revenue	193,600	371,106	249,287	366,931	(203)	**1,180,721**	247,144
Intersegment revenue	(238)	-	-	-	238	**-**	-
Revenue from external customers	193,362	371,106	249,287	366,931	35	**1,180,721**	247,144
Operating cash flow	(9,576)	30,678	58,246	59,292	(154)	**138,486**	93,258
Operating profit	(38,683)	8,298	19,050	25,537	(95)	**14,107**	79,408

8. Goodwill and Other intangible assets

		Other intangible assets			
(thousands of euro)	Goodwill	Industrial patents, licenses and similar rights	Assets in progress and advances	Others	Total
Net book amount at 1 January 2015	**571,213**	**7,276**	**273**	**2,777**	**10,326**
Six months ended 30 June 2015					
Translation differences	12,844	(285)	2	1	(282)
Amortization and impairment charges		(1,566)	-	(129)	(1,695)
Additions	-	1,344	-		1,344
Reclassifications	-	119	142		261
Net book amount at 30 June 2015	**584,057**	**6,888**	**417**	**2,649**	**9,954**

At 30 June 2015, the caption industrial patents, licenses and similar rights is made up of application software for plant and office automation (€2,995 thousand), mining rights (€1,067 thousand), trademarks (€306 thousand), industrial patents (€484 thousand), industrial licenses (€2,036 thousand).

The translation differences of €12,844 thousand refer for €10,188 thousand to the alignment at the closing exchange rate of the provisional goodwill generated at the end of 2014 following the first-time line-by-line consolidation of OOO Dyckerhoff Korkino Cement.

Goodwill at 30 June 2015 amounts to €584,057 thousand and is broken-down as follows:

- €339,126 thousand allocated to the segment Eastern Europe and €165,164 thousand to Central Europe;
- €40,500 thousand resulting mostly from the merger with Unicem SpA in 1999 and consequently attributable to the sector cement Italy;
- €39,267 thousand refer to the cement sector of Alamo Cement Company, thereof €32,304 thousand emerging from the acquisition of Dorsett Brothers in 2008 and South-Tex Concrete in 2007.

At 30 June 2015, the company has revised the indicators of possible impairment losses following the ongoing uncertainty of future profitability prospects of some CGUs: Cement Italy, Ready-mix Concrete Italy, Russia and Ukraine.
As for Cement and Read-mix Concrete Italy, based on information currently available, the management does not deem it necessary to change the long-term forecasts associated with the business plans used for the impairment test in December 2014 and so there was no need to recognize an impairment loss; moreover during the period the cost of capital (WACC) related to those CGUs has decreased.
As regards Ukraine and Russia, after some changes in the basic assumptions, the company ran the impairment test, based on an updated business plan and using a cost of capital (WACC) equal to 35.79% (2014: 26.84%) for Ukraine and of 13.68% (2014: 12.20%) for Russia. The analysis carried out did not show any impairment loss either on goodwill in Russia or on fixed assets in Ukraine. It should be reminded that the goodwill allocated to the Ukrainian unit had already been fully written down in the previous year. With reference to the CGU Ukraine, we mention that a contingent increase in the cost of capital (WACC) would make the value in use insufficient to cover the carrying amount of the fixed assets.

9. Property, plant and equipment

(thousands of euro)	Land and buildings	Plant and machinery	Industrial and commercial equipment	Assets in progress and advances	Other	Total
At 31 January 2015						
Cost/deemed cost	2,446,644	3,995,612	371,491	149,737	106,184	7,069,668
Accumulated depreciation	(914,148)	(2,947,276)	(282,015)	-	(90,819)	(4,234,258)
Net book amount	**1,532,496**	**1,048,336**	**89,476**	**149,737**	**15,365**	**2,835,410**
Six months ended 30 June 2015						
Opening net book amount	1,532,496	1,048,336	89,476	149,737	15,365	2,835,410
Translation differences	101,175	40,776	5,606	9,639	973	158,169
Additions	2,974	15,791	11,808	114,260	473	145,306
Change in scope of consolidation	111	45	(2,102)	280	2,103	437
Disposals and other	(647)	(502)	(220)	(86)	(38)	(1,493)
Depreciation and impairment charges	(16,226)	(64,784)	(11,309)	(36)	(2,344)	(94,699)
Reclassifications	1,237	25,322	1,136	(30,285)	(669)	(3,259)
Closing net book amount	**1,621,120**	**1,064,984**	**94,395**	**243,509**	**15,863**	**3,039,871**
At 30 June 2015						
Cost/deemed cost	2,573,162	4,141,399	396,748	243,509	107,782	7,462,600
Accumulated depreciation	(952,042)	(3,076,415)	(302,353)	-	(91,919)	(4,422,729)
Net book amount	**1,621,120**	**1,064,984**	**94,395**	**243,509**	**15,863**	**3,039,871**

Additions of €145,306 thousand in the period are shortly described in the management report, to which reference is made. In the cash flow statement and in the management report, capital expenditures are reported according to the actual outflows (€151,210 thousand).

Positive translation differences of €158,169 thousand reflect the strength in the exchange rate of the US dollar in respect to the euro, partially offset by the weakening of other currencies used for translation of foreign financial statements. In the first half of 2014 the trend in the exchange rates of the dollar and other minor currencies had given rise to negative translation differences of €25,153 thousand.

Real guarantees on assets of consolidated companies are represented by liens on industrial and commercial equipment for the amount of €156 thousand at 30 June 2015 (December 2014: €156 thousand).

Rent expenses amounting to €17,594 thousand (2014: €17,078 thousand) relating to the operating lease of property and machinery are included in the income statement among services (note 32).

With regard to the recoverability of the book values related to the CGUs Concrete Italy and Ukraine, please refer to the comments on the impairment test in Note 8.

10. Investment property

(thousands of euro)	30 Jun 2015	31 Dec 2014
At 1 January	23,822	25,207
Translation differences	100	139
Additions	95	50
Reclassifications	-	(950)
Disposals and other	(384)	(624)
End of period	**23,633**	**23,822**

11. Investments in associates and joint ventures

The amounts recognized in the balance sheet are as follows:

(thousands of euro)	30 Jun 2015	31 Dec 2014
Associates valued by the equity method	204,521	203,681
Joint ventures valued by the equity method	175,280	168,155
Associates and joint ventures valued at cost	78	78
	379,879	**371,914**

The net increase of €7,965 thousand was mainly affected by the earnings of the joint venture Corporación Moctezuma, SAB de CV and to the extent of €4,571 thousand by the sale of the joint venture Addiment Italia Srl .

The translation differences related to the investments in the Algerian companies Société des Ciments de Hadjar Soud EPE SpA and Société des Ciments de Sour El Ghozlane EPE SpA, were negative for €3,959 thousand (2014: positive for €501 thousand). The translation differences referring to the investment in the associate Corporación Moctezuma, SAB de CV were positive for €2,747 thousand (2014: positive for €3,008 thousand).

11.1 Investments in associates

Set out below are the associates as at 30 June 2015, which, in the opinion of the directors, are material to the group. These associates have share capital consisting solely of ordinary shares, which are held directly or indirectly by the company. The country of incorporation is also their principal place of business.

Summarized financial information for associates

Here follow the summarized financial information for the associates that are material to the group, all valued by the equity method.

(thousands of euro)	Société des Ciments de Hadjar Soud EPE SpA		Société des Ciments de Sour El Ghozlane EPE SpA		Kosmos Cement Company		Salonit Anhovo Gradbeni Materiali dd	
	Jun-15	Dec-14	Jun-15	Dec-14	Jun-15	Dec-14	Jun-15	Dec-14
Total asset	157,834	163,600	152,806	161,319	170,046	148,950	140,766	134,309
Total liabilities	61,352	67,303	77,036	78,367	27,230	18,554	48,288	46,627

The above information reflects the amounts presented in the financial statements of each associate (not Buzzi Unicem's share of those amounts) adjusted for possible differences in the accounting policies between the group and the associates.

Reconciliation of summarized financial information

Reconciliation of the summarized financial information presented to the carrying amount of its interest in associates:

(thousands of euro)	Société des Ciments de Hadjar Soud EPE SpA		Société des Ciments de Sour El Ghozlane EPE SpA		Kosmos Cement Company		Salonit Anhovo Gradbeni Materiali dd	
	30 Jun 2015	31 Dec 2014	30 Jun 2015	31 Dec 2014	30 Jun 2015	31 Dec 2014	30 Jun 2015	31 Dec 2014
Opening net assets 1 January	150,079	146,203	130,792	121,528	130,396	121,592	91,277	91,223
Profit (loss) for the year	5,392	7,867	2,530	10,513	1,329	20	999	54
Dividends	(4,236)	(5,722)	(4,277)	(2,865)	-	(7,076)	-	-
Translation differences	(5,738)	1,731	(5,574)	1,616	11,091	15,860	-	-
Closing net assets	**145,497**	**150,079**	**123,471**	**130,792**	**142,816**	**130,396**	**92,276**	**91,277**
% of ownership (35%; 35%; 25%; 25%)	50,924	52,528	43,215	45,777	35,704	32,599	23,069	22,819
Goodwill	-	-	6,163	6,163	-	-	447	498
Carrying value	**50,924**	**52,528**	**49,378**	**51,940**	**35,704**	**32,599**	**23,516**	**23,317**

(*) net assets as at 31 July 2014 (acquisition date)

11.2 Investment in joint ventures

Set out below is the only joint venture as at 30 June 2015, which, in the opinion of the directors, is material to the group.

As at 30 June 2015, the fair value of our interest in Corporación Moctezuma, SAB de CV, which is listed on the Bolsa Mexicana de Valores, was €820,138 thousand (end of 2014: €758,314 thousand); the corresponding book value was €170,937 thousand (2014: €158,346 thousand). There are no contingent liabilities relating to the group's interest in the joint venture.

Summarized financial information for joint ventures

Here follow the summarized financial information for the joint venture that is material to the group, valued by the equity method:

	Corporación Moctezuma, SAB de CV	
	Jun-15	Dec-14
(thousands of euro)		
Total asset	632,785	599,939
Total liabilities	120,951	125,506

	Corporación Moctezuma, SAB de CV	
	Jun-15	Jun-14
(thousands of euro)		
Revenues	320,746	247,144
Share of profit	27,398	18,733

Reconciliation of summarized financial information

Reconciliation of the summarized financial information presented to the carrying amount of its interest in the joint venture:

	30 Jun 2015	31 Dec 2014
(thousands of euro)		
Opening net assets 1 January	472,594	451,551
Result (loss) for the yar	81,771	115,781
Other comprehensive income	-	(8)
Dividends	(52,339)	(98,754)
Translation differences	8,148	4,024
Closing net assets	**510,174**	**472,594**
% of ownership (33%)	170,937	158,346
Goodwill	-	-
Carrying value	**170,937**	**158,346**

12. Available-for-sale financial assets

The non-current portion refers to the investments in unconsolidated subsidiaries and other companies, all of which are unlisted.

(thousands of euro)	Subsidiaries	Other	Total
At 1 January 2015	385	1,992	2,377
Additions	-	5	5
Disposals and other	-	70	70
At 30 June 2015	**385**	**2,067**	**2,452**

The current portion refers to temporary liquidity placements in time deposits with over three-month maturity for €60 thousand and in short-term or marketable securities for €2,872 thousand.

13. Derivative financial instruments

The derivative contracts, entered into to mitigate currency, interest rate and market price risks, are all "plain vanilla" type. They do not qualify for hedge accounting under IFRS.

	30 June 2015		*31 December 2014*	
(thousands of euro)	*Assets*	*Liabilities*	*Assets*	*Liabilities*
Non-current				
Not designated as hedges	14,797	25,247	4,204	18,588
Current				
Not designated as hedges	-	1,558	-	2,687

Liabilities include the value of the cash settlement option related to the equity-linked convertible bond issued by the company in 2013, for a total amount of €25,247 thousand (2014: €16,397 thousand).

During the first six months of 2015 the changes in the fair value of derivative financial instruments recognized in the income statement are positive for €5,063 thousand.

14. Other non-current asset

(thousands of euro)	30 Jun 2015	31 Dec 2014
Receivables from associates	221	1,468
Tax receivables	758	983
Receivables from personnel	662	746
Loans to customers	1,824	3,228
Guarantee deposits	21,517	21,202
Other	16,582	16,934
	41,564	**44,561**

The item other includes loans to third parties for an amount of €12,844 thousand, mainly interest-bearing and secured.

15. Inventories

(thousands of euro)	30 Jun 2015	31 Dec 2014
Raw materials, supplies and consumables	241,376	232,568
Work in progress	64,868	67,874
Finished goods and merchandise	80,343	75,304
Advances	1,061	1,257
	387,648	**377,003**

The amount shown is net of an allowance for obsolescence of €28,556 thousand (€25,703 thousand at 31 December 2014).

16. Trade receivables

(thousands of euro)	30 Jun 2015	31 Dec 2014
Trade receivables	472,914	394,466
Less: Provision for receivables impairment	(48,372)	(43,665)
Trade receivables, net	**424,542**	**350,801**
Other trade receivables:		
- From associates	9,633	9,677
- From parent companies	10	21
	434,185	**360,499**

The increase of €73,686 thousand in net trade receivables is mainly attributable to the business seasonality and to increased turnover, especially in the United States and to the translation differences on amounts in US dollars for €10,829 thousand.

17. Other receivables

(thousands of euro)	30 Jun 2015	31 Dec 2014
Tax receivables	36,844	46,946
Receivables from social security institutions	1,344	944
Receivables from unconsolidated subsidiaries and associates	5,598	2,689
Loans to customers	354	307
Receivables from suppliers	4,410	4,812
Receivables from personnel	733	406
Receivables from sale of equity investments	1,633	177
Accrued income and prepaid expenses	13,751	11,152
Other	30,230	20,549
	94,897	**87,982**

Tax receivables include income tax payments in advance and the debit balance of periodic value added tax liquidation. The decrease is due for €9,048 thousand to a refund of tax relating to prior years in Germany.
Receivables from unconsolidated subsidiaries and associates are in the nature of short-term loans, in addition to €2,980 thousand for dividends to be received whose payment has been approved.
Receivables from suppliers include mainly advances on procurement of gas, electricity and other services.
Accrued income totals €3,593 thousand (2014: €2,320 thousand) and is made up primarily of interest income on marketable securities and time deposits. Prepaid expenses amount to €10,158 thousand (2014: €8,831 thousand) relating to expenses pertaining to the following period.
Other receivables include: the discount on electric power costs granted in Italy to the energy-intensive firms, so-called system charges bonus, for an amount of €5,786 thousand (2014: €12,120 thousand); the accrual of a receivable for insurance refund to cover possible outlays related to the squeeze-out of minority shareholders of Dyckerhoff AG, for an amount of €4,900 thousand.

18. Cash and cash equivalents

(thousands of euro)	30 Jun 2015	31 Dec 2014
Cash at banks and in hand	359,828	267,391
Short-term deposits	31,563	145,199
	391,391	**412,590**

Foreign operating companies hold about 67% of the balance of €391,391 thousand (74% in 2014). At the closing date, short-term deposits and securities earn interest at about 1.5% on average (0.4% in 2014): yield in euro is around 0.1%, in dollar 0.1%, and in other currencies 4.0%. The average maturity of such deposits and securities is lower than 60 days.

19. Assets held for sale

The amount relates to some equipment and machinery of the inactive plant in Santarcangelo di Romagna, (€1,150 thousand), to the Travesio plant (€900 thousand), to the variable component (earn-out) of the sale price of the investment in Addiment Italia Srl (€689 thousand), to some lots of land in the United States (€536 thousand).
At year-end 2014 the amount related always to some equipment and machinery of the inactive plant in Santarcangelo di Romagna (€1,150 thousand), to the Travesio plant (€900 thousand) and to some lots of land in the United States (€494 thousand).

20. Share capital

The share capital of the company is analyzed as follows:

number of shares	30 Jun 2015	31 Dec 2014
Shares issued and fully paid		
- Ordinary shares	165,349,149	165,349,149
- Savings shares	40,711,949	40,711,949
	206,061,098	**206,061,098**
Share capital *(thousands of euro)*	123,637	123,637

As at 30 June 2015 the number of shares outstanding by category is following:

number of shares	*Ordinary*	*Savings*	*Total*
At 30 June 2015			
Shares issued	165,349,149	40,711,949	206,061,098
Less: Treasury shares	(500,000)	(29,290)	(529,290)
Shares outstanding	**164,849,149**	**40,682,659**	**205,531,808**

21. Other reserves

The line item encompasses several captions, which are listed and described here below:

(thousands of euro)	30 Jun 2015	31 Dec 2014
Translation differences	(245,858)	(406,410)
Revaluation reserves	88,286	88,286
Merger surplus	247,530	247,530
Other	110,900	117,059
	200,858	**46,465**

The translation differences reflect the exchange rate variations that were generated starting from the first time consolidation of financial statements denominated in foreign currencies. The increase in the balance of €160,552 thousand is the result of four separate effects: an increase of €129,143 thousand due to the strengthening of the US dollar, an increase of €2,747 thousand due to the strengthening of the Mexican peso, an increase of €32,608 thousand due to the strengthening of some Eastern European currencies and a decrease of €3,946 thousand due to the weakening of the Algerian dinar.

22. Non-controlling interests

The balance at the end of period refers to OAO Sukholozhskcement for €23,512 thousand, to Cimalux SA for €2,849 thousand, to Betonmortel Centrale Groningen (B.C.G.) BV for €1,387 thousand.

23. Debt and borrowings

(thousands of euro)	30 Jun 2015	31 Dec 2014
Long-term debt		
Senior notes and bonds	800,238	862,915
Convertible bonds	189,884	186,604
Finance lease obligations	1,242	1,477
Unsecured term loans	294,744	253,363
	1,286,108	**1,304,359**
Current portion of long-term debt		
Senior notes and bonds	148,862	112,478
Finance lease obligations	482	529
Unsecured term loans	45,447	45,149
	194,791	**158,156**
Short-term debt		
Bank overdrafts and borrowings	2,357	-
	2,357	**-**

Senior Notes and Bonds
The change in the period is mainly due to a decrease of €50,645 thousand for principal repayments and an increase of €23,672 thousand for foreign exchange effects.

The Senior Unsecured Notes privately placed in the US market (USPP) include covenants for the issuer and for Buzzi Unicem SpA as the guarantor, which require compliance with certain financial ratios. Such commitments are common in the international practice for bond issues of this type. In particular the most significant financial conditions consist of a minimum consolidated net worth and a ratio of consolidated net debt to EBITDA not exceeding 3.0 times. At 30 June 2015, such contractual covenants are all complied with.

Term loans and other borrowings
During the period new term loans were obtained for €51,835 thousand and principal repayments for €8,088 thousand were made.

At the date of these interim consolidated financial statements, the fair value of the fix rate borrowings is equal to €1,362,514 thousand (2014: €1,353,096 thousand), exceeding the carrying amount by about €144,000 thousand (2014: fair value greater than carrying amount by about €103,000 thousand). The carrying amount of short-term and floating rate borrowings approximate their fair value, as the impact of discounting is not significant.

24. Employee benefits

The obligations for employee benefits are analyzed as follows:

(thousands of euro)	30 Jun 2015	31 Dec 2014
By category		
Post-employment benefits:		
- Pension plans	302,771	314,843
- Healthcare plans	98,167	93,242
- Employee severance indemnities	21,604	22,805
Other long-term benefits	10,252	10,679
	432,794	**441,569**
By geographical area		
Italy	22,583	23,781
Germany, Luxembourg, Netherlands	265,881	282,049
United States of America	141,536	132,843
Other Countries	2,794	2,896
	432,794	**441,569**

25. Provisions for liabilities and charges

(thousands of euro)	Environmental risks and restoration	Antitrust	Legal claims Tax risks	Other risks	Total
At 1 January 2015	59,485	21,166	10,506	13,068	104,225
Additional provisions	355	-	8,724	3,185	12,264
Discount unwinding	169	220	4	20	413
Unused amounts released	-	(5,600)	(9)	(132)	(5,741)
Used during the period	(963)	(1,062)	(3,055)	(2,416)	(7,496)
Translation differences	768	220	149	450	1,587
Reclassifications	157	-	621	(895)	(117)
At 30 June 2015	**59,971**	**14,944**	**16,940**	**13,280**	**105,135**

Total provisions can be analyzed as follows:

(thousands of euro)	30 Jun 2015	31 Dec 2014
Non-current	84,403	86,959
Current	20,732	17,266
	105,135	**104,225**

Included within additional provisions for legal claims is an amount of €7,844 thousand referred to the squeeze-out of Dyckerhoff AG minorities (procedure described in note 44).

The antitrust provision release refers to the recalculation of the penalty issued against Unical by the Tar of Lazio with sentence on 20 April 2015 (note 44).

26. Other non-current liabilities

(thousands of euro)	30 Jun 2015	31 Dec 2014
Purchase of equity investments	3,755	3,347
Non-controlling interests in partnerships	2,948	3,376
Payables to personnel	1,011	940
Other	10,439	11,474
	18,153	**19,137**

A former manager has an obligation to sell his minority interest in the subsidiary OAO Sukholozhskcement. The liability for purchase of equity investments recognizes the present value of this obligation, which is due in 2017.

27. Trade payables

(thousands of euro)	30 Jun 2015	31 Dec 2014
Trade payables	249,716	221,762
Other trade payables:		
- To unconsolidated subsidiaries	-	108
- To associates	1,138	4,529
	250,854	**226,399**

28. Other payables

(thousands of euro)	30 Jun 2015	31 Dec 2014
Advances	2,914	3,653
Purchase of equity investments	29	25
Payables to social security institutions	13,703	13,628
Payables to personnel	46,516	48,120
Payables to customers	7,161	7,083
Accrued expenses and deferred income	42,388	22,211
Other	37,400	25,298
	150,111	**120,018**

Accrued expenses total €38,523 thousand (2014: €16,640 thousand) and include interest expense on bank loans, finance lease and bonds. Deferred income amounts to €3,865 thousand (2014: €5,571 thousand) relating to operating income pertaining to the following period.

The caption other consists of sundry elements, among which the credit balance of periodic valued added tax for €13,953 thousand (2014: €7,796 thousand).

29. Net sales

Net sales breakdown is as follows:

(thousands of euro)	1H 2015	1H 2014
Cement and clinker	785,497	744,215
Ready-mix concrete and aggregates	440,549	427,413
Related activities	12,128	9,093
	1,238,174	**1,180,721**

The 4.9% increase from 2014 is due to favorable currency effects for 3.7%, to additions in the scope of consolidation for 1.3% and to unfavorable market trends for 0.1%. Reference is made to the operating segment information for additional disclosure (note 7).

30. Other operating income

This line item consists of income arising both from the ordinary and the non-recurring course of business that is not attributable to sales of goods and rendering of services.

(thousands of euro)	1H 2015	1H 2014
Recovery of expenses	4,171	4,174
Indemnity for damages	290	1,142
Revenue from leased properties	4,792	4,448
Gains on disposals of property, plant and equipment	3,022	1,925
Capital grants	220	292
Release of provisions	5,741	323
Internal work capitalized	1,393	1,515
Sale of emission rights	801	4,218
Other	13,504	11,061
	33,934	**29,098**

31. Raw materials, supplies and consumables

(thousands of euro)	1H 2015	1H 2014
Raw materials, supplies and consumables	312,701	294,482
Finished goods and merchandise	21,075	20,481
Electricity	84,759	85,942
Fuels	86,880	93,056
Other goods	10,830	10,678
	516,245	**504,639**

32. Services

(thousands of euro)	1H 2015	1H 2014
Transportation	171,060	166,008
Maintenance and contractual services	73,069	61,692
Insurance	6,649	5,665
Legal and professional consultancy	7,684	7,411
Operating leases of property and machinery	17,594	17,078
Travel	2,891	2,589
Sales commissions	208	261
Other	40,995	45,183
	320,150	**305,887**

33. Staff costs

(thousands of euro)	1H 2015	1H 2014
Salaries and wages	166,052	156,630
Social security contributions and defined contribution plans	51,736	46,301
Employee severance indemnities and defined benefit plans	6,306	5,640
Other long-term benefits	(194)	250
Other	1,613	3,522
	225,513	**212,343**

In first half 2015 other costs include restructuring expenses of €420 thousand (2014: €2,380 thousand) related to Italy.

The average number of employees is the following:

(number)	1H 2015	1H 2014
White collar and executives	3,752	3,779
Blue collar and supervisors	6,257	5,992
	10,009	**9,771**

34. Other operating expenses

(thousands of euro)	1H 2015	1H 2014
Write-down of receivables	7,375	9,476
Provisions for liabilities and charges	2,737	4,721
Association dues	2,681	2,384
Indirect taxes and duties	17,797	15,368
Losses on disposal of property, plant and equipment	352	306
Other	7,463	6,735
	38,405	**38,990**

35. Depreciation, amortization and impairment charges

(thousands of euro)	1H 2015	1H 2014
Amortization of intangible assets	1,695	1,717
Depreciation of property, plant and equipment	94,789	91,423
Impairment losses of non-current assets	36	31,239
	96,520	**124,379**

In 2014 the impairment losses included the write-off of the goodwill on the Ukraine CGU for €30,922 thousand (note 8).

36. Equity in earnings of associates and joint ventures

The line item includes the share of profit (loss) of investments accounted for under the equity method and possible write-downs, set out in detail below:

(thousand of euro)	1H 2015	1H 2014
Associates		
Société des Ciments de Hadjar Soud EPE SpA	1,887	1,436
Société des Ciments de Sour El Ghozlane EPE SpA	886	3,047
Kosmos Cement Company	332	(997)
Salonit Anhovo Gradbeni Materiali dd	255	-
Other associates	583	157
	3,943	**3,643**
Joint ventures		
Corporación Moctezuma, SAB de CV	27,398	18,733
Other joint ventures	(1,175)	(583)
	26,223	**18,150**
	30,166	**21,793**

37. Gains on disposal of investments

This line item consists of non-recurring income arising mainly from the sale of the joint-venture Addiment Italia Srl.

38. Finance revenues and Finance costs

(thousands of euro)	1H 2015	1H 2014
Finance revenues		
Interest income on liquid assets	1,461	1,992
Interest income on interest rate swap contracts	2,120	1,851
Interest income on plan assets of employee benefits	5,316	4,512
Changes in the fair value of derivative instruments	15,122	6,703
Foreign exchange gains	8,409	2,172
Dividend income	203	204
Other	2,551	1,402
	35,182	**18,836**
Finance costs		
Interest expense on bank borrowings	(7,165)	(9,525)
Interest expense on convertible bonds	(4,793)	(4,631)
Interest expense on senior notes and bonds	(26,191)	(30,093)
Interest expense on employee benefits	(10,774)	(11,276)
Interest expense on interest rate swap contracts	-	(230)
Changes in the fair value of derivative instruments	(10,058)	(168)
Discount unwinding on liabilities	(432)	(522)
Foreign exchange losses	(24,933)	(7,570)
Other	(2,685)	(1,848)
	(87,031)	**(65,863)**
Net finance costs	**(51,849)**	**(47,027)**

The increase in net finance costs from the previous period is mainly influenced by the deterioration of the net balance resulting from the valuation of derivative instruments and by the foreign exchange differences.

39. Income tax expense

(thousands of euro)	1H 2015	1H 2014
Current tax	27,918	22,855
Deferred tax	(6,801)	(12,740)
Tax relating to prior years	(3,386)	(401)
	17,731	**9,714**

The increase in current tax is ascribable essentially to a higher taxable income produced in those geographical areas of operations where trading conditions were favorable. Deferred taxes in the six-month period, like the ones of the same period in 2014, are negatively affected by the non-recognition of deferred tax assets on tax losses accrued in Italy, due to a rigorous judgment on their future utilization in the next five years.

40. Earnings per share

		1H 2015	1H 2014
Net profit (loss) attributable to owners of the company	*thousands of euro*	34,876	(22,629)
- attributable to ordinary shares	*thousands of euro*	27,581	(23,239)
- attributable to savings shares	*thousands of euro*	7,295	610
Average number of ordinary shares outstanding		164,849,149	164,849,149
Average number of savings shares outstanding		40,682,659	40,682,659
Basic earnings per ordinary share	*euro*	0.167	(0.141)
Basic earnings per savings share	*euro*	0.179	0.015

The conversion option of the convertible bond "Buzzi Unicem €220,000,000 1.375% Equity-Linked Bonds due 2019", is effective from 1 January 2014; nevertheless, since the current market price of Buzzi Unicem share is lower than the conversion price, no dilutive effect exists and therefore basic and diluted earnings per share are equivalent.

41. Cash generated from operations

(thousands of euro)	1H 2015	1H 2014
Profit before tax	**54,140**	**(11,100)**
Adjustments for:		
Depreciation, amortization and impairment charges	96,520	124,379
Equity in earnings of associates	(30,166)	(21,793)
Gains on disposal of fixed assets	(8,376)	(1,645)
Net change in provisions and employee benefits	(13,208)	(9,191)
Net finance costs	51,849	47,027
Other non-cash movements	2,916	14,827
Changes in operating assets and liabilities:		
- Inventories	1,173	15,375
- Trade and other receivables	(67,883)	(65,030)
- Trade and other payables	28,421	762
Cash generated from operations	**115,386**	**93,611**

42. Dividends

The dividends paid in both 2015 and 2014 were €10,277 thousand (€0.05 per ordinary and saving shares).

43. Commitments

(thousands of euro)	30 Jun 2015	31 Dec 2014
Guarantees granted	14,558	13,407
Guarantees received	19,635	18,418
Other commitments and guarantees	135,951	87,581

44. Legal claims and contingencies

Buzzi Unicem is exposed to legal risks, stemming from the variety and complexity of the norms and regulations that apply to the industrial operations of the group, particularly in the areas of environment, safety, product liability, taxation and competition. Consequently there are claims arising in the normal course of business that are pending against the group. As for lawsuits and/or contingencies, we highlight the following updates.

As regards the two notices of assessment on the year 2000 related to the deductibility of the antitrust fines inflicted to the group by the European authority, the company has fully paid the tax-assessment bills received. To date the appeal with the Supreme Court has not been discussed yet.

As regards the litigation with the Italian Revenue Service (approximately €2.2 million), referring to the purchase in 2008 of the 100% ownership interest in Cementi Cairo Srl and requalified by the financial administration as purchase of a line of business, the Tax Courts rejected the appeal. The company, deeming that the defense elements are well-grounded, has appealed to the Supreme Court. To date the appeal has not been discussed yet. The additional taxes with interests and sanctions due have been fully paid.

About the litigation with the Italian Revenue Service (for a total amount of €0.4 million, of which €0.2 million pertaining to the subsidiary Unical), referring to the purchase in October 2008 of the 100% ownership interest in Calcestruzzi Nord Ovest Srl and requalified by the financial administration as purchase of a line of business, the Provincial Tax Court ruled in our favor. Against that judgment the Italian Revenue Service filed an appeal with the Regional Tax Court. To date the appeal has not been discussed yet. The additional taxes with interests and sanctions in charge to the subsidiary Unical have been fully paid.

At the end of 2011 and in 2012, the company underwent a tax audit by the Revenue Service; the audit concerned income tax and value added tax of the years 2006, 2007, 2008, 2009, 2010 and 2011. The minutes of the assessment contain a single remark on the fair market value of the intra-group interest expense in each of the fiscal years from 2006 to 2011. The higher taxable income notified for all the years from 2006 to 2011 amounts to €19,6 million approx. So far the company received four notices of assessment for the years 2006, 2007, 2008 and 2009. The higher taxes assessed, the sanctions inflicted and the legal interests accrued amount to approximately €9,6 million for all the four notices of assessment. The above notices of assessment have been impugned before the Provincial Tax Court of Turin which, with judgment filed on 1 April 2015, ruled in our favor. The company's advisors deem that the defense elements, which have been confirmed also by the judgment of the Provincial Tax Court of Turin, are well-grounded and sound and the losing risk is remote; consequently the company has not set aside any provision in the financial statements.

As regards the measures adopted for the remediation of the Augusta (SR) roadstead, the land areas and the respective underneath aquifers, Buzzi Unicem is involved in a legal suit and had to institute a number of proceedings before the Regional Administrative Court (TAR) of Sicily – Catania division – against the Ministry and various public and private entities. The TAR of Sicily, Catania, with judgment dated 11 September 2012, not appealed by the Ministry, acknowledged that the company was not involved at all in the pollution of the Augusta roadstead. Conversely, no jurisprudential pronouncements and major developments in the proceedings have been recorded as regards the final project for the remediation and safety of the land areas and underneath aquifer, against which the company has appealed before the competent jurisdiction authorities, together with some subsequent implementation acts. Finally the company has maintained a technical confrontation with the Ministry for Environment in order to evaluate the feasibility, fairness and sustainability of an out-of-court settlement, which however would imply the acceptance of the Plan Agreement. However this option was not pursued, because of both uncertainties on the ensuing economic charges and the questionable compliance with the EC regulations in force about environmental damages. As an alternative to the acceptance of the Plan Agreement, the company has instead brought forward on its own the procedural fulfillments aimed at the characterization, risk analysis and remediation and/or permanent safety of its land areas and portions of the underneath aquifer affected. These requirements are currently being evaluated by the Ministry for Environment which has already ruled favorably on certain aspects through decision-making conference, with requirements that the company has not opposed. Awaiting the development of the above proceedings, the company prudentially maintains in the books the relevant provision of €3.0 million.

As regards the €11.0 million fine inflicted by the Italian Antitrust Authority to the subsidiary Unical SpA for alleged anti-competitive practices in the Milan market and cancelled by the Council of State by judgment of 2009, the Antitrust Authority, by judgment of 10 December 2013, reassessed the fine reducing it to about €7.0 million. The Authority moreover ordered Unical to pay the additional charges due ex art. 27, paragraph 6, of law no 689/81 for a total of about €6.3 million. The subsidiary Unical, deeming that the new assessment of the fine was excessive and not consistent with the precepts of the ruling of the Council of State and the additional charges were not due, appealed the assessment judgment before the TAR of Lazio. In the meantime Unical, for the mere purpose of preventing the accumulation of charges and without agreeing with the decision, considered appropriate to fully pay the fine. To this aim, it required and obtained from the Antitrust Authority the split-up of the penalty in 30 installments. The TAR of Lazio by judgment of 20 April 2015 no. 5758, partially accepted the appeal issue by Unical, recalculating the penalty in €3.5 million and cancelling the Antitrust Authority provision as regards the additional charges, because not due. A new installment plan for the payment of the remaining penalty was established. The Antitrust Authority appealed the judgment of TAR of Lazio to the Council of State on 20 July 2015; Unical has now 30 days from this date to present incidental appeal to the TAR of Lazio judgment. A specific provision has been maintained in the financial statements.

Regarding the investigation begun in December 2010 by the European Commission (the “Commission”), and aimed to ascertain the existence of anticompetitive practices in the European Economic Area (EEA), possibly also through restrictions to imports toward EEA, in the market for cement and other related products, the Commission closed the case by judgment of 31 July 2015, considering that there were no evidences of the alleged agreement. In the context of such investigation, Buzzi Unicem deemed it appropriate to appeal against the last of a series of information requests made by the Commission, notified on 1 April 2011, deeming it groundless and in any case disproportionate. However, the European Court, on 14 March 2014 rejected the appeal of the company. Buzzi Unicem challenged such judgment before Court of Justice and the proceedings are currently pending.

In relation to the procedure for the purchase of all outstanding common and preferred shares of the subsidiary Dyckerhoff held by minority shareholders (squeeze-out), a total of 94 requests for price revision have been notified to Buzzi Unicem. The price of the shares was determined based on the evaluation of two different external auditors (one of them appointed by the Court of Frankfurt), pursuant to the enacted German law. On 8 June 2015, the Court of Frankfurt however decided that the price to be paid to the minority shareholders must be increased by €5.24 per share, based on a different valuation method compared to the one used by the company. The company, considering valid its assessment methodology, appealed against the decision of the Court of first instance. A specific provision is maintained in the books.

The process of a Belgian company (CDC) against Dyckerhoff and other German cement producers, in front of the Court of Düsseldorf for damages to customers arising from an alleged cartel agreement at the national level, closed and claimants did not appeal against the second instance judgment in front of the Higher Regional Court of Düsseldorf that on 18 February 2015 rejected their appeal. However it cannot be excluded that CDC or any of their assignees will now try to file the same claim at a regional level, due to the fact that Dyckerhoff received, on 9 March 2015 from CDC and on 15 July 2015 from 36 CDC assignees, a conciliatory proceedings request for compensation for damages to customers arising from alleged cartels at a regional level. The conciliation requests were rejected by Dyckerhoff. As things stand we do not expect a negative financial impact from these proceedings.

Furthermore, we confirm that the final decision of the Polish Cartel Office, which inflicted a monetary penalty to six cement producers, including the subsidiary Dyckerhoff Polska that has been fined around €15 million, has been appealed before the Warsaw Regional Court, which issued its pronouncement in December 2013 reducing the penalty to an amount of approximately €11.3 million. Our subsidiary Dyckerhoff Polska appealed against the reassessment of the fine. The revised fine has been fully provided for in the financial statements.

In February 2012, the Antitrust Authority in the Netherlands opened a preliminary investigation on the domestic ready-mix concrete market, where the company operates through a subsidiary. The findings are not available yet since the investigation is still in progress. However, from our point of view, its outcome will have no material impact on the economic and financial position of the group.

Our Dutch subsidiary Dyckerhoff Basal Toeslagstoffen has received on 2 March 2015 a damage-claim in the amount of €7.4 million for an alleged failure to comply with some of its contractual obligations related to a sand quarry; the claimant has obtained adequate security measures on the amount sued for. The company did not create any provision as the risk of an adverse outcome is deemed to be remote.

In Ukraine there are pending litigations concerning claims filed by the Revenue Service that relate to value-added tax and deductibility of operating expenses for production plants. After closing some of the proceedings with judgments in favor of the company during 2014 and considering the significant devaluation of the local currency, the total amount of outstanding litigations decreased to approximately €1.1 million. The claims by the Revenue Service seem not to be supported by the enacted legislation and an appeal was lodged against the requests that are still unresolved.

In relation to the proceedings for the sale of the Russian subsidiary ZAO Akmel in 2013, several claims were presented in 2014 against our subsidiaries OAO Sucholoszhkcement and Dyckerhoff GmbH. In April 2015 a settlement agreement was signed with the plaintiff, which is now being implemented, and the company excludes any other financial impact from these claims for compensation.

In the United States of America, numerous lawsuits and claims exist that have been filed against Lone Star Industries, Inc. (LSI) regarding silica-containing or asbestos containing materials sold or distributed by the company or its subsidiaries in the past and used primarily in construction and other industries. The plaintiffs allege that the use of such materials caused work-related injuries. LSI maintained product liability and comprehensive general liability insurance coverage, to the extent available, for most of the time that it sold or distributed silica-containing and asbestos-containing materials. Further, between 2009 and 2010, LSI and its major insurance carriers entered into settlement agreements that define the parties responsibilities and cost shares for these liabilities until 2019. Estimating the costs associated with silica-related and asbestos-related claims involves many uncertainties that may affect the amount and timing of the losses. The Company however maintains a provision for the liabilities not expected to be covered by insurance.

45. Related-party transactions

Buzzi Unicem SpA is controlled by Fimedi SpA, which directly and indirectly, through its subsidiary Presa SpA, owns 58.6% of the voting rights. The company assembles the professional skills, the human resources and the equipment that allow it to provide assistance to other subsidiaries and associates.

Buzzi Unicem SpA regularly carries out trading transactions with a number of associates and/or joint ventures, which mainly consist of sales of goods to entities operating in the business of cement, ready-mix concrete and admixtures. Furthermore the company provides upon request to the same entities technical and engineering services. Goods are sold on the basis of the price lists in force with non-related parties. Services are usually negotiated with related parties on a cost-plus basis. There are also some transactions of financial nature with the same entities; equally, they have normal terms and interest rate conditions. The main relationship with the parent company Fimedi SpA and its subsidiaries or other entities that are significantly influenced by individuals with significant voting power in Fimedi SpA, consists of sales of services in the area of administration, taxation, legal affairs, payroll and information systems, for limited amounts. The company and its Italian subsidiary are members of a controlled group of corporations for domestic income tax purposes, with Fimedi SpA acting as the parent.

Set out below are the main transactions carried out with related parties:

(thousands of euro)	1H 2015	in % of reported balance	1H 2014	in % of reported balance
Sales of goods and services:	*18,411*	*1.4*	*21,217*	*1.8*
- Associates and unconsolidated subsidiaries	13,823		16,235	
- Joint ventures	4,574		4,969	
- Parent companies	9		9	
- Other related parties	5		4	
Purchases of goods and services:	*18,961*	*2.2*	*15,372*	*1.8*
- Associates and unconsolidated subsidiaries	13,991		11,993	
- Joint ventures	4,547		2,996	
- Other related parties	423		383	
Finance revenues:	*236*	*0.7*	*94*	*0.5*
- Associates and unconsolidated subsidiaries	30		6	
- Joint ventures	196		-	
- Other related parties	10		88	
Finance costs:	*3*	*0.0*	*-*	*-*
- Associates and unconsolidated subsidiaries	3		-	
Trade receivables:	*9,630*	*2.2*	*15,964*	*4.4*
- Associates and unconsolidated subsidiaries	8,439		11,009	
- Joint ventures	1,118		4,946	
- Parent companies	9		9	
- Other related parties	64		-	
Loans receivable:	*430*	*2.0*	*3,528*	*19.1*
- Associates and unconsolidated subsidiaries	144		3,058	
- Joint ventures	286		470	
Other receivables:	*23,890*	*17.5*	*21,050*	*15.9*
- Associates and unconsolidated subsidiaries	3,567		413	
- Joint ventures	385		656	
- Parent companies	19,938		19,981	
Cash and cash equivalents:	*96*	*0.0*	*443*	*0.1*
- Other related parties	96		443	
Trade payables:	*3,199*	*1.3*	*4,330*	*1.9*
- Associates and unconsolidated subsidiaries	2,883		2,489	
- Joint ventures	316		1,841	
Other payables:	*1,473*	*0.9*	*692*	*0.5*
- Associates and unconsolidated subsidiaries	1,473		675	
- Joint ventures	-		17	
Guarantees granted:	*1,500*		*1,937*	
- Associates and unconsolidated subsidiaries	1,500		1,937	

Key management includes the directors of the company (executive and non-executive), the statutory auditors and six other senior executives (of which one has ceased his executive assignment during the first half of 2015). The compensation paid or payable to key management for employee services, not included in the previous table, is shown below:

(thousands of euro)	1H 2015	1H 2014
Salaries and other short-term employee benefits	2,428	3,886
Post-employment benefits	564	368
Other long-term benefits	-	-
Termination benefits	-	219
Share-based payments	-	-
	2,992	**4,473**

46. Events after the balance sheet date

As far as the trading outlook is concerned, reference is made to the appropriate chapter in the review of operations.

Casale Monferrato, August 4, 2015

On behalf of the Board of Directors
The Chairman
Enrico Buzzi

LIST OF COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS AND OF EQUITY INVESTMENTS

Companies consolidated on a line-by-line basis

Name	Registered office		Share capital	Ownership interest held by	% of ownership	% of voting rights
Buzzi Unicem S.p.A.	Casale Monferrato (AL)	EUR	123,636,659			
Unical S.p.A.	Casale Monferrato (AL)	EUR	130,235,000	Buzzi Unicem S.p.A.	100.00	
Dyckerhoff GmbH	Wiesbaden DE	EUR	105,639,816	Buzzi Unicem S.p.A.	100.00	
Buzzi Unicem International S.à r.l.	Luxembourg LU	EUR	37,529,900	Buzzi Unicem S.p.A.	100.00	
Buzzi Unicem Algérie S.à r.l.	Oran - Alger DZ	DZD	3,000,000	Buzzi Unicem S.p.A.	70.00	
Deuna Zement GmbH	Deuna DE	EUR	5,113,000	Dyckerhoff GmbH	100.00	
Dyckerhoff Beteiligungsverwaltung GmbH	Wiesbaden DE	EUR	26,000	Dyckerhoff GmbH	100.00	
Tubag GmbH	Kruft DE	EUR	3,836,000	Dyckerhoff GmbH	100.00	
Dyckerhoff Beton GmbH & Co. KG	Wiesbaden DE	EUR	18,000,000	Dyckerhoff GmbH	100.00	
GfBB prüftechnik GmbH & Co. KG	Flörsheim DE	EUR	50,000	Dyckerhoff GmbH	100.00	
Dyckerhoff Basal Nederland B.V.	Nieuwegein NL	EUR	18,002	Dyckerhoff GmbH	100.00	
Cimalux S.A.	Esch-sur-Alzette LU	EUR	29,900,000	Dyckerhoff GmbH	98.40	
Dyckerhoff Polska Sp. z o.o.	Nowiny PL	PLN	70,000,000	Dyckerhoff GmbH	100.00	
Cement Hranice a.s.	Hranice CZ	CZK	510,219,300	Dyckerhoff GmbH	100.00	
ZAPA beton a.s.	Praha CZ	CZK	300,200,000	Dyckerhoff GmbH	100.00	
TOB Dyckerhoff Ukraina	Kyiv UA	UAH	230,943,447	Dyckerhoff GmbH	100.00	
PAT YUGcement	Olshanske UA	UAH	6,237,414	Dyckerhoff GmbH	99.30	
PAT Volyn-Cement	Zdolbuniv UA	UAH	1,402,422	Dyckerhoff GmbH	98.74	
				TOB Dyckerhoff Ukraina	0.01	
PAT Dyckerhoff Cement Ukraine	Kyiv UA	UAH	277,536	Dyckerhoff GmbH	94.51	
OOO Russkiy Cement	Ekaterinburg RU	RUB	350,000	Dyckerhoff GmbH	100.00	
OOO Dyckerhoff Korkino Cement	Pervomaysky settlement RU	RUB	30,000,000	Dyckerhoff GmbH	100.00	
OAO Sukholozhskcement	Sukhoi Log RU	RUB	30,625,900	Dyckerhoff GmbH	90.38	
Presa International B.V.	Amsterdam NL	EUR	4,000,000	Buzzi Unicem International S.à r.l.	100.00	
Alamo Cement Company	San Antonio US	USD	200,000	Buzzi Unicem International S.à r.l.	100.00	
RC Lonestar Inc.	Wilmington US	USD	10	Buzzi Unicem International S.à r.l.	51.50	
				Dyckerhoff GmbH	48.50	
Dyckerhoff Gravières et Sablières Seltz S.A.S.	Seltz FR	EUR	180,000	Dyckerhoff Beton GmbH & Co. KG	100.00	
Dyckerhoff Kieswerk Trebur GmbH	Trebur-Geinsheim DE	EUR	125,000	Dyckerhoff Beton GmbH & Co. KG	100.00	
Kieswerk Leubingen GmbH	Erfurt DE	EUR	101,000	Dyckerhoff Beton GmbH & Co. KG	100.00	
SIBO-Gruppe GmbH & Co. KG	Osnabrück DE	EUR	1,148,341	Dyckerhoff Beton GmbH & Co. KG	100.00	
MKB Mörteldienst Köln-Bonn GmbH & Co. KG	Hückelhoven DE	EUR	125,500	Dyckerhoff Beton GmbH & Co. KG	100.00	
Dyckerhoff Transportbeton Thüringen GmbH & Co. KG	Erfurt DE	EUR	100,000	Dyckerhoff Beton GmbH & Co. KG	95.00	
sibobeton Osnabrück GmbH & Co. KG	Osnabrück DE	EUR	5,368,565	Dyckerhoff Beton GmbH & Co. KG	88.02	
sibobeton Wilhelmshaven GmbH & Co. KG	Osnabrück DE	EUR	920,325	Dyckerhoff Beton GmbH & Co. KG	85.44	
				sibobeton Osnabrück GmbH & Co. KG	14.56	
sibobeton Ems GmbH & Co. KG	Osnabrück DE	EUR	2,300,813	Dyckerhoff Beton GmbH & Co. KG	68.21	
				sibobeton Osnabrück GmbH & Co. KG	19.51	
TBG Lieferbeton GmbH & Co. KG Odenwald	Reichelsheim DE	EUR	306,900	Dyckerhoff Beton GmbH & Co. KG	66.67	
TB Rheinland GmbH & Co. KG	Neuwied DE	EUR	795,356	Dyckerhoff Beton GmbH & Co. KG	55.00	
sibobeton Enger GmbH & Co. KG	Osnabrück DE	EUR	337,453	Dyckerhoff Beton GmbH & Co. KG	50.00	
				sibobeton Osnabrück GmbH & Co. KG	50.00	
Lichtner-Dyckerhoff Beton Niedersachsen GmbH & Co. KG	Berlin DE	EUR	200,000	Dyckerhoff Beton GmbH & Co. KG	50.00	
Ostfriesische Transport-Beton GmbH & Co. KG	Osnabrück DE	EUR	1,300,000	Dyckerhoff Beton GmbH & Co. KG	45.13	
				sibobeton Ems GmbH & Co. KG	24.20	
				sibobeton Wilhelmshaven GmbH & Co. KG	10.67	
Dyckerhoff Basal Toeslagstoffen B.V.	Nieuwegein NL	EUR	27,000	Dyckerhoff Basal Nederland B.V.	100.00	
Dyckerhoff Basal Betonmortel B.V.	Nieuwegein NL	EUR	18,004	Dyckerhoff Basal Nederland B.V.	100.00	
Béton du Ried S.A.S.	Krautergersheim FR	EUR	500,000	Cimalux S.A.	100.00	
Cimalux Société Immobilière S.à r.l.	Esch-sur-Alzette LU	EUR	24,789	Cimalux S.A.	100.00	
Beton Union Plzen s.r.o.	Plzen CZ	CZK	31,800,000	ZAPA beton a.s.	71.20	
ZAPA beton SK s.r.o.	Bratislava SK	EUR	11,859,396	ZAPA beton a.s.	99.97	
				Cement Hranice a.s.	0.03	
TOB Dyckerhoff Transport Ukraina	Kyiv UA	UAH	51,721,476	TOB Dyckerhoff Ukraina	100.00	
OOO CemTrans	Sukhoi Log RU	RUB	20,000,000	OAO Sukholozhskcement	100.00	
OOO Dyckerhoff Sukhoi Log obshestvo po sbitu tamponazhnich zementow	Sukhoi Log RU	RUB	4,100,000	OAO Sukholozhskcement	100.00	
OOO Omsk Cement	Omsk RU	RUB	779,617,530	OAO Sukholozhskcement	100.00	
Alamo Concrete Products Company	San Antonio US	USD	1	Alamo Cement Company	100.00	
Alamo Transit Company	San Antonio US	USD	1	Alamo Cement Company	100.00	

Companies consolidated on a line-by-line basis - follows

Name	Registered office		Share capital	Ownership interest held by	% of ownership	% of voting rights
Buzzi Unicem USA Inc.	Wilmington US	USD	10	RC Lonestar Inc.	100.00	
Midwest Material Industries Inc.	Wilmington US	USD	1	RC Lonestar Inc.	100.00	
Lone Star Industries, Inc.	Wilmington US	USD	28	RC Lonestar Inc.	100.00	
River Cement Company	Wilmington US	USD	100	RC Lonestar Inc.	100.00	
River Cement Sales Company	Wilmington US	USD	100	RC Lonestar Inc.	100.00	
Signal Mountain Cement Company	Wilmington US	USD	100	RC Lonestar Inc.	100.00	
Heartland Cement Company	Wilmington US	USD	100	RC Lonestar Inc.	100.00	
Heartland Cement Sales Company	Wilmington US	USD	10	RC Lonestar Inc.	100.00	
Hercules Cement Holding Company	Wilmington US	USD	10	RC Lonestar Inc.	100.00	
Hercules Cement Company LP	Harrisburg US	USD	n/a	RC Lonestar Inc.	99.00	
				Hercules Cement Holding Company	1.00	
Dyckerhoff Transportbeton Schmalkalden GmbH & Co. KG	Erfurt DE	EUR	512,000	Dyckerhoff Transportbeton Thüringen GmbH & Co. KG	67.55	
BTG Beton-Transport-Gesellschaft mbH	Osnabrück DE	EUR	500,000	sibobeton Osnabrück GmbH & Co. KG	100.00	
sibobeton Papenburg GmbH & Co. KG	Osnabrück DE	EUR	300,000	sibobeton Ems GmbH & Co. KG	52.00	
Harex Nederland B.V.	Nieuwegein NL	EUR	18,151	Dyckerhoff Basal Toeslagstoffen B.V.	100.00	
BSN Beton Service Nederland B.V.	Franeker NL	EUR	113,445	Dyckerhoff Basal Betonmortel B.V.	100.00	
Megamix Basal B.V.	Nieuwegein NL	EUR	27,227	Dyckerhoff Basal Betonmortel B.V.	100.00	
Wolst Transport B.V.	Dordrecht NL	EUR	45,378	Dyckerhoff Basal Betonmortel B.V.	100.00	
Friesland Beton Heerenveen B.V.	Heerenveen NL	EUR	34,487	Dyckerhoff Basal Betonmortel B.V.	80.26	
Betonmortel Centrale Groningen (B.C.G.) B.V.	Groningen NL	EUR	42,474	Dyckerhoff Basal Betonmortel B.V.	66.03	
ZAPA beton HUNGÁRIA k.f.t.	Zsujta HU	HUF	88,000,000	ZAPA beton SK s.r.o.	100.00	
Buzzi Unicem Ready Mix, L.L.C.	Nashville US	USD	n/a	Midwest Material Industries Inc.	100.00	
RED-E-MIX, L.L.C.	Springfield US	USD	n/a	Midwest Material Industries Inc.	100.00	
RED-E-MIX Transportation, L.L.C.	Springfield US	USD	n/a	Midwest Material Industries Inc.	100.00	
Lone Star Properties, Inc.	Wilmington US	USD	100	Lone Star Industries, Inc.	100.00	
Utah Portland Quarries, Inc.	Salt Lake City US	USD	378,900	Lone Star Industries, Inc.	100.00	
Rosebud Real Properties, Inc.	Wilmington US	USD	100	Lone Star Industries, Inc.	100.00	
Compañia Cubana de Cemento Portland, S.A.	Havana CU	CUP	100	Lone Star Industries, Inc.	100.00	
Transports Mariel, S.A.	Havana CU	CUP	100	Lone Star Industries, Inc.	100.00	
Proyectos Industries de Jaruco, S.A.	Havana CU	CUP	186,700	Compañia Cubana de Cemento Portland, S.A.	100.00	

Investments in joint ventures valued by the equity method

Name	Registered office		Share capital	Ownership interest held by	% of ownership	% of voting rights
Cementi Moccia S.p.A.	Napoli	EUR	7,398,300	Buzzi Unicem S.p.A.	50.00	
Serenergy S.r.l.	Milano	EUR	25,500	Buzzi Unicem S.p.A.	50.00	
E.L.M.A. S.r.l.	Sinalunga (SI)	EUR	15,000	Unical S.p.A.	50.00	
S. Paolo S.c.r.l.	Calenzano (FI)	EUR	50,000	Unical S.p.A.	50.00	
Zentramont Baustoffmischanlage GmbH	Völklingen DE	EUR	460,200	Dyckerhoff GmbH	50.00	
Fresit B.V.	Amsterdam NL	EUR	6,795,000	Buzzi Unicem International S.à r.l.	50.00	
Lichtner-Dyckerhoff Beton GmbH & Co. KG	Berlin DE	EUR	200,000	Dyckerhoff Beton GmbH & Co. KG	50.00	
ZAPA UNISTAV s.r.o.	Brno CZ	CZK	20,000,000	ZAPA beton a.s.	50.00	
EKO ZAPA beton a.s.	Praha CZ	CZK	1,000,000	ZAPA beton a.s.	50.00	
Hotfilter Pumpendienst GmbH & Co. KG	Nordhorn DE	EUR	100,000	sibobeton Ems GmbH & Co. KG	25.00	
				sibobeton Osnabrück GmbH & Co. KG	25.00	
Ravenswaarden B.V.	Lochem NL	EUR	18,000	Dyckerhoff Basal Toeslagstoffen B.V.	50.00	
Roprivest N.V.	Grimbergen BE	EUR	105,522	Dyckerhoff Basal Toeslagstoffen B.V.	50.00	
Aranykavics k.f.t.	Budapest HU	HUF	11,500,000	Dyckerhoff Basal Toeslagstoffen B.V.	50.00	
Betoncentrale Haringman B.V.	Goes NL	EUR	45,378	Dyckerhoff Basal Betonmortel B.V.	50.00	
B.V. Betonmortel Centrale Leeuwarden (B.C.L.)	Leeuwarden NL	EUR	10,891	Dyckerhoff Basal Betonmortel B.V.	50.00	
Eljo Holding B.V.	Groningen NL	EUR	45,378	Dyckerhoff Basal Betonmortel B.V.	50.00	
Megamix-Randstad B.V.	Gouda NL	EUR	90,756	Dyckerhoff Basal Betonmortel B.V.	50.00	
Corporación Moctezuma, S.A.B. de C.V.	Mexico MX	MXN	171,376,652	Presa International B.V.	7.58	
				Fresit B.V.	51.51	
Cementos Moctezuma, S.A. de C.V.	Mexico MX	MXN	1,127,317,866	Corporación Moctezuma, S.A.B. de C.V.	100.00	
Cementos Portland Moctezuma, S.A. de C.V.	Emiliano Zapata MX	MXN	50,000	Corporación Moctezuma, S.A.B. de C.V.	100.00	
Cemoc Servicios Especializados S.A. de C.V.	Mexico MX	MXN	50,000	Corporación Moctezuma, S.A.B. de C.V.	100.00	
Comercializadora Tezuma S.A. de C.V.	Mexico MX	MXN	50,000	Corporación Moctezuma, S.A.B. de C.V.	100.00	

Investments in joint ventures valued by the equity method -follows

Name	*Registered office*		*Share capital*	*Ownership interest held by*	*% of ownership*	*% of voting rights*
Latincamericana de Agregados y Concretos, S.A. de C.V.	Mexico MX	MXN	10,929,252	Corporación Moctezuma, S.A.B. de C.V.	100.00	
Latincamericana de Comercio, S.A. de C.V.	Emiliano Zapata MX	MXN	10,775,000	Corporación Moctezuma, S.A.B. de C.V.	100.00	
Lacosa Concretos, S.A. de C.V.	Emiliano Zapata MX	MXN	11,040,000	Corporación Moctezuma, S.A.B. de C.V.	100.00	
Proyectos Terra Moctezuma, S.A. de C.V.	Jiutepec MX	MXN	3,237,739	Corporación Moctezuma, S.A.B. de C.V.	100.00	
Latincamericana de Concretos, S.A. de C.V.	Mexico MX	MXN	12,670,821	Corporación Moctezuma, S.A.B. de C.V.	98.01	
				Cementos Portland Moctezuma, S.A. de C.V.	1.99	
Inmobiliaria Lacosa, S.A. de C.V.	Mexico MX	MXN	50,068,500	Corporación Moctezuma, S.A.B. de C.V.	98.00	
				Cementos Portland Moctezuma, S.A. de C.V.	2.00	
Concretos Moctezuma de Durango, S.A. de C.V.	Mexico MX	MXN	100,000	Latincamericana de Concretos, S.A. de C.V.	99.00	
				Cementos Moctezuma, S.A. de C.V.	1.00	
Concretos Moctezuma del Pacifico S.A. de C.V.	Mexico MX	MXN	29,472,972	Latincamericana de Concretos, S.A. de C.V.	85.00	
Latincamericana de Concretos de San Luis, S.A. de C.V.	Mexico MX	MXN	15,676,550	Latincamericana de Concretos, S.A. de C.V.	60.00	
Concretos Moctezuma de Xalapa, S.A. de C.V.	Xalapa MX	MXN	10,000,000	Latincamericana de Concretos, S.A. de C.V.	60.00	
Concretos Moctezuma de Torreón, S.A. de C.V.	Mexico MX	MXN	14,612,489	Latincamericana de Concretos, S.A. de C.V.	55.00	
Maquinaria y Canteras del Centro, S.A. de C.V.	Mexico MX	MXN	5,225,000	Latincamericana de Concretos, S.A. de C.V.	51.00	
Concretos Moctezuma de Jalisco S.A. de C.V.	Mexico MX	MXN	100,000	Latincamericana de Concretos, S.A. de C.V.	51.00	
CYM Infraestructura, S.A.P.I. de C.V.	Mexico MX	MXN	100,000	Latincamericana de Concretos, S.A. de C.V.	50.00	

Investments in associates valued by the equity method

Name	*Registered office*		*Share capital*	*Ownership interest held by*	*% of ownership*	*% of voting rights*
Premix S.p.A.	Melilli (SR)	EUR	3,483,000	Buzzi Unicem S.p.A.	40.00	
Société des Ciments de Sour El Ghozlane EPE S.p.A.	Sour El Ghozlane DZ	DZD	1,900,000,000	Buzzi Unicem S.p.A.	35.00	
Société des Ciments de Hadjar Soud EPE S.p.A.	Azzaba DZ	DZD	1,550,000,000	Buzzi Unicem S.p.A.	35.00	
Laterlite S.p.A.	Solignano (PR)	EUR	22,500,000	Buzzi Unicem S.p.A.	33.33	
Salonit Anhovo Gradbeni Materiali d.d.	Anhovo SI	EUR	36,818,921	Buzzi Unicem S.p.A.	25.00	
w&p Cementi S.p.A.	San Vito al Tagliamento (PN)	EUR	2,000,000	Buzzi Unicem S.p.A.	25.00	
Edilcave S.r.l.	Villarfocchiardo (TO)	EUR	72,800	Unical S.p.A.	30.00	
Calcestruzzi Faure S.r.l.	Salbertrand (TO)	EUR	53,560	Unical S.p.A.	24.00	
NCD Nederlandse Cement Deelnemingsmaatschappij B.V. i.L.	Nieuwegein NL	EUR	82,750	Dyckerhoff GmbH	63.12	
Warsteiner KalksteinmehI GmbH & Co. KG	Warstein DE	EUR	51,129	Dyckerhoff Beteiligungsverwaltung GmbH	50.00	
Nordenhamer Transportbeton GmbH & Co. KG	Nordenham DE	EUR	322,114	Dyckerhoff Beton GmbH & Co. KG	51.59	
TRAMIRA Transportbetonwerk Minden-Ravensberg GmbH & Co. KG	Minden-Dankersen	EUR	1,000,000	Dyckerhoff Beton GmbH & Co. KG	50.00	
Niemeier Beton GmbH & Co. KG	Diepholz DE	EUR	766,938	Dyckerhoff Beton GmbH & Co. KG	33.33	
Transass S.A.	Schifflange LU	EUR	50,000	Cimalux S.A.	41.00	
S.A. des Bétons Frais	Schifflange LU	EUR	2,500,000	Cimalux S.A.	41.00	
Cobéton S.A.	Differdange LU	EUR	100,000	Cimalux S.A.	33.32	
Bétons Feidt S.A.	Luxembourg LU	EUR	2,500,000	Cimalux S.A.	30.00	
OOO Sukholozhskcemremont	Suchoi Log RU	RUB	10,000	OAO Sukholozhskcement	49.00	
Houston Cement Company LP	Houston US	USD	n/a	Alamo Cement Company	20.00	
Van Zanten Holding B.V.	Zuidbroek NL	EUR	18,151	Dyckerhoff Basal Betonmortel B.V.	25.00	
V.O.F. "Bouwdok Barendrecht"	Barendrecht NL	EUR	n/a	Dyckerhoff Basal Betonmortel B.V.	22.65	
Kosmos Cement Company	Louisville US	USD	n/a	Lone Star Industries, Inc.	25.00	
Cooperatie Megamix B.A.	Almere NL	EUR	80,000	Megamix Basal B.V.	37.50	

Other investments in subsidiaries, associates and joint ventures

Name	*Registered office*		*Share capital*	*Ownership interest held by*	*% of ownership*	*% of voting rights*
Siefic Calcestruzzi S.r.l.	Isernia	EUR	3,176,000	Unical S.p.A.	-	50.00
Cave di Carpenosa S.r.l.	Molini di Triora (IM)	EUR	100,000	Unical S.p.A.	33.50	
GfBB prüftechnik Verwaltungs GmbH	Flörsheim DE	EUR	25,600	Dyckerhoff GmbH	100.00	
Dyckerhoff Beton Verwaltungs GmbH	Wiesbaden DE	EUR	46,100	Dyckerhoff GmbH	100.00	
Lieferbeton Odenwald Verwaltungs GmbH	Flörsheim DE	EUR	25,000	Dyckerhoff GmbH	100.00	
Projektgesellschaft Warstein-Kallenhardt Kalkstein mbH	Warstein DE	EUR	25,200	Dyckerhoff GmbH	25.00	
Köster/Dyckerhoff Vermögensverwaltungs GmbH	Warstein DE	EUR	25,000	Dyckerhoff GmbH	24.90	
Köster/Dyckerhoff Grundstücksverwaltungs GmbH & Co. KG	Warstein DE	EUR	10,000	Dyckerhoff GmbH	24.90	
Warsteiner Kalksteinmehl Verwaltungsgesellschaft mbH	Warstein DE	EUR	25,600	Dyckerhoff Beteiligungsverwaltung GmbH	50.00	
Bildungs-Zentrum-Deuna Gemeinnützige GmbH	Deuna DE	EUR	25,565	Dyckerhoff Beteiligungsverwaltung GmbH	50.00	
sibobeton Hannover Beteiligungsgesellschaft mbH	Osnabrück DE	EUR	25,000	Dyckerhoff Beton GmbH & Co. KG	100.00	
SIBO-Gruppe Verwaltungsgesellschaft mbH	Osnabrück DE	EUR	25,565	Dyckerhoff Beton GmbH & Co. KG	100.00	
Nordenhamer Transportbeton GmbH	Nordenham DE	EUR	25,565	Dyckerhoff Beton GmbH & Co. KG	56.60	
TB Rheinland Verwaltungs GmbH	Neuwied DE	EUR	26,000	Dyckerhoff Beton GmbH & Co. KG	55.00	
Lichtner-Dyckerhoff Beton Niedersachsen Verwaltungs-GmbH	Berlin DE	EUR	26,000	Dyckerhoff Beton GmbH & Co. KG	50.00	
Lichtner-Dyckerhoff Beton Verwaltungs GmbH	Berlin DE	EUR	25,000	Dyckerhoff Beton GmbH & Co. KG	50.00	
Liefergemeinschaft Transportbeton Rollwege West GbR	Wiesbaden DE	EUR	n/a	Dyckerhoff Beton GmbH & Co. KG	50.00	
Niemeier Beton GmbH	Sulingen DE	EUR	25,565	Dyckerhoff Beton GmbH & Co. KG	33.20	
ARGE Betonüberwachung Nesserlander Schleuse GbR	Haren DE	EUR	n/a	GfBB prüftechnik GmbH & Co. KG	50.00	
Dyckerhoff Transportbeton Thüringen Verwaltungs GmbH	Erfurt DE	EUR	25,565	Dyckerhoff Transportbeton Thüringen GmbH & Co. KG	100.00	
Dyckerhoff Transportbeton Schmalkalden Verwaltungs GmbH	Erfurt DE	EUR	25,600	Dyckerhoff Transportbeton Thüringen GmbH & Co. KG	67.58	
ARGE Betonversorgung ICE Feste Fahrbahn Erfurt-Halle GbR	Erfurt DE	EUR	n/a	Dyckerhoff Transportbeton Thüringen GmbH & Co. KG	37.00	
MKB Mörteldienst Köln-Bonn Verwaltungsgesellschaft mbH	Hürth DE	EUR	25,000	MKB Mörteldienst Köln-Bonn GmbH & Co. KG	100.00	
Hotfilter Pumpendienst Beteiligungsgesellschaft mbH	Nordhorn DE	EUR	25,000	sibobeton Ems GmbH & Co. KG	25.00	
				sibobeton Osnabrück GmbH & Co. KG	25.00	
sibobeton Papenburg Beteiligungsgesellschaft mbH	Osnabrück DE	EUR	25,000	sibobeton Ems GmbH & Co. KG	52.00	
Westerwald-Beton Verwaltungs GmbH	Westerburg DE	EUR	25,565	TB Rheinland GmbH & Co. KG	100.00	

CERTIFICATION OF THE HALF-YEARLY CONDENSED CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 81 TER OF CONSOB REGULATION NO 11971 OF 14 MAY 1999 AS AMENDED

- The undersigned Pietro Buzzi, as Chief Executive Finance, and Silvio Picca, as Manager responsible for preparing Buzzi Unicem's financial reports, hereby certify, having also taken into consideration the provisions of article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of 24 February 1998 that the administrative and accounting procedures for the preparation of the interim condensed consolidated financial statements during the first six months of 2015:
  - are adequate with respect to the company structure and
  - have been effectively applied.

- The undersigned also certify that:

  a) the consolidated financial statements
     - have been prepared in accordance with International Financial Reporting Standards (IFRS), as endorsed by the European Union through Regulation (EC) 1606/2002 of the European Parliament and Counsel dated 19 July 2002;
     - correspond to the amounts documented in the books and the accounting records;
     - provide a true and correct representation of the financial conditions, results of operations and cash flows of the issuer and of the entities included in the scope of consolidation.

  b) the interim management report contains reference to the important events which occurred during the first six months of the current financial year and their impact on the condensed financial statements as well as a description of the major risks and uncertainties for the remaining six months of the year along with information on the material related party transactions.

Casale Monferrato, 4 August 2015

Chief Executive Finance	Manager responsible for preparing financial reports
Pietro BUZZI	**Silvio PICCA**