Annual General Meeting

Casale Monferrato – 8 May 2020

Buzzi Unicem

Corporate Structure

BUZZI UNICEM SpA

CEMENT	READY-MIX CONCRETE and AGGREGATES	AFFILIATES ABROAD	RELATED ACTIVITIES
Buzzi Unicem 100%	**Unical** 100%	**Alamo Cement** USA 100%	**Laterlite** 33%
Testi Cementi 100%	**Other investments** 30-50%	**Buzzi Unicem USA** USA 100%	**Premix** 40%
Cementi Moccia 50%		**Dyckerhoff** GER 100%	
		Corp. Moctezuma [1] MEX 50% ◿	
		BCPAR SA BRASILE 50%	

As at May 2020

(1) % ownership of controlling interest; 33% economic stake

◿ *Listed company*

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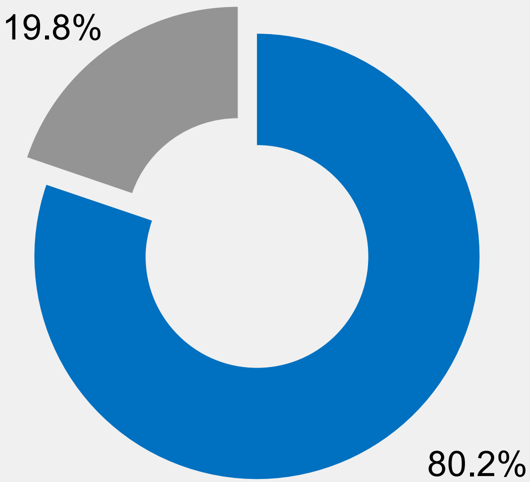
Shares & Shareholders

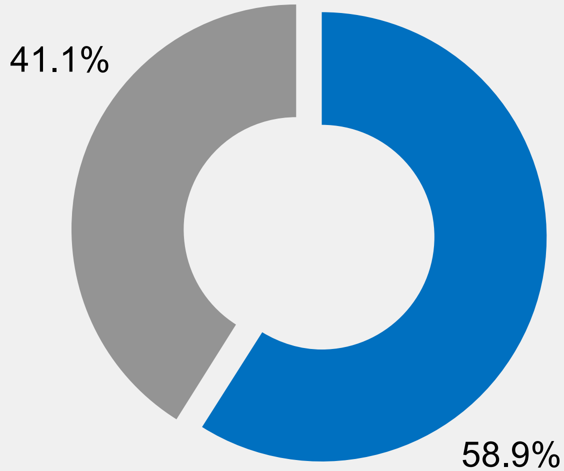
Share Capital

• Ordinary	165,349,149
• Savings	40,711,949
Number of shares	206,061,098



Common Shares

• Buzzi family	97,461,300
• Free Float	67,887,849



As at December 2019

Executive Summary

VOLUMES

Cement volumes at 29.1 mt (27.9 mt in 2018), +4.3%, thanks to the robust growth recorded in the United States of America, which was facilitated by the more favorable weather conditions compared to 2018, the progress in Eastern Europe, mainly in Ukraine and Russia and the positive development of sales in Germany and Italy, also favored by the change in scope. Ready Mix concrete volumes stable at 12.1mt (+0.2%)

- **Italy**: Cement sales grew (+3.0%; +1.1% lfl) thanks to favourable weather conditions at the beginning of the year and to the additional contribution, starting from 1 July, of Greve in Chianti (FI) cement plant and two grinding plants in Piedmont. The ready-mix concrete sector stabilized (-0.3%) on the production levels reached at the end of 2018

- **Unites States**: Cement sales, thanks to the favorable weather conditions that characterized the second half of the year, including the winter months, have been improving during the second semester and closed the year with a significant progress (+6.0%) compared to 2018. Ready-mix concrete output recorded even more marked progress (+16.5%)

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Executive Summary (2)

VOLUMES (continue)

- **Central Europe**: Cement sales up (+2.5%) during 2019. Positive trend in Germany, mainly thanks to the scope changes; Luxembourg slightly down. Ready-mix volumes decreased (-2%) due to weaker demand in Benelux
- **Eastern Europe**: Cement volumes achieved a solid growth (+5.6%) thanks to favorable trends in Ukraine and Russia, despite a slight decrease in Poland and Czech Republic. Instead ready mix concrete was down (-8.2%)

PRICES

Favorable variances in all markets in local currency, particularly Poland, Ukraine and Italy

Executive Summary (3)

FOREIGN EXCHANGE

Positive impact on Net Sales (€m 81.2) and EBITDA (€m 24.0) mainly due to stronger dollar, hryvna and ruble

COST

Unfavourable trend of energy factors, despite some relief for fuels

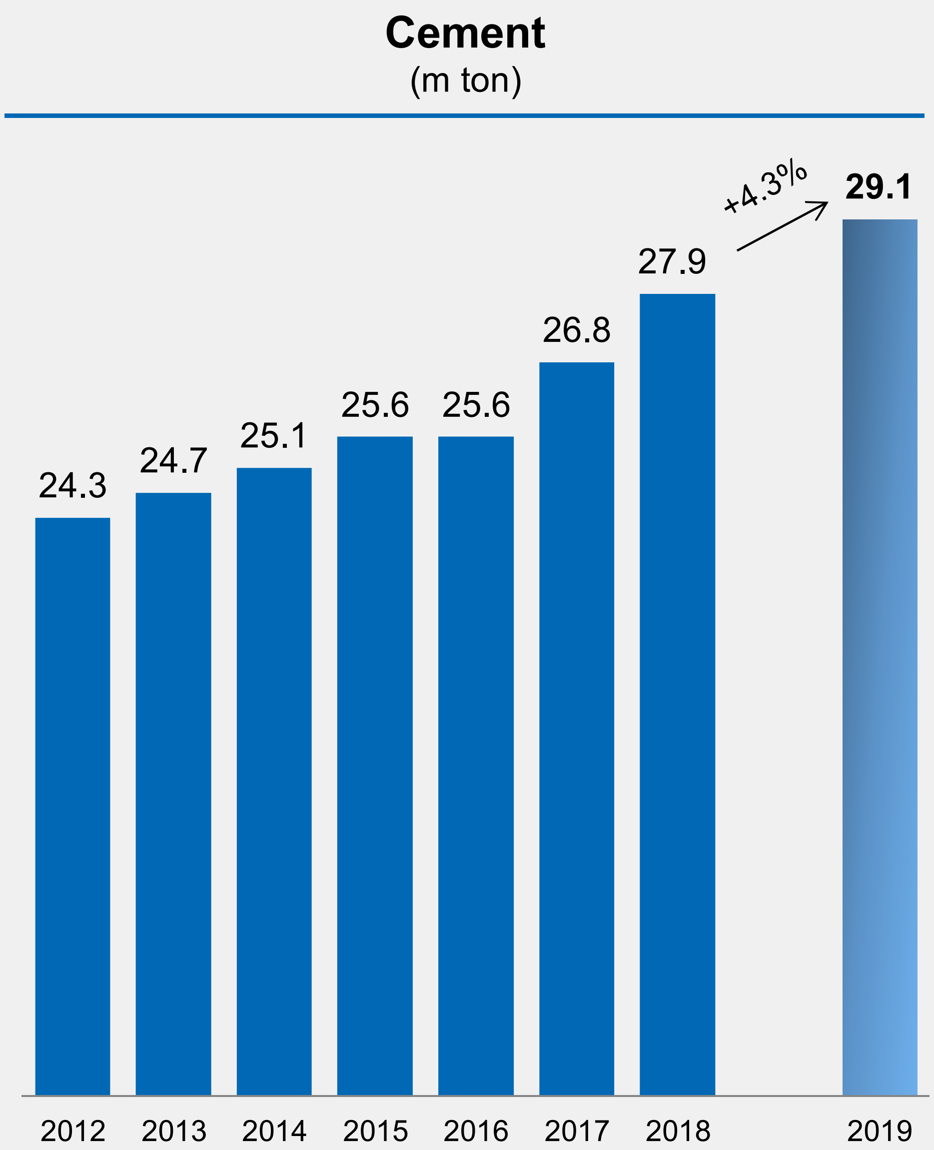
Cost of CO_2 emission rights becoming more and more significant

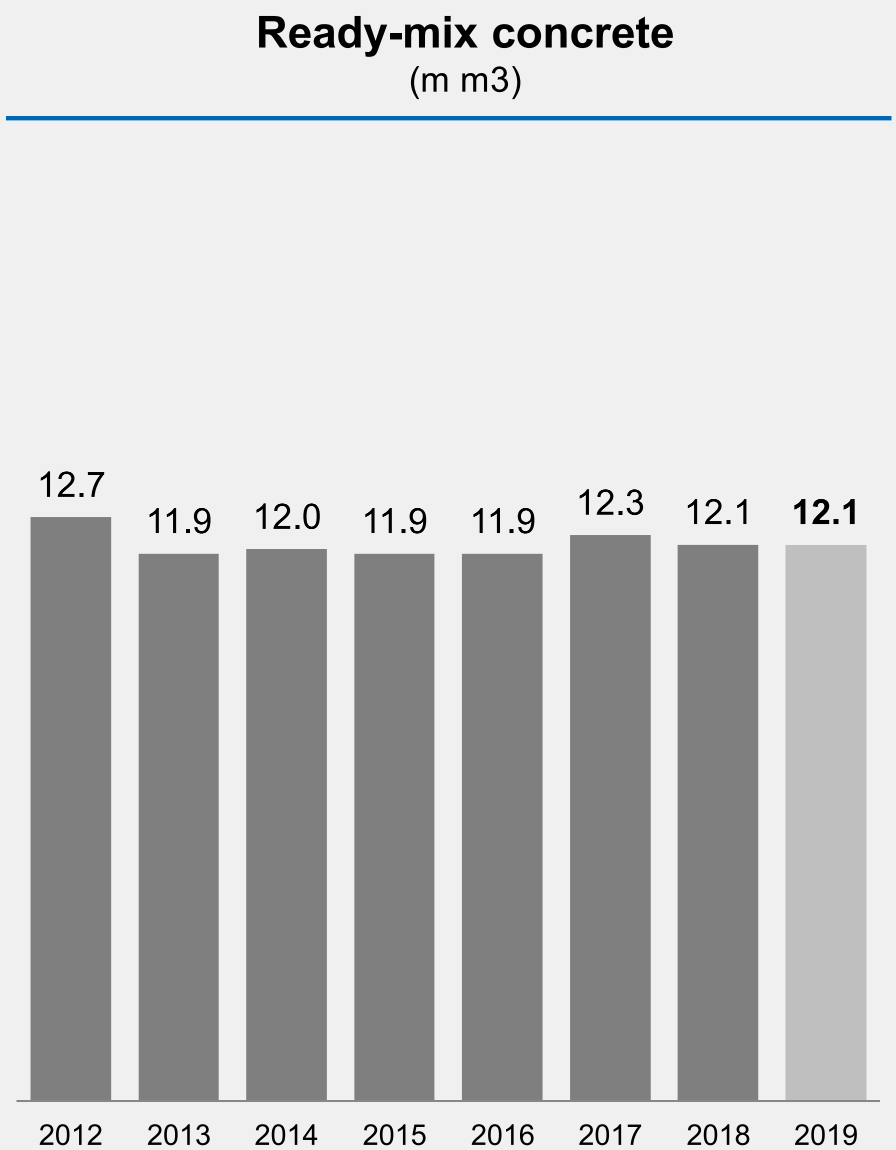
FINANCIALS

Net Sales up (+8.6% at costant scope and exchange rates) and EBITDA margin improved to 21.9% (19.8% in 2018)

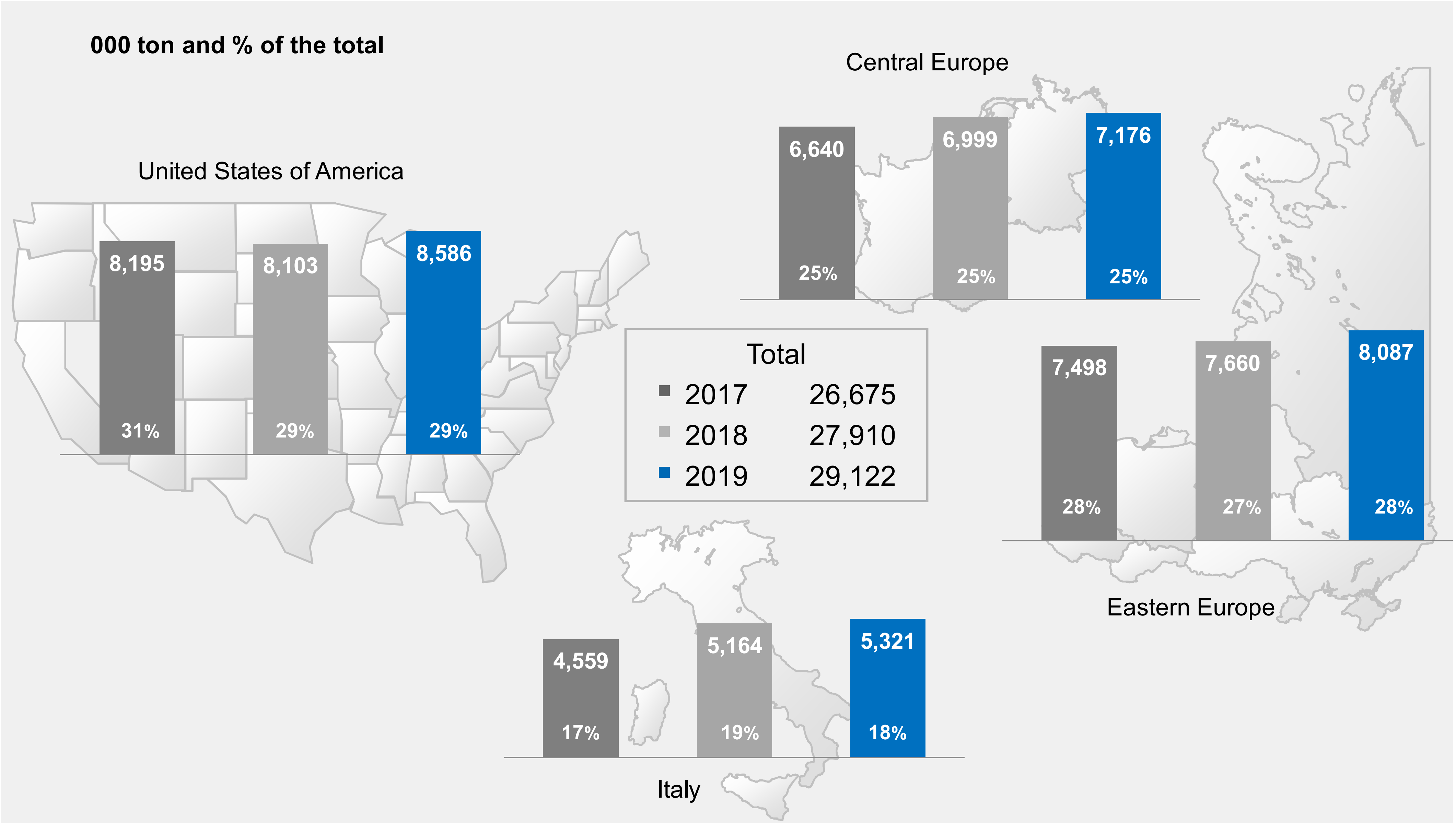
Thanks to strong cash flows from operations, Net debt at €m 568 versus €m 891 at year end 2018, including €m 94 due to the adoption of the new IFRS16 standard and €m 80 for business combinations in Italy

Volumes


Cement
(m ton)
24.3
24.7
25.1
25.6
25.6
26.8
27.9
+4.3%
29.1
2012
2013
2014
2015
2016
2017
2018
2019


Ready-mix concrete
(m m3)
12.7
11.9
12.0
11.9
11.9
12.3
12.1
12.1
2012
2013
2014
2015
2016
2017
2018
2019

Cement volumes by geographical area



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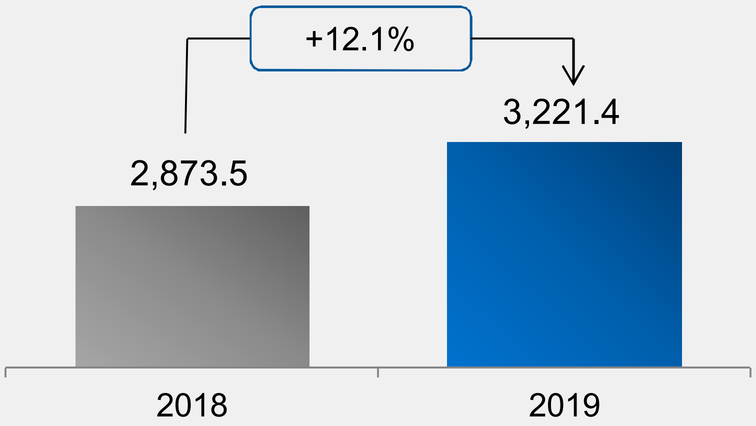
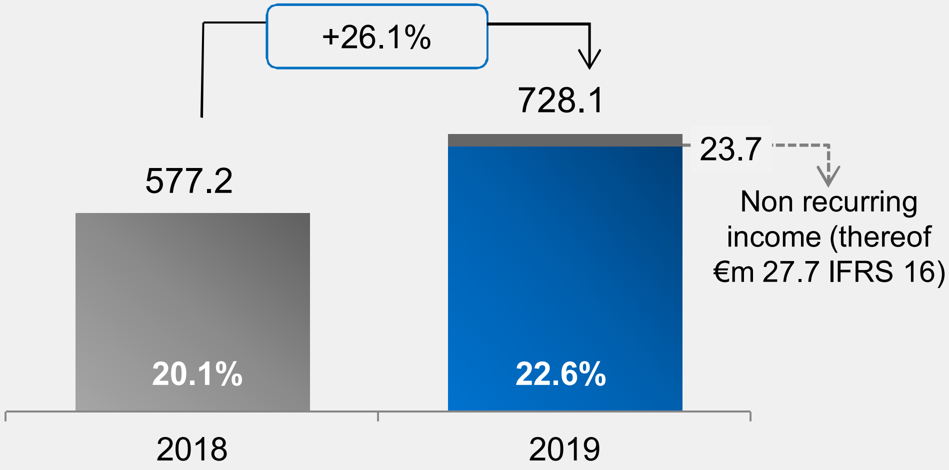
Financial Highlights

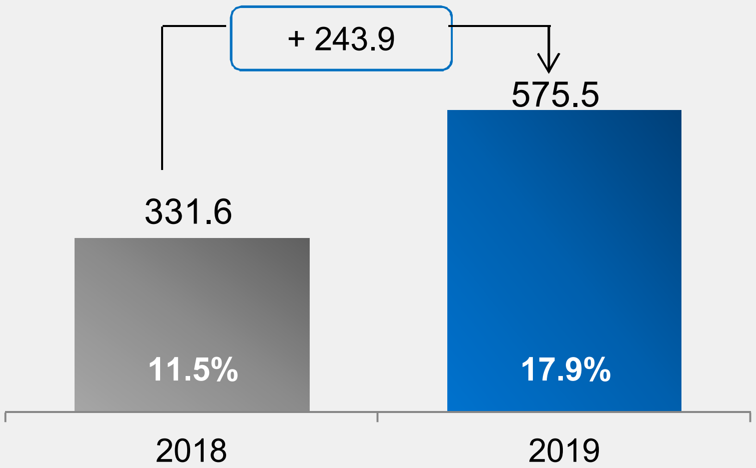
Net sales (€m)



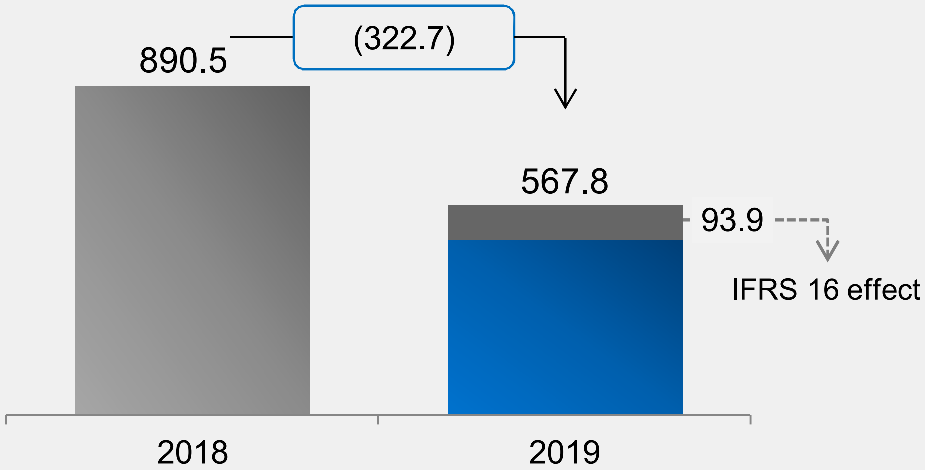
EBITDA (€m, % of sales)



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



Net Debt (€m)



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Net sales by country

EURm	2019	2018	Δ abs	Δ %	Forex abs	Scope abs	Δ l-f-l %
Italy	504.7	459.8	44.9	+9.8	-	10.3	+7.5
United States	1,242.5	1,069.6	172.9	+16.2	64.7	-	+10.1
Germany	679.6	632.5	47.2	+7.5	-	10.2	+5.9
Lux / Netherlands	192.5	197.2	(4.7)	-2.4	-	-	-2.4
Czech Rep / Slovakia	168.2	164.5	3.6	+2.2	-0.1	-	+2.3
Poland	123.8	111.4	12.4	+11.1	-1.0	-	+12.1
Ukraine	131.9	88.3	43.6	+49.3	13.1	-	+34.5
Russia	214.5	185.5	29.0	+15.6	4.6	-	+13.2
Eliminations	*(36.1)*	*(35.2)*					
Total	**3,221.4**	**2,873.5**	**348.0**	**+12.1**	**81.2**	**20.5**	**+8.6**
Mexico (100%)	593.2	624.7	(31.5)	-5.0	+30.0	-	-9.8
Brazil (100%)	134.7	133.0	1.7	+1.3	-3.3	-	+3.8

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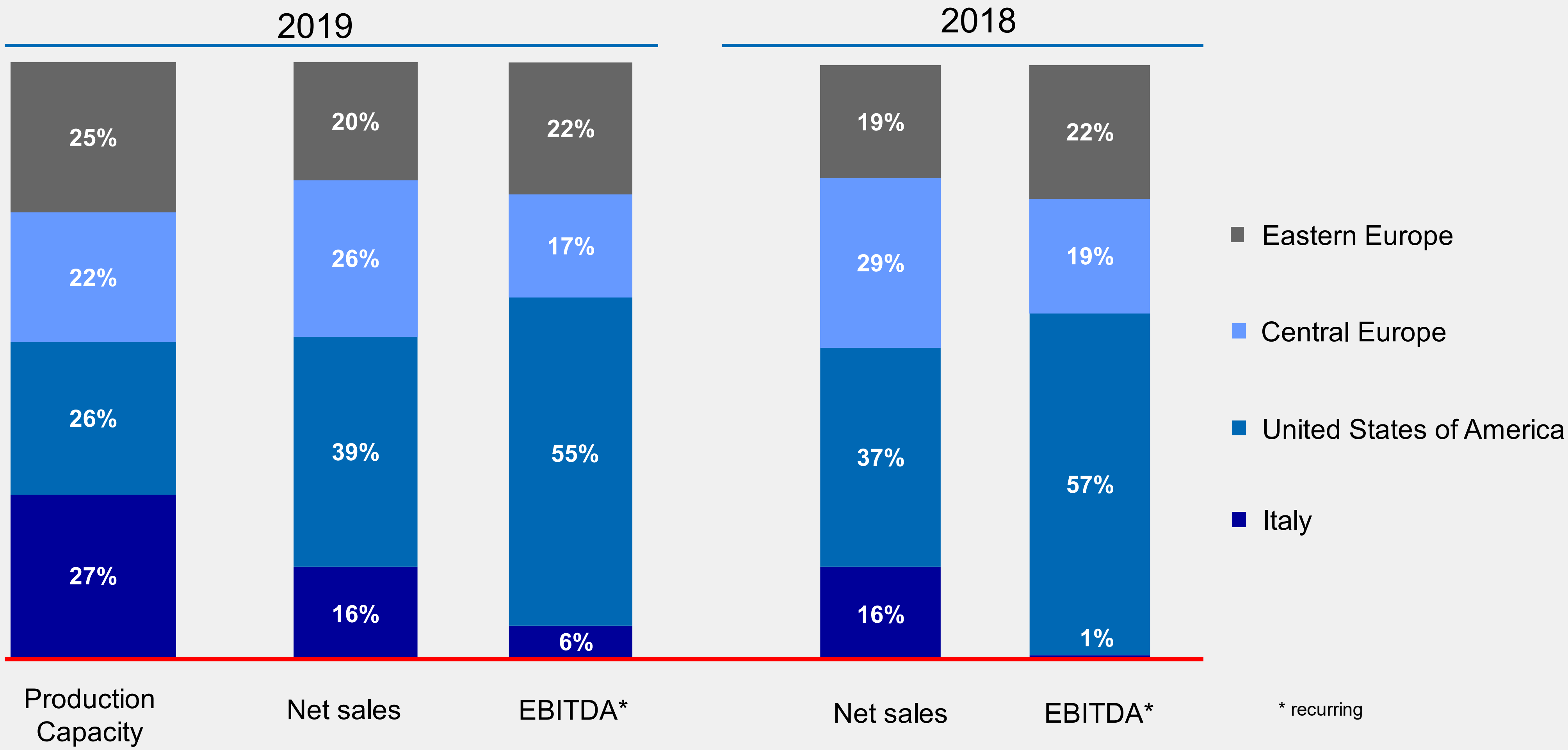
Net sales and EBITDA by region

- Italy improving, thanks to favorable price variance and CO_2 intercompany sales
- USA still above 50% of consolidated EBITDA



Consolidated Income Statement

EURm	2019	2018	Δ abs	Δ %
Net Sales	**3,221.4**	**2,873.5**	**348.0**	**+12.1**
EBITDA	**728.1**	**577.2**	**150.9**	**+26.1**
of which, non recurring	(23.7)	(8.7)		
% of sales (recurring)	21.9%	19.8%		
Depreciation and amortization	(259.9)	(225.4)	(34.5)	
Operating Profit (EBIT)	**468.2**	**351.8**	**116.4**	**+33.1**
% of sales	14.5%	12.2%		
Equity earnings	72.3	88.7	(16.4)	
Net finance costs	(58.6)	24.7	(83.4)	
Profit before tax	**482.0**	**465.3**	**16.7**	**+3.6**
Income tax expense	(96.0)	(82.5)	(13.5)	
Net profit	**385.9**	**382.8**	**3.2**	**+0.8**
Minorities	(0.2)	(0.6)	0.4	
Consolidated net profit	**385.7**	**382.1**	**3.5**	**+0.9**

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Consolidated Cash Flow Statement

EURm	2019	2018
Cash generated from operations	**691.5**	**453.4**
% of sales	21.5%	15.8%
Interest paid	(31.7)	(45.4)
Income tax paid	(84.3)	(76.4)
Net cash by operating activities	**575.5**	**331.6**
% of sales	17.9%	11.5%
Capital expenditures	(257.1)	(215.3)
IFRS 16 leasing	(93.9)	-
Equity investments	(82.3)	(228.5)
Purchase of treasury shares	-	(118.7)
Repayment of convertible bond	94.8	-
Dividends paid	(26.8)	(28.6)
Dividends from associates	84.4	80.9
Disposal of fixed assets and investments	12.4	45.2
Translation differences and derivatives	5.4	90.1
Accrued interest payable	0.3	3.5
Interest received	13.5	14.4
Change in consolidation area and other	(3.4)	(2.6)
Change in net debt	**322.7**	**(28.0)**
Net financial position (end of period)	**(567.8)**	**(890.5)**

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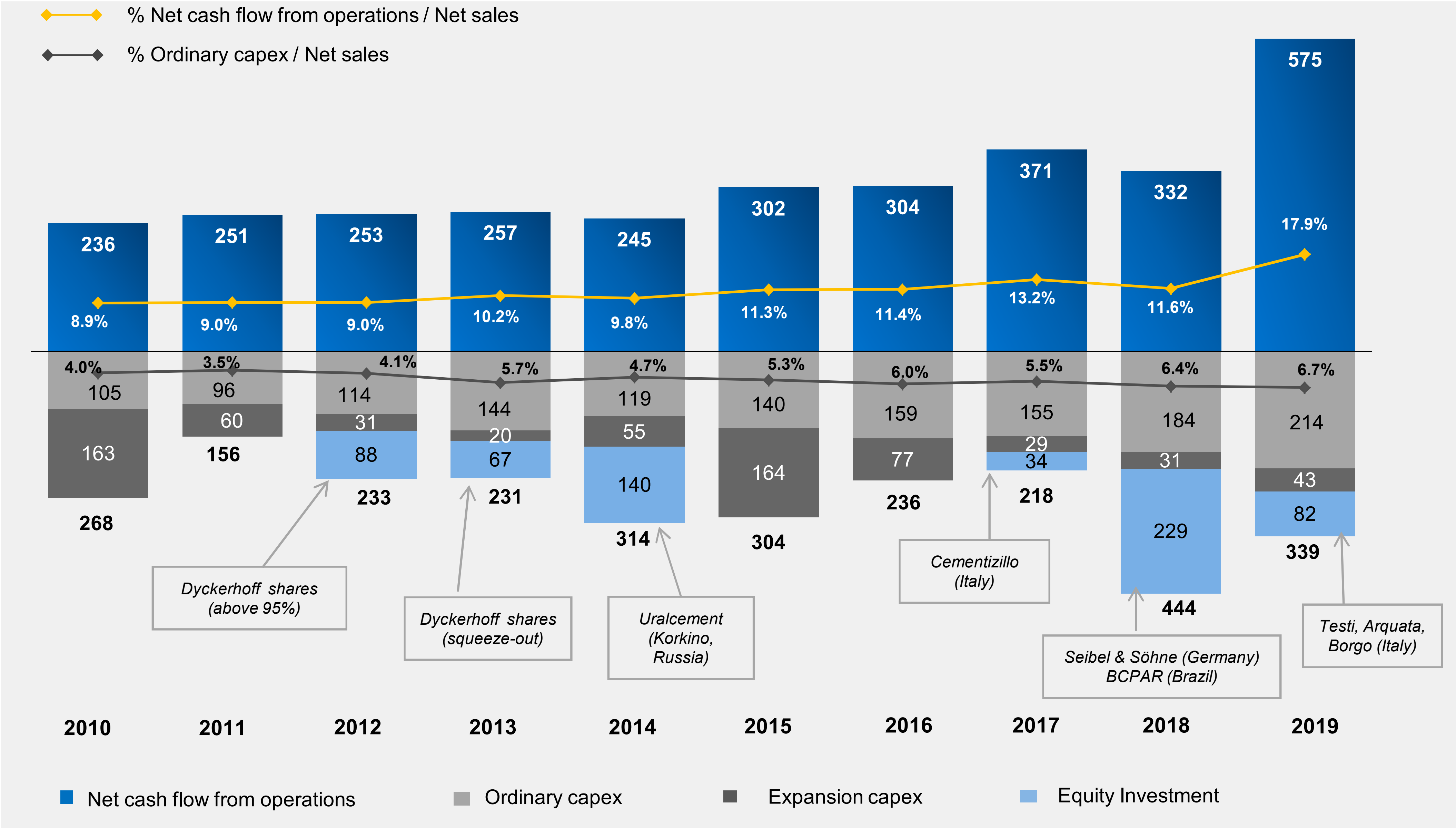
Net Cash Flow from Operations and Capex | *€m*



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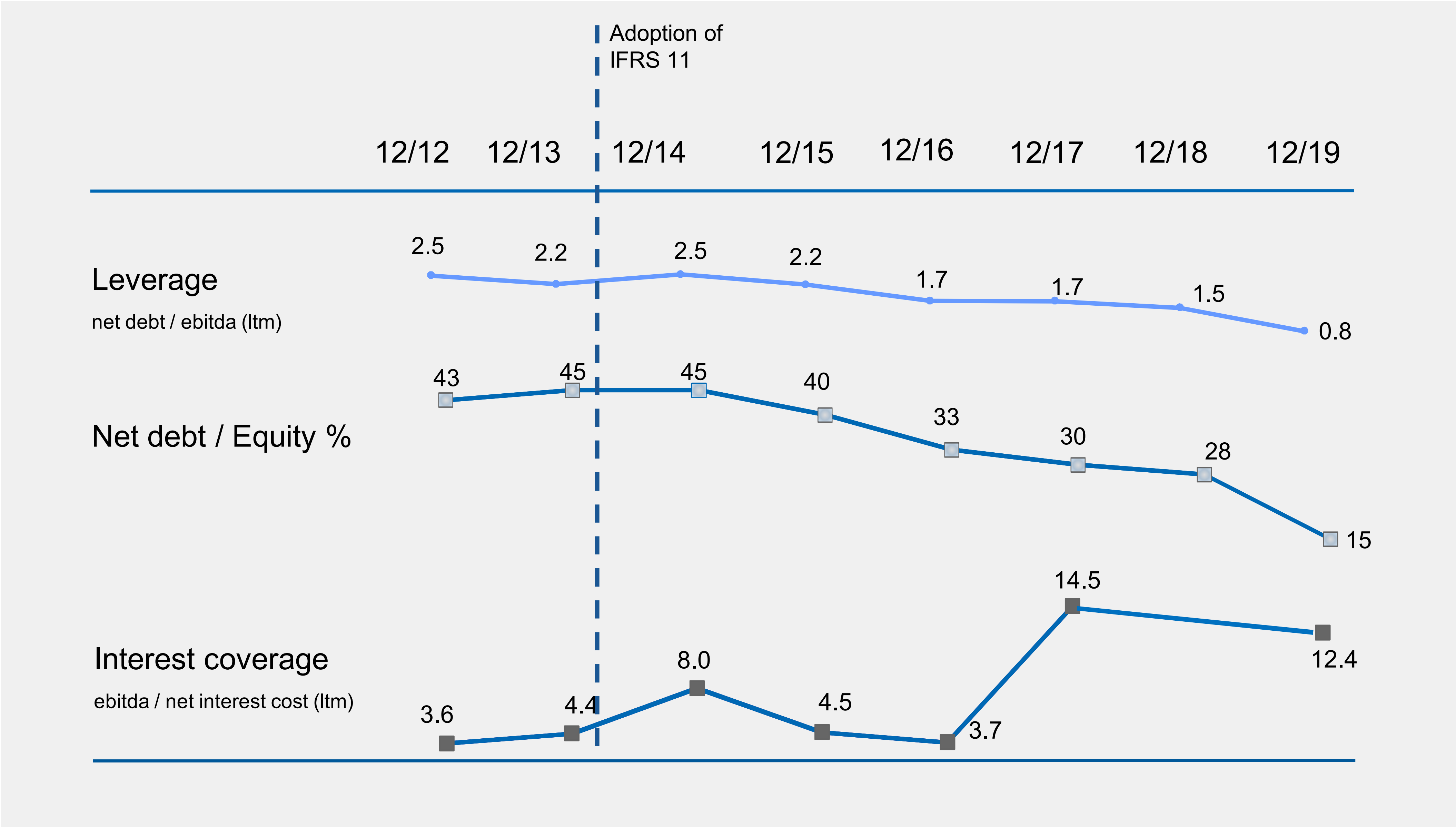
Financial condition



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Expansion projects: agreement with HeidelbergCement for the acquisition of one cement plant and two grinding units in Italy

Investment of ≈ €m 80

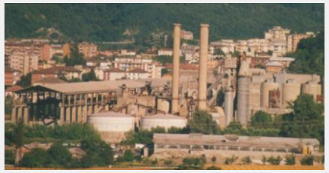
RATIONALE

1- Active role in the consolidation process of the industry

2- Overlapping with Buzzi Unicem plants operations

3- Improvement of the capacity utilization rate

4- Gradual restoration of profitability



Arquata Scrivia (AL)
Grinding plant

Borgo San Dalmazzo (CN)
Grinding plant

Greve in Chianti (FI)
Full-cycle cement plant

Total output ≈ 500,000 ton in 2018

Buzzi Unicem SpA – Income Statement

EURm	2019	2018	Δ abs	Δ %
Net Sales	**357.5**	**321.1**	**36.4**	**+11.3**
Operating cash flow (EBITDA)	55.6	24.6	31.0	
% of sales	*15.6*	*7.7*		
Operating Profit (EBIT)	**16.8**	**(16.2)**	**33.0**	
% of sales	*4.7*	*(5.0)*		
Net finance costs/revenues	72.1	112.8	(40.7)	
of which dividend income	194.0	163.1	30.9	+18.9
Profit before tax	**88.9**	**96.6**	**(7.7)**	
Income taxes	(1.7)	1.3	(3.0)	
Net profit	**87.2**	**97.9**	**(10.7)**	
Shareholders' equity	**1,647.9**	**1,474.6**	**173.3**	**+11.8**

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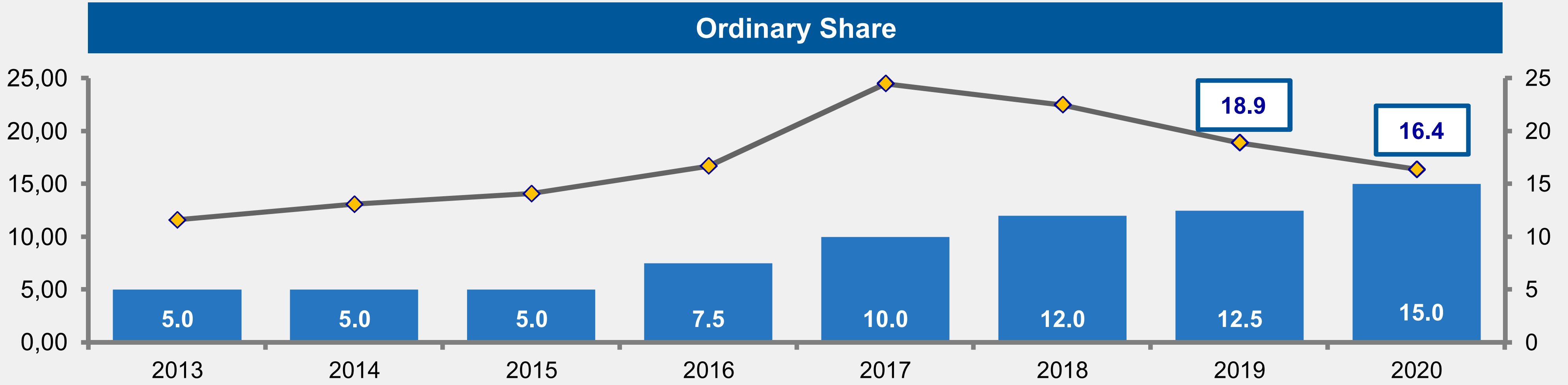
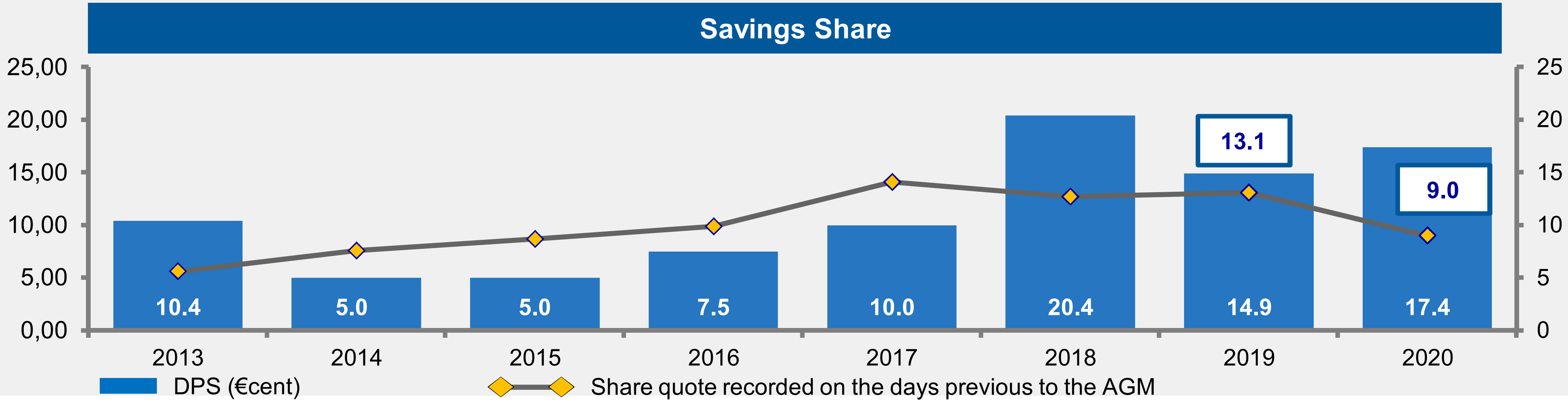
Dividend and share price

DPS	15.0 ¢ to ordinary shares and 17.4 ¢ to savings shares
CAGR (12/2013-5/2020)	Ordinary shares +5% / Saving shares +6%





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Sustainability Report 2019 (1/2)

Issued for the 19th year in a row, the 2019 Sustainability Report is in accordance with Core Indicators of the Global Reporting Initiative standards, and it complies with the requirements of DL 254/2016 (non-financial statement)

- Economic Performance: governance and long-term value creation and distribution during daily operations
- Environmental Performance: strong, determined and permanent commitment to reduce environmental impacts
- Social Performance: people and local communities under the focus of Buzzi Unicem to social impacts

Global Reporting Initiative

Sustainability Report 2019 (2/2)

Also in 2019, we confirm the three topics extremely material for us and our stakeholders, all covered by a corporate Policy:

- Safety
- Climate Change
- Stakeholder Engagement

For each of them we have established clear targets to be reached in the medium term

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The targets

Climate change

Although the relevant factors are many, not all foreseeable and under the control of Buzzi Unicem, by 2022 we believe to be able to achieve a 5% reduction in CO_2 emissions compared to 2017 levels, at the same production rate

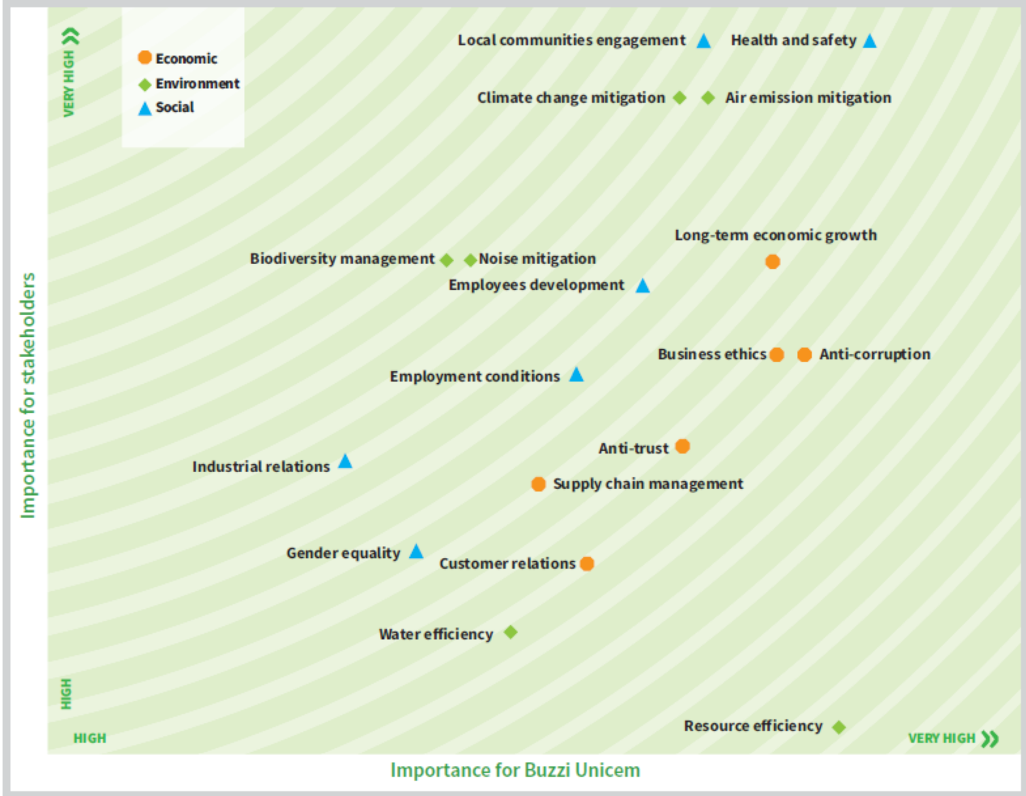
Stakeholder Engagement

Implementation of a strategic approach to stakeholder engagement and realization of recurring events (es. Family & Friends)

Safety

The target is the achievement of working conditions not entailing the occurrence of any accident and/or occupational diseases

Newness of 2019 edition



- Materiality Matrix updated (confirming group strategies and Policies)

- Data collection entirely based on group non-financial Tagetik database

- CO_2 emission calculated (no default values anymore)
- CO_2 gross and net emissions
- CO_2 new charts (delta per volumes and efficiency)

- Disclosure of data related to Cimento Nacional (BCPAR) in Brazil and Corporación Moctezuma in Mexico (not consolidated using the line-by-line method)

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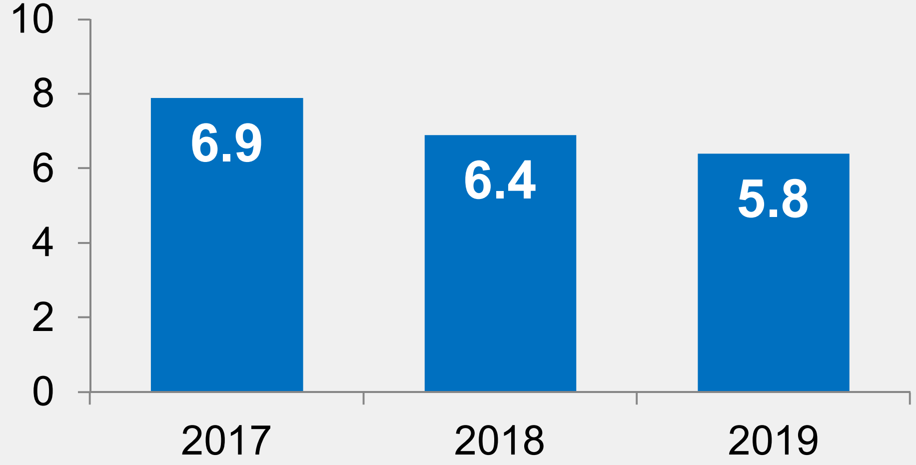
Sustainability Report 2019 – key indicators (1/3)

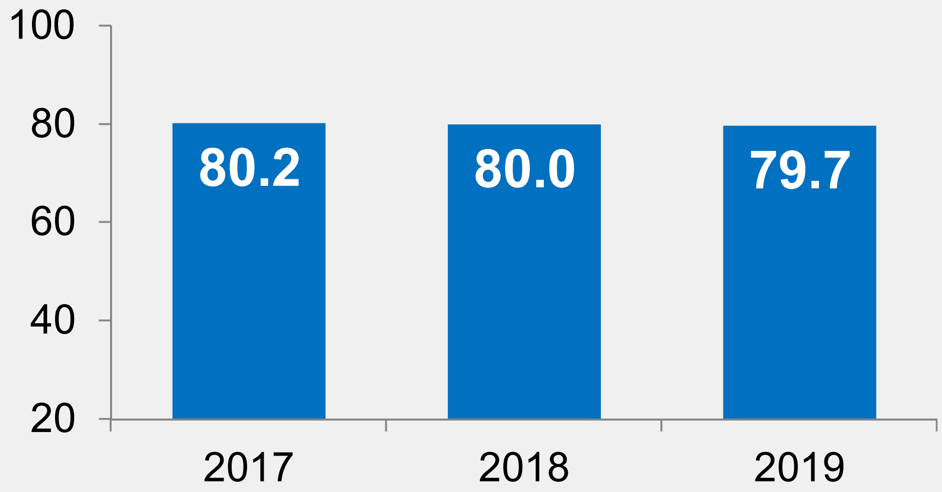
Lost Time Injury Frequency Rate* - n° x 1M / hours worked



* employees + contractors / cement, concrete and aggregates sector

Safety

Clinker/cement ratio - in %



Clinker/cement ratio

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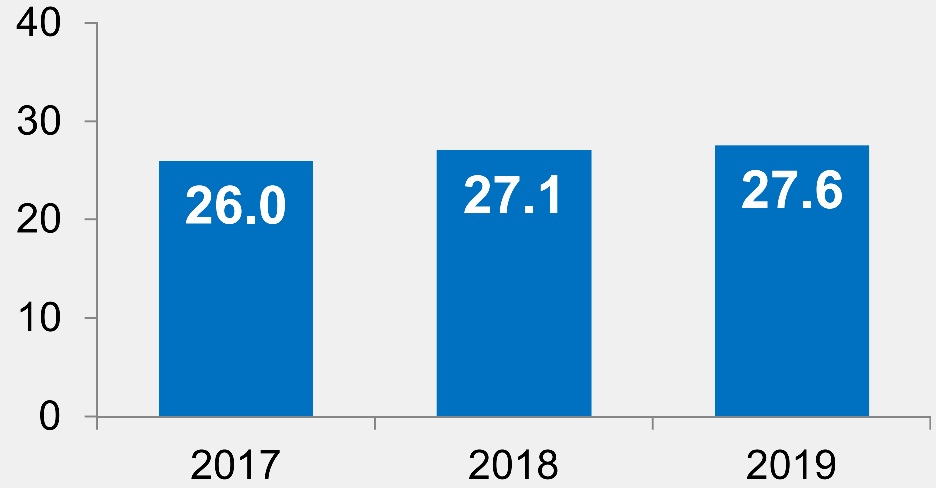
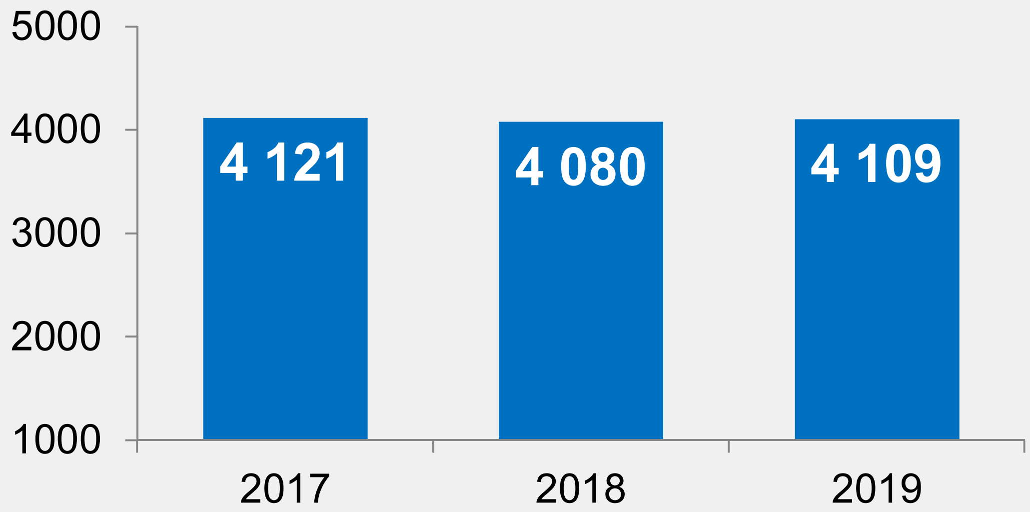
Sustainability Report 2019 – key indicators (2/3)

Thermal substitution - in %



Alternative Fuels

Kiln specific thermal consumption - MJ/t clinker



Energy Efficiency

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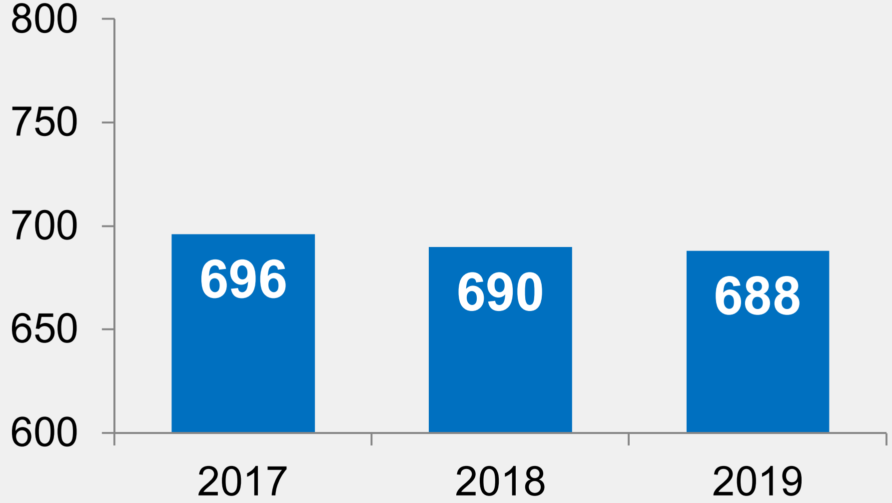
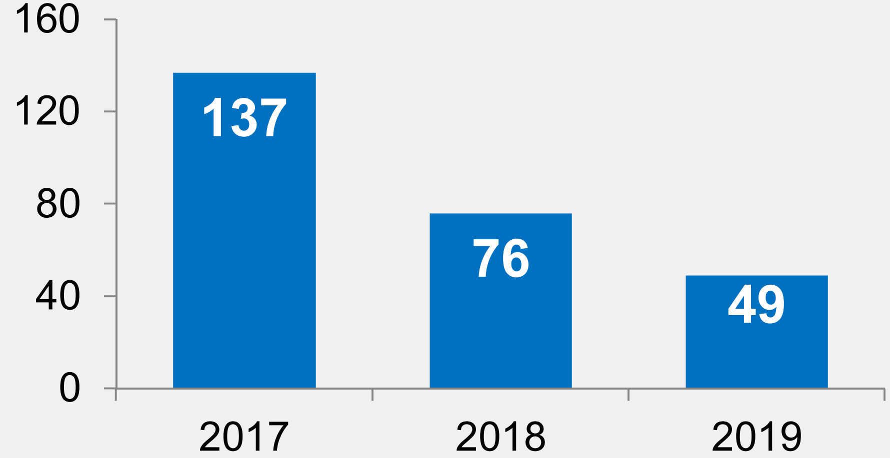
Sustainability Report 2019 – key indicators (3/3)

Direct CO_2 emissions (gross) - kg/t cementitious product



CO_2 emissions

Dust - g/t of clinker



Dust emissions

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