Half-Yearly Financial Report as at June 30, 2014

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Company Register of Alessandria no. 00930290044

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INTERIM MANAGEMENT REPORT

The word economy, after a deceleration at the beginning of the year, regained strength, especially in the United States, where expansion resumed, and in China, where the slowdown came to a halt. In the Eurozone growth was moderate and uneven among the countries, with inflation at rock bottom and below expectation, as a consequence of the weakness of the cyclical recovery and the large margins of unused production capacity. In Germany economic activity in the first quarter increased, thanks to a rise of consumption and investment, influenced also by the favorable weather conditions, but went back to low levels in the subsequent months. In Italy growth was still struggling to take off, also due to the prolonged slackness of the construction sector. In the United States, after the sharp contraction occurred in the first months of the year, caused by temporary factors, economic activity began to expand again during the second quarter, thanks to export recovery and fast growing employment. In Russia, capital outflows and confidence decline, following the worsening of the Ukraine crisis, led to a slowdown in investment and a marked deceleration of GDP growth. After an initial contraction of world trade, as a consequence of the decline in exports from the United States, signs appeared of a recovery of business although at a moderate pace. In the advanced countries inflation remained low and crude oil price, influenced by geopolitical tensions, reflected increases in the implicit trends of future contracts over the one-year horizon. Monetary policies in mature economies remained accommodative and for the first time the interest rate applied on the bank deposits with the ECB turned negative to enhance liquidity circulation and counter euro appreciation. In such a scenario, total cement and ready-mix concrete demand in the geographical areas of group’s operations, after a favorable start of the year, featured an overall stability compared with the same period a year earlier. In Italy domestic market recorded a further drop, offset however by higher sales volumes of clinker. Volumes in Central Europe, virtually stable in the second quarter, maintained a progressive robust growth thanks to the increases posted in the first three months of the year. Also Eastern Europe markets showed an overall steadiness in the second quarter, thus confirming a fairly good improvement at the end of June. In the United States of America, after a positive first quarter penalized however by harsh weather, demand resumed vigor and stronger trend.

Net sales posted in the first six months were up 2.7% to €1,180.7 million from €1,149.7 million in H1-13 while EBITDA increased to €138.5 million vs. €108.5 million (+27.7%). The trend of prices in local currency was overall favorable, apart from a slight decline in Germany and a more marked one in Italy. Volumes effect was positive in all geographical areas except for Italy where they were stable and Poland which closed the six months in decline due to a poor performance in the second quarter. Foreign exchange effect was material and negatively impacted net sales for €53.0 million and EBITDA for €11.4 million. At constant exchange rate, net sales would have increased by 7.3% and EBITDA by 37.6%. After depreciation and impairment charges for €124.4 million (€105.4 million in H1-13, EBIT came in at €14.1 million (+€11.0 million) and the first half of the year closed with a net loss of €20.8 million vs. a net loss of €34.9 million in same period a year earlier.

Operating and financial results
In the first six months of the year, group's cement volumes at 11.7 million tons were up 5.6% from the same period a year earlier. A progress was reported in all geographical areas, except for Poland and Italy. Ready-mix concrete output increased to 5.9 million cubic meters (+8.5% vs. 2013). In this sector sales grew in most markets apart from a slight decline in Luxembourg and a more marked one in the Netherlands.

Italy generated net sales of €193.6 million (-3.7%), quite in line with the decline of selling prices. In the United States of America demand was in progressive growth especially in the second quarter; considering a positive price effect and a negative forex, net sales stood at €368.9 million (+6.9%). In Central Europe net sales, although in slight decrease in the second quarter, especially in the Netherlands, closed the first half at €371.1 million (+8.1%), thus maintaining the growth progress realized in the first quarter. Total net sales in Eastern Europe came in at €249.3 million vs. €263.3 million in 2013 (-5.3%), due to the very negative foreign exchange effect in Russia and Ukraine.

Consolidated EBITDA increased by 27.7% to €138.5 million from €108.5 million in 2013. The 2014 figure was penalized by non-recurring costs for €7.0 million vs. €5.2 million in H1-13. Net of these amounts, EBITDA would have increased by €31.8 million (+28.0%). Foreign exchange fluctuations had a negative impact, due to the weakness of the US dollar, the Russian ruble and the Ukrainian hryvnia. Like-for-like, half-yearly EBITDA would have increased by 37.6%. In the first six months EBITDA to sales margin improved by over two percentage points, thanks to the contribution of the United States and Eastern Europe. In Central Europe margins remained similar while in Italy operating loss shrank. Production costs benefited from an overall favorable trend in fuels and electric power. Apart from Italy, production capacity utilization was higher than in H1-13 and consequently lower was the incidence of unit production costs.

After depreciation and impairment charges for €124.4 million (€105.4 million in H1-13) of which €30.9 million referring to goodwill of the CGU Ukraine, EBIT came in at €14.1 million (€3.1 million at June 2013). Profit before tax was negative for €11.1 million vs. a negative of €26.0 million in H1-13, after net finance costs of €47.0 million (€47.6 million in 2013) and a contribution of €21.8 million from the associates accounted for under the equity method (€18.5 million in 2013). Income statement for the period closed with a net loss of €20.8 million vs. a net loss of €34.9 million in H1-13. The profit attributable to owners of the company remained in negative territory and amounted to a loss of €22.6 million vs. a loss of €37.3 million in 2013.

Cash flow was equal to €103.6 million vs. €70.5 million at June 2013. Net debt as at 30 June 2014 amounted to €1,127.5 million, up €30.3 million vs. €1,097.2 million at 31 December 2013. In the first six months, the group paid out dividends for €12.1 million, €10.3 million of which by the parent company, and undertook capital expenditures for a total of €82.3 million. Investments in property, plant and equipment relating to capacity increase or special projects equaled €15.1 million, of which €5.0 million for the new production line in Maryneal, TX, €1 million for the new terminal in Wichita, KS, and €7.8 million to comply with the new environmental regulations (NESHPAP) in the United States. 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)

	30.06.2014	*31.12.2013 restated*
Cash and short-term financial assets:		
- Cash and cash equivalents	447.6	527.9
- Short-term monetary investments	0.1	0.1
- Other current financial receivables	9.3	8.9
Short-term financial liabilities:		
- Current portion of long-term debt	(170.1)	(196.3)
- Short-term debt	(0.4)	–
- Other current financial liabilities	(38.8)	(18.6)
- Derivative financial instruments	(0.4)	(0.7)
Net short-term cash	**247.3**	**321.4**
Long-term financial assets:		
- Other non-current financial receivables	11.9	17.6
Long-term financial liabilities:		
- Long-term debt	(1.312.8)	(1.356.0)
- Derivative financial instruments	(70.9)	(77.1)
- Other non current financial liabilities	(3.1)	(3.1)
Net debt	**(1,127.5)**	**(1,097.2)**

Shareholders' equity as at June 30, 2014, including non-controlling interests, amounted to €2,213.4 million vs. €2,298.7 million as at December 31, 2013. The debt/equity ratio was consequently 0.51 (0.48 at the end of 2013).

Italy

The main support to economic activity continued to come from foreign trade, although some signs of progress in domestic demand emerged and the business confidence improved. GDP slightly decreased in the first quarter (-0.1%), affected by the persistent weakness of the construction sector and by the contraction of investment, and remained almost stable in the second one. Projections indicate for the current year an uncertain growth of +0.2%, not free from downside risks. In such a context, in 2014 the construction sector is going to post the seventh consecutive year of crisis. The scenario framed by the national association of building companies for the current year predicts an investment decline of 2.5% in real terms. The drop of production level affected all segments, except for housing refurbishing which was the only one showing a growth and by now represents by itself more than a third of the market. Since 2008 the fall of investment would thus reach 58% in new homes, 48% in public works and 36% in non-residential building. The contraction of available income and savings inclination of households together with the great difficulty in accessing credit continued to affect the investment decisions and consequently residential real estate prospects remained uncertain, with home prices dropping. The public segment featured cuts in capital expenditures and fewer than required resources for infrastructure projects. This year is thus going to be an additional year of falling cement consumption which the sector's national association (Aitec) estimates at about 20 million tons (-8% approx.), i.e. more than 50% lower than the 46.9 million tons recorded in 2006, after eight consecutive years of crisis. The closely linked ready-mix concrete output, where no signs of turnabout of the recession phase appeared, should fall by 9%, putting a strain on the whole sector's growth.

In the first six months, cement and clinker volumes, exports included, were virtually unchanged from H1-13 (-0.1%). The decline in domestic consumption was offset by higher sales volumes of clinker. Selling prices, although not dissimilar from the values of 2013 year-end, posted an overall average decrease of 6.9%, largely due to a different sales mix. In the ready-mix concrete sector output increased by 9.3% with prices rather weak and in decline by 7.8%. In line with such volume and price trend, Italian operations' net sales came in at €193.6 million, down 3.7% from €201.1 million in H1-13. Since the beginning of the year energy factors have shown a favorable trend, both fuel and especially electric power, thanks to the discount on system charges for energy-intensive firms applied as from the second half of 2013. In the ready-mix concrete sector, actions to recover profitability through efficiency improvement continued and, despite the ongoing difficulty to collect debt from customers, losses on trade receivables, which were huge in the previous year, stood at a level that can be deemed as consistent with the sector's crisis situation. EBITDA, slightly positive in the second quarter, at the end of June posted a loss lower than in H1-2013, coming in at -€9.7 million vs. -€17.8 million. To be reminded however that staff costs include non-recurring restructuring expenses for €2.4 million (€1.1 million at June 2013) and that in the period the company realized other operating revenues for €4.2 million from the swap of CO_2 emission rights (nil in 2013). Net of non-recurring items EBITDA was up €9.4 million.

(millions of euro)

		1st half 2014	*1st half 2013*
Net sales		193.6	201.1
EBITDA reported		-9.7	-17.8
EBITDA recurring		-7.4	-16.8
% of net sales		*-3.8*	*-8.3*
Capital expenditures		8.2	10.9
Headcount end of period	(no)	1,636	1,707

Germany
The beginning of the year was especially favorable for the German economy, which starting from the second quarter 2013 had taken advantage of the new rise in exports and investment spending. The acceleration in the first quarter of the current year was partly due to the growth of the construction sector which benefited from the very mild climate. Expansion was sustained by domestic demand, fueled by consumer spending thanks to robust rise of employment income, moderate interest rates and low inflation, while export remained lively. In the second quarter economic activity was virtually stable, although export level showed disappointing signs and industrial output marked time. Employment level and available income continued to sustain domestic demand and forecasts of GDP growth for the full year remain favorable and are confirmed close to 2%.
Estimates of investments in the construction sector for 2014 indicate an overall increase of 4.0% with good growth in the public (+5.5%) and residential (+4.0%) segments and recovery in the commercial one (+3.2%). The country's consumption of cement should post a consistent improvement (+4.2%) over the previous year.

In the first six months, cement volumes sold increased by 11.6% from H1-13, with almost stable prices (-0.6%). After the buoyant start of the year, favored by good weather conditions, our sales deliveries subsequently showed a quite steady pace. The ready-mix concrete sector recorded a consistent output (+11.1%), with prices up 2.0%. Overall net sales increased to €296.4 million from €266.2 million in 2013 (+11.4%) and EBITDA improved to €23.5 million from €20.1 million in the previous year (+16.7%). It should be noted however that non-recurring costs were booked relating for €1.2 million to restructuring expenses (vs. €1.8 million in 2013) and for €3.4 million to impairment of financial receivables. Net of non-recurring items EBITDA increased by €6.2 million (+28.2%). Among operating costs, fuel slightly decreased (-1.1%) and electric power trend was favorable (-6.0%).

(millions of euro)

		1st half 2014	*1st half 2013*
Net sales		296.4	266.2
EBITDA reported		23.5	20.1
EBITDA recurring		28,1	21.9
% of net sales		*9,5*	*8.2*
Capital expenditures		18.6	17.2
Headcount end of period	(no)	1,793	1,828

Luxembourg
The country's economic growth, after having achieved one of the best recoveries in Europe in 2013, is expected to continue also in the current year. Among the many segments involved in the upturn, the financial sector, the construction and manufacturing industry are to be especially mentioned. Rising employment, low inflation, growth of domestic spending and good pace of exports supported demand, while investment contribution remained modest. Estimate of GDP growth for the full year is set at +2.1%, Construction

investments in the first half recovered and the same did cement consumption; such scenario is expected to continue also in the second part of the year.

Mild weather enhanced deliveries at the beginning of the year. Subsequently shipments confirmed a pace more consistent with the previous year. In the six months, cement and clinker sales, including internal sales and exports, increased by 6.8%, with average unit revenues in line with H1-13 (+0.8%). Ready-mix concrete output was down 3.1% in a weak price environment. Net sales came in at €55.4 million, up 7.4% from €51.6 million in H1-13. Ebitda increased to €7.8 million vs. €6.6 million in 2013. The trend of energy factors was favorable for both electric power (-3.0%) and fuels (-1.3%).

(millions of euro)

		1st half 2014	*1st half 2013*
Net sales		55.4	51.6
EBITDA		7.8	6.6
% of net sales		*14.0*	*12.8*
Capital expenditures		1.9	3.0
Headcount end of period	(no)	185	186

The Netherlands

After a two-year recession, the country's economy, which during 2013 had already shown some initial signs of positive discontinuity, is estimated to grow again (+0.4%) in the current year, although at a moderate pace. Recovery remains however hindered by the prolonged weakness in domestic demand and by the modest level of income increase. Export and investment resilience, some stability in employment rates and the gradual revival of the construction sector, after a protracted period of decline, should sustain economy, which remains however fragile with downside risks and possible delays in the recovery. Investments in the construction industry are expected to be rather flat and in slight decline (-0.3%).

Volumes sold totaled 0.29 million cubic meters of ready-mix concrete vs. 0.34 million cubic meters in the previous year, with prices declining by 2.6%. Net sales amounted to €28.8 million (€36.1 million in H1-13). EBITDA, slightly positive in the second quarter, benefited from the remarkable efforts made by the management to bring the company back to balance and closed the six months at -€0.6 million vs. -€4.0 in 2013. To be reminded however that the 2013 figure included among staff costs non-recurring restructuring expenses of €0.7 million.

(millions of euro)

		1st half 2014	*1st half 2013*
Net sales		28.8	36.1
EBITDA reported		-0.6	-4.0
EBITDA recurring		-0.6	-3.3
% of net sales		*-2.0*	*-9.2*
Capital expenditures		0.9	1.3
Headcount end of period	(no)	183	269

The Czech Republic and Slovakia

Signs of discontinuity in the prolonged stagnation had already emerged during 2013, especially in the last part of the year. Export recovery sustained growth and domestic demand, whose weakness had been one of the main causes of the recovery failure, recorded a good trend. The improvement of labor market prospects and the moderate inflation, together with investment recovery, should favor consumption. For the current year, GDP is estimated to grow by +1.9%. After three consecutive years of decline, in 2014 investments in the construction industry are expected to resume a positive cycle (+0.8%) and cement consumption should show a consistent trend.

Cement volumes, after the very buoyant start of the year, maintained a good pace of growth also in the second quarter, thus posting in the first half an increase of 24.9% from the same period a year earlier, with average selling prices in local currency slightly down (-2.0%). The ready-mix concrete sector, which includes also Slovakia operations, showed a very consistent and equally positive trend, with volumes up 22.4% and slightly lower prices (-2.2%). Overall net sales, which were penalized by the weaker koruna, amounted to €61.4 million, up 14.2% from €53.8 million in the previous year and EBITDA increased by €5.4 million, from €3.7 million to €9.1 million. The Czech koruna devaluation negatively impacted the translation of the results into euro; net of foreign exchange effect, net sales variance would have been of +20.9% while EBITDA would have increased by €6.0 million. Among operating costs, in local currency, the price trend was favorable for both fuels (-13.8%) and electric power (-16.4%).

(millions of euro)

		1st half 2014	*1st half 2013*
Net sales		61.4	53.8
EBITDA		9.1	3.7
% of net sales		*14.8*	*6.9*
Capital expenditures		3.1	1.4
Headcount end of period	(no)	811	810

Poland

The good recovery shown since the second half 2013, sustained by growing domestic demand, continued also in the current year. Higher available income, decreasing unemployment rate and low inflation favored domestic demand while the good trend of exports enhanced private investment. Within the EU economic and social cohesion policy, the country should receive sizeable European funds for the years 2014-2020. The aim is to promote and speed up a balanced and sustainable development, since economic disparity still exists in the inner regions and between urban and rural areas, with indicators of per capita GDP much lower than the European average. Since the entry into the European Union, the country's economy has known a phase of robust growth and the EU structural funds made it possible to build and modernize infrastructures which, together with the increase of exports, industrial output and internal demand, brought Poland to report a remarkable GDP growth, with positive indexes even in the years of most severe global crisis, the only country in the EU. The full year 2014 economic growth is estimated of about +2.3%. Investments in the construction sector are recovering and a 1.0% increase is expected for the current year, which should more than positively reflect on cement consumption.

After a brilliant and positive start of the year, in April a new price list was submitted which faced difficulty in being applied and was therefore reformulated in June. Our production unit's cement deliveries were penalized by the second quarter results and at the end of the six months posted a 12.3% decline from H1-13. The re-establishing of terms more favorably accepted by customers, allows us to expect in the second part of the year results more in line with those reported in 2013. Conversely, ready-mix concrete output was much on the rise (+20.3%). The average level of selling prices in local currency improved for cement (+3.6%) and was rather weak for ready-mix concrete (-4.3%). Such market dynamics brought to net sales in euro of €43.6 million, down 4.1% from €45.5 million in 2013. EBITDA decreased by 7.3% to €8.4 million vs. €9.1 million in H1-13. Thanks to zloty stability, foreign exchange effect was virtually nil. Among operating costs, fuels price decreased by 14.0% and the trend of electric power cost was favorable (-12.9%).

(millions of euro)

		1st half 2014	*1st half 2013*
Net sales		43.6	45.5
EBITDA		8.4	9.1
% of net sales		*19.3*	*20.0*
Capital expenditures		5.4	2.2
Headcount end of period	(no)	373	381

Ukraine

The country's serious geopolitical situation has not normalized yet and economic prospects remarkably worsened, with growing spending for security and strong capital flight abroad. The latest estimates on GDP's contraction in the current year have been revised downward, and indicate a fall higher than 6.5%. The Central Bank raised the discount rate to 12.5%, the highest level since 2001 and in the first six months of 2014 hryvnia was the world's worst-performing currency.

Up to the end of June, the worrisome dramatic context fortunately did not significantly impact our industrial operations. Cement volumes sold rose by 6.6% and average prices were higher than in 2013 (+1.5% in local currency). The ready-mix concrete sector confirmed an even more positive trend with volumes up 28.9% and average prices in local currency slightly lower (-1.9%). Net sales at €43.3 million, were down 17.7% from €52.6 million in H1-13 while EBITDA increased from €1.3 million to €5.4 million. To be reminded, however, that the previous year's figure included non-recurring costs for €1.7 million relating to a litigation with the public administration about VAT on gas supplies. Net of non-recurring items, EBITDA however posted a progress of €2.4 million from the same period a year earlier. The local currency sharp depreciation heavily penalized the translation of the results into euro: at constant exchange rate, net sales variance would have been positive (+11.2%) and recurring EBITDA would have increased by €4.3 million. As for the main operating costs in local currency, the trend was favorable for fuels (-8.2%) while electric power price increased (+6.3%).

(millions of euro)

		1st half 2014	*1st half 2013*
Net sales		43.3	52.6
EBITDA reported		5.4	1.3
EBITDA recurring		5.4	3.0
% of net sales		*12.4*	*5.7*
Capital expenditures		4.6	3.7
Headcount end of period	(no)	1,459	1,526

Russia

The pace of GDP growth, although positive, has been progressively declining for some years. The intensive exploitation of natural resources and existing production capacity brought about a remarkable improvement of people's living standard, with increases in real wages and consumption, but the lack of investment and the poor competitiveness downsized the rates of growth compared with the very sustained ones posted in the recent past.

Despite the efforts made to remove the bureaucratic, legislative and tariff obstacles that fuel the structural lack of both public and private investments, these are estimated to be declining due to the uncertain scenario following the geopolitical tensions for the Ukrainian situation. Short-term outlook is thus of rather weak domestic demand, inflation enhanced by ruble devaluation and modest GDP growth (+0.6%). The Russian economy, highly dependent on fuel price trend, suffers from low production diversification and in spite of its strong fundamentals, remains quite exposed to changes in the international economic and monetary scenario and could be further affected by the climate of tension and contrast with the West. Investments in construction are forecast to slightly decline (-0.5%) while cement consumption should further rise (+6% approx).

In the first six months, volumes sold increased by 5.7% from H1-13, thanks not only to the good market trend but also to the new contribution of the mixing and shipping terminal in Omsk. Selling prices in local currency strengthened (+2.0%). Net sales were down 9.3% from €113.2 million to €102.6 million while EBITDA stood at €35.4 million from €36.0 million in the previous period (-1.7%). The sizeable ruble devaluation (-17.8%) negatively impacted the results translation into euro. Net of foreign exchange effect, net sales and EBITDA would have increased by 6.8% and 14.7% respectively. Among the main operating costs in local currency, energy price trend was unfavorable for both fuels (+15.5%) and electric power (+10.9%).

(millions of euro)

		1st half 2014	1st half 2013
Net sales		102.6	113.2
EBITDA		35.4	36.0
% of net sales		*34.5*	*31.8*
Capital expenditures		7.0	8.2
Headcount end of period	(no)	1,000	1,020

United States of America

In the months from January to March, GDP posted the first contraction since 2010 (-2.9%). The deceleration was due to temporary factors, mainly attributable to destocking and exports, influenced by very adverse weather. Business activity resumed expansion in the second quarter, driven by export resilience. Employment grew at a strong pace and in June unemployment rate dropped to 6.1%, the lowest level since September 2008. Consumer price index increased to 2.1% in May. The Federal Reserve continued tapering (reduction of quantitative easing) but the monetary policy stance remains accommodative. Product expansion is expected in slight decline and estimated at nearly 1.7% for the full year. For the current year investments in construction are expected to increase significantly (+8.3%), especially in the residential (+15.2%) and commercial (+8.7%) segments while expenditure for infrastructure, after some years of progressive contraction, is estimated to recover (+1%). Cement consumption should post a favorable change consistent with such development.

Our hydraulic binders sales, after a start of the year penalized by harsh weather, showed a good pace; demand trend continued to be robust in the South-West of the country but also the Midwestern regions reported a favorable change. Sales volumes closed the first half of the year on the rise by 6.0% while ready-mix concrete output, mainly located in Texas, consolidated the previous year's positive results (+0.7%). Cement selling prices in local currency rose by 6.2% and ready-mix concrete ones showed an even more lively trend (+11.5%). Overall net sales came in at $505.6 million, up 11.5% from $453.2 million in H1-13 and EBITDA increased to $81.3 million (+15.6% from $70.3 million in 2013). Foreign exchange effect was unfavorable; consequently, translated into euro, overall net sales increased by 6.9% from €345.1 million to €368.9 million and EBITDA at €59.3 million was up 10.8% from €53.5 million in 2013. As for energy factors cost, the trend of fuels, and indirectly logistics too, was unfavorable while electric power was flat.

(millions of euro)

		1st half 2014	1st half 2013
Net sales		368.9	345.1
EBITDA		*59.3*	*53.5*
% of net sales		*16.1*	*15.5*
Capital expenditures		33.5	29.2
Headcount end of period	(no)	2,315	2,265

Mexico (valued by the equity method)
The country is gradually returning to a level of economic dynamism more consistent with the underlying potential. The expected GDP growth for the current year is estimated at 2.4%, in improvement from +1.2% realized in 2013. Cement sales trend remained promising also in the second quarter, after the favorable start of the year. Average prices for the period in local currency were still declining vs. H1-13 but they kept improving from the year 2013 exit level. Ready-mix concrete sales continued to be weak, largely due to a new strategic positioning and the reduction in the number of active ready-mix concrete plants. Net sales and EBITDA in local currency increased by 10.8% and 19.0% respectively. The Mexican peso depreciation negatively impacted the translations of the results into euro. With reference to 100% of the associate, net sales stood at €243.5 million (+1.7%) and EBITDA improved by 9.2% to €91.9 million from €84.2 million in 2013. As for the main operating costs, in local currency the trend was unfavorable for both fuels (+5.5%) and electric power (+5.6%).
The equity earnings referring to Mexico, included in the line item that encompasses the investments valued by the equity method, amount to €18.7 million (€16.7 million in 2013).

Algeria (valued by the equity method)
The country continues to suffer from insufficient local output to meet market demand. Various private and public initiatives have been announced aiming at the construction of new cement production lines which would increase by more than 10 million tons the domestic capacity by 2020. In the first half of 2014 imports increased from the previous year, to make up for the shortage; at the end of the year purchases from foreign countries will likely reach about 5 million tons.

In the first six months, Buzzi Unicem's two associated companies achieved better clinker and cement volumes than in H1-2013. Hadjar Soud increased clinker production by 15% and cement output by 12% while at Sour el Ghozlane clinker production went up by 48% and cement one by 41% (in 2013 the plant had undergone extraordinary maintenance works). Economic results thus improved, thanks also to an upward adjustment of cement price (administered). The six months' preliminary results, with reference to the 100% of the associates, report net sales of €56.6 million (+44%) and EBITDA of €30.9 million (+85%). The equity earnings referring to Algeria, included in the line item that encompasses the investments valued by the equity method, amount to €4.5 million (€1.4 million in 2013)

Risk management and description of main risks
The following companies, parent company 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 financial statements 2013, a decrease is recorded in the amount of total risks.
At geographical area level, risks are increasing in Italy, Eastern Europe and United States of America, while a decrease is recorded in Central Europe.
Concerning the individual categories, currency risks are decreasing for the elimination of the risk on intercompany positions (IFRS 7 guidelines). In Germany supply risks are also down, following the development of the laws on rebates in electric power tariffs for some industries and the related European Commission's investigation on compensatory refunds. In Germany, moreover, the risk no more exists of short-term huge capital expenditures to curb emission following stricter law and the risk of losing qualified personnel is strongly decreasing. The risk of increases in the price of fuel purchases has decreased in Russia.

As for sales, in Poland the risk of fall in selling prices is increasing. In Ukraine the risk of lower volumes and prices of both cement and ready-mix concrete is rising for the market stagnation and the shutdown of operations in Crimea. Risks have increased that financial investments or receivables from subsidiaries and associates and from external customers be no more collectible. The risk of loss of capital invested in banks has decreased.

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

Transactions with related parties
Information on transactions with related parties is available in note 44 of these half-yearly condensed consolidated financial statements as at June 30, 2014.

Outlook
The first half of 2014 featured results above expectations, influenced both positively (Central Eastern Europe) and negatively (United States) by unusual seasonal conditions. The major operating variables (demand, prices, costs) have been and will continue to be rather different in the various geographical areas of presence, and precisely:
- an ongoing recession phase in Italy,
- a good recovery in the United States,
- overall stability in Central Europe,
- quite favorable prospects in Eastern Europe's EU countries (the Czech Republic, Poland) and more uncertainty in Ukraine and Russia, where the macroeconomic imbalances add to the local and international political tensions

Based on the above considerations, we believe that, for the group as a whole, the next six months will post an operating profitability similar to the previous year's one, penalized by the unfavorable foreign exchange effect linked to the devaluation of the Russian and Ukrainian currencies. Consequently, for the full financial year 2014, we expect to report a recurring EBITDA growth above the previous year and slightly over €400 million.

* * *

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 1, 2014

for the Board of Directors

Enrico BUZZI

(Chairman)

CONSOLIDATED BALANCE SHEET

	Note	Jun 30, 2014	Dec 31, 2013 restated*	Jan 1, 2013 restated*
		(thousands of euro)		
ASSETS				
Non-current assets				
Goodwill	8	502,080	532,752	584,199
Other intangible assets	8	10,808	11,527	9,362
Property, plant and equipment	9	2,738,273	2,796,537	3,016,639
Investment property	10	23,574	25,207	16,441
Investments in associates	11	332,651	330,229	373,314
Available-for-sale financial assets	12	2,501	2,557	3,513
Deferred income tax assets		56,812	44,529	66,037
Other non-current assets	14	41,412	54,737	55,089
		3,708,111	**3,798,075**	**4,124,594**
Current assets				
Inventories	15	369,670	386,177	413,870
Trade receivables	16	422,809	368,933	388,517
Other receivables	17	92,862	91,528	100,938
Available-for-sale financial assets	12	730	730	86,989
Derivative financial instruments	13	-	-	2,307
Cash and cash equivalents	18	447,628	527,931	526,171
		1,333,699	**1,375,299**	**1,518,792**
Assets held for sale	19	18,618	2,113	11,546
Total Assets		**5,060,428**	**5,175,487**	**5,654,932**

* restated data following adoption of IFRS 11 Joint arrangements

			(thousands of euro)	
	Note		Dec 31, 2013	Jan 1, 2013
EQUITY		Jun 30, 2014	restated*	restated*
Equity attributable to owners of the company				
Share capital	20	123,637	123,637	123,637
Share premium		458,696	458,696	458,696
Other reserves	21	9,844	41,219	156,324
Retained earnings		1,589,285	1,642,079	1,694,273
Treasury shares		(4,768)	(4,768)	(4,768)
		2,176,694	**2,260,863**	**2,428,162**
Non-controlling interests	22	36,727	37,875	91,897
Total Equity		**2,213,421**	**2,298,738**	**2,520,059**
LIABILITIES				
Non-current liabilities				
Long-term debt	23	1,312,801	1,356,016	1,384,679
Derivative financial instruments	13	70,861	77,118	22,310
Employee benefits	24	409,252	381,784	435,843
Provisions for liabilities and charges	25	91,646	88,179	125,476
Deferred income tax liabilities		350,493	355,843	366,749
Other non-current liabilities	26	15,289	13,914	16,651
		2,250,342	**2,272,854**	**2,351,708**
Current liabilities				
Current portion of long-term debt	23	170,068	196,324	287,872
Short-term debt	23	426	-	70,685
Derivative financial instruments	13	400	677	4,994
Trade payables	27	214,268	217,893	229,271
Income tax payables		9,904	8,039	11,223
Provisions for liabilities and charges	25	42,560	45,529	40,251
Other payables	28	157,452	135,433	138,869
		595,078	**603,895**	**783,165**
Liabilities held for sale		1,587	-	-
Total Liabilities		**2,847,007**	**2,876,749**	**3,134,873**
Total Equity and Liabilities		**5,060,428**	**5,175,487**	**5,654,932**

* restated data following adoption of IFRS 11 Joint arrangements

CONSOLIDATED INCOME STATEMENT

	Note	Jan-Jun 2014	Jan-Jun 2013 restated*
		(thousands of euro)	
Net sales	29	**1,180,721**	**1,149,713**
Changes in inventories of finished goods and work in progress		(9,474)	(17,082)
Other operating income	30	29,098	32,027
Raw materials, supplies and consumables	31	(504,639)	(503,294)
Services	32	(305,887)	(287,177)
Staff costs	33	(212,343)	(218,853)
Other operating expenses	34	(38,990)	(46,849)
Operating cash flow (EBITDA)		**138,486**	**108,485**
Depreciation, amortization and impairment charges	35	(124,379)	(105,427)
Operating profit (EBIT)		**14,107**	**3,058**
Gains on disposal of investments		27	11
Finance revenues	36	19,404	20,704
Finance costs	36	(66,431)	(68,292)
Equity in earnings of associates	37	21,793	18,519
Profit (loss) before tax		**(11,100)**	**(26,000)**
Income tax expense	38	(9,714)	(8,904)
Profit (loss) for the period		**(20,814)**	**(34,904)**
Attributable to:			
Owners of the company		(22,629)	(37,336)
Non-controlling interests		1,815	2,432
Earnings per share	39	(euro)	
basic			
- ordinary		(0.141)	(0.230)
- savings		0.015	0.015

* restated data following adoption of IFRS 11 Joint arrangements

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(thousands of euro)

	Jan-Jun 2014	Jan-Jun 2013 restated*
Profit (loss) for the period	**(20,814)**	**(34,904)**
Items that will not be reclassified to profit or loss		
Actuarial gains (losses) on post-employment benefits	(28,167)	26,263
Income tax relating to items that will not be reclassified	8,794	(9,730)
Total items that will not be reclassified to profit or loss	**(19,373)**	**16,533**
Items that may be reclassified subsequently to profit or loss		
Currency translation differences	(32,864)	(14,321)
Income tax relating to items that may be reclassified	1,562	(17)
Total items that may be reclassified subsequently to profit or loss	**(31,302)**	**(14,338)**
Other comprehensive income for the period, net of tax	**(50,675)**	**2,195**
Total comprehensive income for the period	**(71,489)**	**(32,709)**
Attributable to:		
Owners of the company	(72,515)	(33,672)
Non-controlling interests	1,026	963

* restated data following adoption of IFRS 11 Joint arrangements

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Jan-Jun 2014	Jan-Jun 2013 restated*
		(thousands of euro)	
Cash flows from operating activities			
Cash generated from operations	40	93,611	63,394
Interest paid		(21,828)	(28,053)
Income tax paid		(12,534)	(17,463)
Net cash generated from operating activities		**59,249**	**17,878**
Cash flows from investing activities			
Purchase of intangible assets	8	(1,610)	(1,247)
Purchase of property, plant and equipment	9	(79,987)	(75,051)
Acquisition of subsidiaries, net of cash acquired		-	(10)
Purchase of other equity investments	11	(172)	(48)
Proceeds from sale of property, plant and equipment		2,879	2,682
Proceeds from sale of equity investments		1,314	94
Capital grants received		-	502
Changes in available-for-sale financial assets	12	-	86,520
Changes in financial receivables		882	(12,966)
Dividends received from associates	11, 36	18,826	21,537
Interest received		4,726	8,787
Net cash generated (used) in investing activities		**(53,142)**	**30,800**
Cash flows from financing activities			
Proceeds from long-term debt	23	-	1,486
Repayments of long-term debt	23	(76,864)	(96,374)
Net change in short-term debt	23	426	3,211
Changes in financial payables		(5)	6,636
Changes in ownership interests without loss of control		(564)	(813)
Dividends paid to owners of the company	41	(10,277)	(12,473)
Dividends paid to non-controlling interests		(1,782)	(2,307)
Net cash used in financing activities		**(89,066)**	**(100,634)**
Increase (decrease) in cash and cash equivalents		**(82,959)**	**(51,956)**
Cash and cash equivalents at beginning of period		**527,931**	**526,418**
Translation differences		2,656	1,402
Cash and cash equivalents at end of period	18	**447,628**	**475,864**

* restated data following adoption of IFRS 11 Joint arrangements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(thousands of euro)

	Attributable to owners of the company							
	Share capital	*Share premium*	*Other reserves*	*Retained earnings*	*Treasury shares*	***Total***	*Non-controlling interests*	***Total Equity***
Balance as at January 1, 2013 restated*	**123,637**	**458,696**	**156,324**	**1,694,273**	**(4,768)**	**2,428,162**	**91,897**	**2,520,059**
Profit (loss) for the period	**-**	**-**	**-**	**(37,336)**	**-**	**(37,336)**	**2,432**	**(34,904)**
Other comprehensive income for the period, net of tax	-	-	(12,538)	16,202	-	**3,664**	(1,469)	**2,195**
Total comprehensive income for the period	**-**	**-**	**(12,538)**	**(21,134)**	**-**	**(33,672)**	**963**	**(32,709)**
Dividends paid	-	-	-	(12,473)	-	**(12,473)**	(2,307)	**(14,780)**
Acquisition of non-controlling interests	-	-	-	5,859	-	**5,859**	(7,618)	**(1,759)**
Other changes	-	-	2,021	(3,175)	-	**(1,154)**	(45)	**(1,199)**
Balance as at June 30, 2013 restated*	**123,637**	**458,696**	**145,807**	**1,663,350**	**(4,768)**	**2,386,722**	**82,890**	**2,469,612**

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**

* restated data following adoption of IFRS 11 Joint arrangements

NOTES TO THE HALF-YEARLY FINANCIAL REPORT

1. General Information

Buzzi Unicem SpA “the company “and its subsidiaries (together “the group” or “Buzzi Unicem”) manufactures, distributes and sells 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 1 August 2014.

2. Basis of preparation

The condensed consolidated financial statements for the six months ended 30 June 2014 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 2013.

Despite operating in a difficult economic and financial environment, where the level of demand for our product, in several regions, is still depressed, it is the group’s assessment that no material uncertainties exist about its ability to continue as a going concern.

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 2013, 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 2013, 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 2014.

- IAS 27 (revised) Separate financial statements. The revised standard contains only accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity presents separate financial statements. The adoption of this standard has had no impact on the consolidated interim financial statements.
- IAS 28 (revised) Investments in associates and joint ventures. The revised standard prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. Following the adoption jointly controlled entities, which were previously accounted for using the proportionate consolidation method, are now valued by the equity method.
- IFRS 10 Consolidated financial statements replaces parts of IAS 27 Consolidated and separate financial statements and SIC 12 Consolidation – special purpose entities. The standard builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The adoption of this standard has had no impact on the consolidated interim financial statements.
- IFRS 11 Joint arrangements, supersedes IAS 31 Interests in joint ventures and SIC 13 Jointly controlled entities – non monetary contributions by venturers. The standard provides for a more realistic reflection of joint arrangements by focusing on the rights and obligations of the arrangement, rather than its legal form (as is currently the case). The standard addresses inconsistencies in the reporting of joint arrangements by requiring a single method to account for interests in jointly controlled entities: the equity method, removing the option to account for jointly controlled entities using proportionate consolidation. The impact of IFRS 11 retrospective adoption is presented in the tables below.
- IFRS 12 Disclosure of interests in other entities. It is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The standard is applicable to the annual financial statements, therefore its adoption has had no impact on the consolidated interim financial statements.
- Consolidated financial statements, Joint arrangements and Disclosure of interests in other entities: transition guidance, amendments to IFRS 10, IFRS 11 and IFRS 12 (effective from 1 January 2014). The amendments clarify the transition guidance in IFRS 10 and also provide additional transition relief in IFRS 10, IFRS 11 and IFRS 12, limiting the requirement to provide adjusted comparative information to only the

preceding comparative period. Furthermore, for disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before IFRS 12 is first applied.

- Investment entities, amendments to IFRS 10, IFRS 12 and IAS 27 (effective from 1 January 2014). The amendments provide an exception to the consolidation requirements in IFRS 10 and require investment entities to measure particular subsidiaries at fair value through profit or loss, rather than consolidate them. The adoption has had no impact on the consolidated interim financial statements.

As from 1 January 2014 the group adopted IFRS 11 Joint arrangements and as a consequence the joint ventures Corporación Moctezuma, SAB de CV, Addiment Italia Srl, Fresit BV and Lichtner-Dyckerhoff Beton GmbH & Co. KG, previously consolidated by the proportional method, are now valued by the equity method.

The following tables show the effect of IFRS 11 retrospective application on balance sheet, income statement, comprehensive income, cash flows and net financial position.

CONSOLIDATED BALANCE SHEET

(thousands of euro)	Note	Dec 31, 2013 reported	IFRS 11 adjustments	Dec 31, 2013 restated	Dec 31, 2012 reported	IFRS 11 adjustments	Dec 31, 2012 restated
ASSETS							
Non-current assets							
Goodwill	8	532,752	-	532,752	584,199	-	584,199
Other intangible assets	8	14,129	(2,602)	11,527	12,425	(3,063)	9,362
Property, plant and equipment	9	2,973,736	(177,199)	2,796,537	3,208,706	(192,067)	3,016,639
Investment property	10	29,249	(4,042)	25,207	19,299	(2,858)	16,441
Investments in associates	11	174,449	155,780	330,229	202,944	170,370	373,314
Available-for-sale financial assets	12	2,557	-	2,557	3,513	-	3,513
Deferred income tax assets		44,604	(75)	44,529	66,244	(207)	66,037
Other non-current assets	14	54,941	(204)	54,737	55,284	(195)	55,089
		3,826,417	**(28,342)**	**3,798,075**	**4,152,614**	**(28,020)**	**4,124,594**
Current assets						-	
Inventories		408,378	(22,201)	386,177	437,565	(23,695)	413,870
Trade receivables		410,419	(41,486)	368,933	439,383	(50,866)	388,517
Other receivables		107,106	(15,578)	91,528	116,085	(15,147)	100,938
Available-for-sale financial assets		730	-	730	86,989	-	86,989
Derivative financial instruments		-	-	-	2,307	-	2,307
Cash and cash equivalents		554,745	(26,814)	527,931	556,193	(30,022)	526,171
		1,481,378	**(106,079)**	**1,375,299**	**1,638,522**	**(119,730)**	**1,518,792**
Assets held for sale	19	2,113	-	2,113	11,546	-	11,546
Total Assets		**5,309,908**	**(134,421)**	**5,175,487**	**5,802,682**	**(147,750)**	**5,654,932**
EQUITY							
Equity attributable to owners of the company							
Share capital	20	123,637	-	123,637	123,637	-	123,637
Share premium		458,696	-	458,696	458,696	-	458,696
Other reserves	21	41,219	-	41,219	156,324	-	156,324
Retained earnings		1,642,079	-	1,642,079	1,694,273	-	1,694,273
Treasury shares		(4,768)	-	(4,768)	(4,768)	-	(4,768)
		2,260,863	**-**	**2,260,863**	**2,428,162**	**-**	**2,428,162**
			-				
Non-controlling interests	22	113,332	(75,457)	37,875	174,461	(82,564)	91,897
Total Equity		**2,374,195**	**(75,457)**	**2,298,738**	**2,602,623**	**(82,564)**	**2,520,059**
LIABILITIES							
Non-current liabilities							
Long-term debt	23	1,356,335	(319)	1,356,016	1,385,154	(475)	1,384,679
Derivative financial instruments	13	77,118	-	77,118	22,310	-	22,310
Employee benefits	24	382,214	(430)	381,784	437,640	(1,797)	435,843
Provisions for liabilities and charges	25	89,018	(839)	88,179	126,239	(763)	125,476
Deferred income tax liabilities		390,152	(34,309)	355,843	403,282	(36,533)	366,749
Other non-current liabilities	26	13,917	(3)	13,914	16,655	(4)	16,651
		2,308,754	**(35,900)**	**2,272,854**	**2,391,280**	**(39,572)**	**2,351,708**
Current liabilities			-			-	
Current portion of long-term debt	23	196,617	(293)	196,324	288,146	(274)	287,872
Short-term debt	23	-	-	-	70,685	-	70,685
Derivative financial instruments	13	677	-	677	4,994	-	4,994
Trade payables	27	230,333	(12,440)	217,893	244,713	(15,442)	229,271
Income tax payables		8,045	(6)	8,039	11,223	-	11,223
Provisions for liabilities and charges	25	45,840	(311)	45,529	40,342	(91)	40,251
Other payables	28	145,447	(10,014)	135,433	148,676	(9,807)	138,869
		626,959	**(23,064)**	**603,895**	**808,779**	**(25,614)**	**783,165**
			-			-	
Total Liabilities		**2,935,713**	(58,964)	**2,876,749**	**3,200,059**	(65,186)	**3,134,873**
Total Equity and Liabilities		**5,309,908**	**(134,421)**	**5,175,487**	**5,802,682**	**(147,750)**	**5,654,932**

CONSOLIDATED INCOME STATEMENT

(thousands of euro)	Note	2013 reported	January-June IFRS 11 adjustments	2013 restated
Net sales	29	**1,273,715**	**(124,002)**	**1,149,713**
Changes in inventories of finished goods and work in progress		(17,917)	835	(17,082)
Other operating income	30	32,169	(142)	32,027
Raw materials, supplies and consumables	31	(542,573)	39,279	(503,294)
Services	32	(318,965)	31,788	(287,177)
Staff costs	33	(227,777)	8,924	(218,853)
Other operating expenses	34	(47,946)	1,097	(46,849)
Operating cash flow (EBITDA)		**150,706**	**(42,221)**	**108,485**
Depreciation, amortization and impairment charges	35	(112,929)	7,502	(105,427)
Operating profit (EBIT)		**37,777**	**(34,719)**	**3,058**
Gains on disposal of investments		11	-	11
Finance revenues	36	21,803	(1,099)	20,704
Finance costs	36	(69,438)	1,146	(68,292)
Equity in earnings of associates	37	1,502	17,017	18,519
Profit (loss) before tax		**(8,345)**	**(17,655)**	**(26,000)**
Income tax expense	38	(18,269)	9,365	(8,904)
Profit (loss) for the period		**(26,614)**	**(8,290)**	**(34,904)**
Attributable to:				
Owners of the company		(37,336)	-	(37,336)
Non-controlling interests		10,722	(8,290)	2,432

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit (loss) for the period	**(26,614)**	**(8,290)**	**(34,904)**
Items that will not be reclassified to profit or loss			
Actuarial gains (losses) on post-employment benefits	26,263	-	26,263
Income tax relating to items that will not be reclassified	(9,730)	-	(9,730)
Total items that will not be reclassified to profit or loss	**16,533**		**16,533**
Items that may be reclassified subsequently to profit or loss			
Currency translation differences	(13,333)	(988)	(14,321)
Income tax relating to items that may be reclassified	(17)	-	(17)
Total items that may be reclassified subsequently to profit or loss	**(13,350)**	**(988)**	**(14,338)**
Other comprehensive income for the period, net of tax	**3,183**	**(988)**	**2,195**
Total comprehensive income for the period	**(23,431)**	**(9,278)**	**(32,709)**
Attributable to:			
Owners of the company	(33,672)	-	(33,672)
Non-controlling interests	10,241	(9,278)	963

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	January-June 2013 reported	IFRS 11 adjustments	2013 restated
Cash flows from operating activities				
Cash generated from operations	40	96,838	(33,444)	63,394
Interest paid		(28,053)	-	(28,053)
Income tax paid		(28,693)	11,230	(17,463)
Net cash generated from operating activities		**40,092**	**(22,214)**	**17,878**
Cash flows from investing activities				
Purchase of intangible assets	8	(1,306)	59	(1,247)
Purchase of property, plant and equipment	9	(79,183)	4,132	(75,051)
Acquisition of subsidiaries, net of cash acquired		(8)	(2)	(10)
Purchase of other equity investments	11	(48)	-	(48)
Proceeds from sale of property, plant and equipment		3,344	(662)	2,682
Proceeds from sale of equity investments		94	-	94
Capital grants received		502	-	502
Changes in available-for-sale financial assets	12	86,520	-	86,520
Changes in financial receivables		(14,186)	1,220	(12,966)
Dividends received from associates	11, 36	2,393	19,144	21,537
Interest received		9,051	(264)	8,787
Net cash used in investing activities		**7,173**	**23,627**	**30,800**
Cash flows from financing activities				
Proceeds from long-term debt	23	1,509	(23)	1,486
Repayments of long-term debt	23	(96,460)	86	(96,374)
Net change in short-term debt	23	3,211	-	3,211
Changes in financial payables		6,636	-	6,636
Changes in ownership interests without loss of control		(813)	-	(813)
Dividends paid to owners of the company	41	(12,473)	-	(12,473)
Dividends paid to non-controlling interests		(11,386)	9,079	(2,307)
Net cash used in financing activities		**(109,776)**	**9,142**	**(100,634)**
Increase (decrease) in cash and cash equivalents		**(62,511)**	**10,555**	**(51,956)**
Cash and cash equivalents at beginning of period		**556,193**	**(29,775)**	**526,418**
Translation differences		1,818	(416)	1,402
Cash and cash equivalents at end of period	18	**495,500**	**(19,636)**	**475,864**

CONSOLIDATED NET FINANCIAL POSITION

(thousands of euro)	Dec 31, 2013 reported	IFRS 11 adjustments	Dec 31, 2013 restated
Cash and short-term financial assets:			
- Cash and cash equivalents	554,745	(26,814)	527,931
- Short-term monetary investments	130	-	130
- Other current financial liabilities	14,302	(5,367)	8,935
Short-term financial liabilities:			
- Current portion of long-term debt	(196,617)	292	(196,325)
- Derivative financial instruments	(677)	-	(677)
- Other current financial liabilities	(18,573)	-	(18,573)
Net short-term cash	**353,310**	**(31,889)**	**321,421**
Long-term financial assets:			
- Other non-current financial receivables	17,585	-	17,585
Long-term financial liabilities:			
- Long-term debt	(1,356,335)	320	(1,356,015)
- Derivative financial instruments	(77,118)	-	(77,118)
- Other non-current financial liabilities	(3,075)	-	(3,075)
	(1,436,528)	**320**	**(1,436,208)**
Net debt	**(1,065,633)**	**(31,569)**	**(1,097,202)**

The following standards, amendments and interpretations are mandatory for the first time effective from 1 January 2014, but they are not relevant for the group and/or have had no impact on the consolidated interim financial statements presented herein.

- IAS 32 (amendment) Financial instruments: presentation, offsetting financial assets and financial liabilities.
- IAS 36 (amendment) Impairment of assets, recoverable amount disclosures for non-financial assets.
- IAS 39 (amendment) Financial Instruments: recognition and measurement, Novation of derivatives and continuation of hedge accounting.

The following standards, amendments and interpretations have been issued but are not yet effective for the financial year starting 1 January 2014 and have not been early adopted:

- 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.

- IFRS 9 Financial instruments and subsequent amendments. This standard is part of the IASB's wider project to replace IAS 39 Financial instruments: recognition and measurement. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets: amortized cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. In October 2010 the IASB issued requirements on the accounting 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 trough profit or loss, which shall be presented directly in other comprehensive income, without affecting the income statement. In November 2013 the IASB published amendments to IFRS 9 Financial instruments (hedge accounting and amendments to IFRS 9, IFRS 7 and IAS 39). This version includes the new hedge accounting requirements and removes the 1 January 2015 mandatory effective date. Early adoption is still permitted; entities can choose to apply only the accounting for gains and losses from own credit risk without applying other requirements of IFRS 9 at the same time.
  IFRS 9 is likely to affect accounting of financial assets and the group is yet to assess its full impact. At the date of this report the European Union has not yet endorsed the amendment.

At the date of this report the European Union has not yet endorsed the following amendments and interpretations.

- IAS 19 (amendment) Employee Benefits, defined benefit plans: employee contributions (effective from 1 January 2015). 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.
- Annual Improvements 2010–2012 Cycle (effective from 1 January 2015); 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 will not material impact the group's financial statements.
- Annual Improvements 2011–2013 Cycle (effective from 1 January 2015); a collection of amendments to IFRSs, in response to four issues addressed during the 2011–2012 cycle. They relate largely to clarifications, therefore their adoption will not have a material impact on the group.
- IFRS 11 (amendments) Joint arrangements: Accounting for acquisitions of interests in joint operations (effective from 1 January 2016). The amendments clarify 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 result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple-element arrangements.

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:

	Final			Average	
Euro1=	*30 June 2014*	*31 December 2013*	*30 June 2013*	*1H 2014*	*1H 2013*
US Dollar	1.3658	1.3791	1.3080	1.3703	1.3134
Mexican Peso	17.7124	18.0731	17.0413	17.9747	16.4982
Czech Koruna	27.4530	27.4270	25.9490	27.4439	25.6994
Ukrainian Hryvnia	16.0474	11.3292	10.5599	14.3400	10.6167
Russian Ruble	46.3779	45.3296	42.8450	47.9924	40.7539
Polish Zloty	4.1568	4.1543	4.3376	4.1755	4.1772
Hungarian Forint	309.3000	297.0400	294.8500	306.9310	296.0117
Algerian Dinar	108.3350	107.7870	103.8290	107.5233	103.2249

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 consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and they should be read in conjunction with the group's annual financial statements as at 31 December 2013.

Since year end, there have been no changes in the organization of the risk management department or in any risk management policies.

4.2 Fair value estimation

Hereunder an analysis of financial instruments that are measured in the balance sheet at fair value, by level of the following fair value measurement hierarchy:

- 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 2014:

thousands of euro	*Level 1*	*Level 2*	*Level 3*	*Total*
Assets				
Derivative financial instruments (non-current)	-	-	-	-
Derivative financial instruments (current)	-	-	-	-
Available-for-sale financial assets (current)*	576	24	-	600
Total Assets	**576**	**24**	**-**	**600**
Liabilities				
Derivative financial instruments (non-current)	-	(70,861)	-	(70,861)
Derivative financial instruments (current)	-	(50)	(350)	(400)
Total Liabilities	**-**	**(70,911)**	**(350)**	**(71,261)**

*temporary cash investments equal to € 130 thousand are not included

The derivative fair value, that amounts to €71,261 thousand, provides for the adjustment for credit risk and / or counterparty risk, even taking into account the presence of guarantees granted.

In the first half of 2014 there were no transfers among different levels of fair value measurement. The fair value of assets and liabilities was mainly affected by the trend of the exchange rate between euro and dollar and by the interest rate curves.

At 30 June 2014, the group holds a derivative financial instrument included in level 3, arising from fair value losses recognized on the purchase obligation on the remaining 50% of the associate Zentramont Baustoffmischanlage GmbH, following the negative trend of the local market.

The following table presents the assets and liabilities that are measured at fair value at 31 December 2013:

thousands of euro	*Level 1*	*Level 2*	*Level 3*	*Total*
Assets				
Derivative financial instruments (non-current)	-	-	-	-
Derivative financial instruments (current)	-	-	-	-
Available-for-sale financial assets (current)	576	24	-	600
Total Assets	**576**	**24**	**-**	**600**
Liabilities				
Derivative financial instruments (non-current)	-	(77,118)	-	(77,118)
Derivative financial instruments (current)	-	(327)	(350)	(677)
Total Liabilities	**-**	**(77,445)**	**(350)**	**(77,795)**

*temporary cash investments equal to € 130 thousand are not included

The derivative fair value, which amounts to €77,795 thousand, considers the adjustment for credit risk and / or counterparty risk, even taking into account the presence of guarantees granted.

During 2013, €435 thousand relating to bonds purchased in 2012 were transferred from level 2 to level 1, based on the nature of the bonds (quoted price in an active market).

4.3 Valuation techniques used to derive level 2 fair values

Level 2 derivatives comprise forward foreign exchange contracts, interest rate swaps, currency swaps and cross currency swaps and 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.
Currency swaps and cross currency swaps have been fair valued using exchange rates that are quoted in an active market and applied to different contract maturities. The cash settlement option has been fair valued using markets values of issued bonds and of Buzzi Unicem SpA’s ordinary share considering the implied volatility.
Level 2 available-for-sale financial assets are fair valued at nominal value.

5. Scope of consolidation

In the first half of 2014 no significant changes occurred in the scope of consolidation. Some mergers occurred within the group during the first half, without any material effect on the consolidated interim financial statements.

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 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*	*USA*	*Unallocated items and adjustments*	***Total***	*Mexico 100%*
Six months 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

thousands of euro	*Italy*	*Central Europe*	*Eastern Europe*	*USA*	*Unallocated items and adjustments*	***Total***	*Mexico 100%*
Six months ended 30 June 2013 restated							
Segment revenue	201,141	346,183	260,427	341,979	(17)	**1,149,713**	231,910
Intersegment revenue	-	-	-	-	-	**-**	-
Revenue from external customers	201,141	346,183	260,427	341,979	(17)	**1,149,713**	231,910
Operating cash flow	(17,851)	22,720	50,095	53,520	1	**108,485**	81,504
Operating profit	(40,564)	(123)	25,673	17,856	216	**3,058**	67,064

8. Goodwill and Other intangible assets

thousands of euro	*Goodwill*	*Other intangible assets* Industrial patents, licenses and similar rights	*Assets in progress advances*	*Others*	*Total*
Net book amount at 1 January 2014 restated	532,752	8,182	311	3,034	11,527
Six months ended 30 June 2014					
Translation differences	250	(573)	(24)	1	(596)
Amortization and impairment charges	(30,922)	(1,588)	-	(129)	(1,717)
Additions	-	1,490	32	-	1,522
Reclassifications	-	(2)	96	-	94
Disposals and other	-	(22)	-	-	(22)
Net book amount at 30 June 2014	**502,080**	**7,487**	**415**	**2,906**	**10,808**

At 30 June 2014, the item industrial patents, licenses and similar rights is made up of application software for plant and office automation (€3,716 thousand), mining rights (€1,173 thousand), industrial licenses (€1,618 thousand), industrial patents (€559 thousand), trademarks (€421 thousand).

Goodwill at 30 June 2014 amounts to €502,080 thousand and is broken-down as follows:

- €419,806 thousand refer to Dyckerhoff, thereof €254,639 thousand allocated to the segment Eastern Europe and the remaining €165,167 thousand to Central Europe;
- €48,803 thousand resulting mostly from the merger with Unicem SpA in 1999 and consequently attributable to the sector cement Italy;
- €33,471 thousand refer to the cement sector of Alamo Cement Company, thereof €26,464 emerging from the acquisition of Dorsett Brothers in 2008 and South-Tex Concrete in 2007.

At 30 June 2014, following the ongoing uncertainty of future growth prospects and the unfavorable trend of the first half 2014 in respect to estimates, the company checked the assumptions of the December 2013 long-term plans for the most critical CGUs of the group (Cement Italy, Ready-mix Concrete Italy, Ukraine).

As for Cement and Read-mix Concrete Italy CGUs, in the first half 2014 cash flows are lower than budget, following the further delay in recovery. Moreover based on the 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 tests in December 2013.

As regards Ukraine, having some assumptions changed, the company updated the impairment test, in particular using a cost of capital WACC equal to 25.11% (2013: 20.35%) following the worsening of the country risk and an exchange rate equal to 16.05 (2013: 11.33).
From the analysis performed, given the uncertain political situation, the currency weakness and the consequent negative trend of country risk, the need has arisen to write-down the residual goodwill allocated to the same CGU, for an amount of € 30,922 thousand.

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 1 January 2014 restated						
Cost/deemed cost	2,369,314	4,001,386	388,518	95,358	89,675	6,944,251
Accumulated depreciation	(896,767)	(2,878,693)	(294,560)	-	(77,693)	(4,147,713)
Net book amount	**1,472,547**	**1,122,693**	**93,958**	**95,358**	**11,982**	**2,796,538**
Six months ended 30 June 2014						
Opening net book amount	1,472,547	1,122,693	93,958	95,358	11,982	2,796,538
Translation differences	2,066	(22,637)	(2,393)	(1,891)	(298)	(25,153)
Additions	2,341	9,138	12,689	47,900	632	72,700
Change in scope of consolidation	-	-	-	-	-	-
Disposals and other	(3,532)	(674)	(515)	(14)	(101)	(4,836)
Depreciation and impairment charges	(14,679)	(64,284)	(10,337)	-	(2,314)	(91,614)
Reclassifications	(4,551)	13,872	(1,545)	(22,201)	5,063	(9,362)
Closing net book amount	**1,454,192**	**1,058,108**	**91,857**	**119,152**	**14,964**	**2,738,273**
At 30 June 2014						
Cost/deemed cost	2,341,689	3,918,587	372,208	119,152	104,082	6,855,718
Accumulated depreciation	(887,497)	(2,860,479)	(280,351)	-	(89,118)	(4,117,445)
Net book amount	**1,454,192**	**1,058,108**	**91,857**	**119,152**	**14,964**	**2,738,273**

Additions of €72,700 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 (€79,987 thousand).

Negative translation differences of €25,153 thousand reflect weakness in the exchange rate of the currencies used for translation of foreign financial statements in respect to euro, only partly offset by strengthening of the US dollar. In the first half of 2013 the trend in the exchange rates of the dollar and other minor currencies had given rise to negative translation differences of €9,993 thousand.

Real guarantees on assets of consolidated companies are represented by liens on industrial and commercial equipment for the amount of €162 thousand at 30 June 2014 (December 2013: €162 thousand).

Rent expenses amounting to €17,078 thousand (2013: €17,877 thousand) relating to the operating lease of property and machinery are included in the income statement among services (note 32).

10. Investment property

thousands of euro	*30 Jun 2014*	*31 Dec 2013 restated*
Beginning of the period	25,207	16,440
Translation differences	10	(47)
Additions	-	9,131
Reclassifications	(1,517)	9
Disposals and other	(126)	(326)
End of period	**23,574**	**25,207**

The reclassifications refers to the transfer to inventories of land related to the real-estate project in Piacenza, following the completion of the erection by the contractor.

11. Investments in associates

thousands of euro	*30 Jun 2014*	*31 Dec 2013 restated*
Accounted for using the equity method	332,573	330,138
Valued at cost	78	91
	332,651	**330,229**

As from 1 January 2014 the group adopted IFRS 11 Joint arrangements and consequently the joint ventures Corporación Moctezuma, SAB de CV, Addiment Italia Srl, Fresit BV and Lichtner-Dyckerhoff Beton GmbH & Co. KG, previously consolidated by the proportional method, are now valued by the equity method.
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 €501 thousand. The translation differences related to the investment in Corporación Moctezuma, SAB de CV were positive for €3,008 thousand.

thousands of euro	*30 Jun 2014*	*31 Dec 2013 restated*
Beginning of the period	330,229	373,314
Translation differences	2,841	(13,045)
Additions	166	21
Equity earnings	21,793	35,788
Dividends received	(21,529)	(41,973)
Disposals and other	(849)	(23,876)
End of period	**332,651**	**330,229**

The main investments in associates valued by the equity method or at cost are detailed as follows:

			% of ownership	
thousands of euro	*Registered office*	*Book value*	*direct*	*indirect*
Corporación Moctezuma, SAB de C.V.	Mexico MX	156,717		33.3
Société des Ciments de Sour El Ghozlane EPE SpA	Sour El Ghozlane DZ	50,506	35.0	
Société des Ciments de Hadjar Soud EPE SpA	Azzaba DZ	50,399	35.0	
Kosmos Cement Company	Louisville US	27,973		25.0
Laterlite S.p.A.	Solignano IT	14,549	33.3	
Bétons Feidt S.A.	Luxembourg LU	8,743		30.0
Houston Cement Company LP	Houston US	8,094		20.0
Addiment Italia S.r.l.	Casale Monferrato IT	4,419	50.0	
S. Paolo S.c.r.l.	Calenzano IT	1,884		50.0
Premix S.p.A.	Melilli IT	1,602	40.0	
Transass S.A.	Schifflange LU	1,113		41.0
S.A. des Bétons Frais	Schifflange LU	1,092		41.0
E.L.M.A. S.r.l.	Sinalunga IT	884		50.0
ZAPA UNISTAV s.r.o.	Brno CZ	661		50.0
TRAMIRA - Transportbetonwerk Minden-Ravensberg GmbH & Co. KG	Minden-Dankersen DE	533		50.0
Van Zanten Holding B.V.	Zuidbroek NL	446		25.0
Eljo Holding B.V.	Groningen NL	363		50.0
Zentramont Baustoffmischanlage GmbH	Völklingen DE	350		50.0
Cave di Carpenosa S.r.l.	Molini di Triora IT	325		33.5
Niemeier Beton GmbH & Co. KG	Diepholz DE	306		33.3
Lichtner-Dyckerhoff Beton GmbH & Co. KG	Berlin DE	279		50.0
EKO ZAPA beton, a.s.	Praha CZ	274		50.0
Other < 250.000 euro		1,137		
		332,651		

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 2014	474	2,083	2,557
Translation differences	-	8	8
Additions	-	5	5
Disposals and other	(43)	(26)	(69)
At 30 June 2014	**431**	**2,070**	**2,501**

The current portion refers to temporary liquidity placements in time deposits with over three-month maturity for €130 thousand and in short-term or marketable securities for €600 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 2014		*31 December 2013*	
thousands of euro	*Assets*	*Liabilities*	*Assets*	*Liabilities*
Non-current				
Not designated as hedges	-	70,861	-	77,118
	-	**70,861**	**-**	**77,118**
Current				
Not designated as hedges	-	50	-	327
Commitments and options	-	350		350
	-	**400**	**-**	**677**

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 €39,310 thousand.
During the first six months of 2014 the changes in the fair value of derivative financial instruments recognized in the income statement are positive for €6,535 thousand.

14. Other non-current assets

thousands of euro	30 Jun 2014	31 Dec 2013 restated
Receivables from associates	520	610
Tax receivables	1,023	1,011
Advances to suppliers	-	7,863
Receivables from personnel	754	741
Loans to customers	3,470	7,468
Guarantee deposits	18,620	17,842
Other	17,025	19,202
	41,412	**54,737**

The decrease in advances to suppliers is related to the completion of construction activities on the former industrial site of Piacenza.
The item other includes loans to third parties for an amount of €10,606 thousand, mostly interest-bearing and secured.

15. Inventories

thousands of euro	30 Jun 2014	31 Dec 2013 restated
Raw materials, supplies and consumables	230,244	232,829
Work in progress	69,211	85,888
Finished goods and merchandise	68,819	64,982
Advances	1,396	2,478
	369,670	**386,177**

The amount shown is net of an allowance for obsolescence of €22,530 thousand (€22,136 thousands at 31 December 2013).

16. Trade receivables

thousands of euro	30 Jun 2014	31 Dec 2013 restated
Trade receivables	451,870	401,434
Less: Provision for receivables impairment	(44,901)	(46,885)
Trade receivables, net	**406,969**	**354,549**
Other trade receivables:		
- From associates	15,832	14,363
- From parent companies	8	21
	422,809	**368,933**

The increase of €52,420 thousand in net trade receivables is mainly attributable to the business seasonality and to increased turnover, especially in the United States and Germany.

17. Other receivables

thousands of euro	*30 Jun 2014*	*31 Dec 2013 restated*
Tax receivables	45,790	54,378
Receivables from social security institutions	1,463	622
Receivables from unconsolidated subsidiaries and associates	4,643	1,452
Loans to customers	304	1,464
Receivables from suppliers	6,208	5,512
Receivables from personnel	852	568
Receivables from sale of equity investments	183	177
Accrued income and prepaid expenses	15,726	8,988
Other	17,693	18,367
	92,862	**91,528**

Tax receivables include income tax payments in advance and the debit balance of periodic value added tax liquidation.
Receivables from unconsolidated subsidiaries and associates are in the nature of short-term loans (of which €1,657 thousand for loans and €2,986 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 €3,252 thousand (2013: €1,831 thousand) and is made up primarily of interest income on marketable securities and time deposits. Prepaid expenses amount to €12,475 thousand (2013: €7,157 thousand) relating to expenses pertaining to the following period.

18. Cash and cash equivalents

thousands of euro	*30 Jun 2014*	*31 Dec 2013 restated*
Cash at banks and in hand	391,841	428,789
Short-term deposits	55,787	99,142
	447,628	**527,931**

Foreign operating companies hold about 60% of the balance of €447,628 thousand (69% in 2013). Short-term deposits and securities earn interest at about 0.3% on average (1.0% in 2013), yield in euro is around 0.3%, in US dollar 0.1%, and in other currencies 3.0%. The average maturity of such deposits and securities is less than 60 days.

19. Assets held for sale

The assets held for sale refer for € 12,905 to Cadola and Travesio plants following the agreement entered into with Wietersdorfer group on February 18, 2014. Specifically, effective as of today's date Buzzi Unicem SpA has transferred to a subsidiary of Wietersdorfer (w&p Cementi SpA) the cement plant located in Cadola (BL); moreover the option has been formalized which entitles Wietersdorfer to acquire, within five years and without additional payment, the Travesio (PN) cement plant, for a total consideration referring to the two plants of about €22 million. At the same time, Buzzi Unicem SpA has purchased a 25% interest in the share capital of w&p Cementi SpA and Salonit Anhovo Gradbeni Materiali d.d. (Slovenia), belonging to the same group, for a total consideration of about €22 million. The accounting effects of the above transaction will be reflected in the third quarter.
The item includes, for an amount of €3,595 thousand the book value of a large area used in the past as a quarry for the Amöneburg plant. Towards the end of June, a preliminary agreement was signed for the sale of the estate to Wiesbaden municipality, including the interest in DBW Recycling, an associate operating on site for debris treatment. The realization price of the property amounts to around €24 million.
The item also includes €428 thousand relating to the residual fair value of equipment and machinery that originally had been purchased to expand production capacity in Russia and in Ukraine. Since these capital projects have been postponed indefinitely in time, management decided to put up the equipment for sale. Finally the balance includes equipment and machinery from the inactive plant of Santarcangelo di Romagna (€1,150 thousand) and some lots of land in the United States, for an amount of €540 thousand.
At the end of 2013 the amount related as well to the fair value of equipment and machinery originally purchased to expand production capacity in Russia and in Ukraine for €428 thousand, to the inactive plant in Santarcangelo di Romagna (€1,150 thousand), and some lots of land in the United States for €535 thousand.
Liabilities held for sale include payables to personnel and provisions for restructuring expenses referred to the disposal of Cadola plant (BL).

20. Share capital

At 30 June 2014 the share capital of the company is as follows:

number of shares	*30 Jun 2014*	*31 Dec 2013*
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

At 30 June 2014 the number of shares outstanding by category is the following:

number of shares	*Ordinary*	*Savings*	*Total*
At 30 June 2014			
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 2014*	*31 Dec 2013*
Translation differences	(443,032)	(412,508)
Revaluation reserves	88,286	88,286
Merger surplus	247,530	247,530
Other	117,060	117,911
	9,844	**41,219**

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 unfavorable variance of €30,524 thousand is the result of four separate effects: an increase of €12,323 thousand due to the strengthening of the US dollar, an increase of €3,008 thousand due to the strengthening of the Mexican peso, a decrease of €45,356 thousand due to the weakening of the Eastern European currencies and a decrease of €499 thousand due to the weakening of the Algerian dinar.

22. Non-controlling interests

With the transition of the associate Corporación Moctezuma, SAB de CV from proportional consolidation to the equity method, the balance at 1 January 2014 decreased by €75,475 thousand.
The balance at 30 June 2014 mainly refers to OAO Sukholozhskcement for €29,560 thousand, Cimalux SA for €2,788 thousand, Betonmortel Centrale Groningen (B.C.G.) BV for €2,082 thousand and OOO Omsk Cement for €2,387 thousand.

23. Debt and borrowings

thousands of euro	*30 Jun 2014*	*31 Dec 2013 restated*
Long-term debt		
Senior notes and bonds	902,417	940,849
Convertible bonds	183,307	180,180
Finance lease obligations	2,029	2,305
Unsecured term loans	225,048	232,682
	1,312,801	**1,356,016**
Current portion of long-term debt		
Senior notes and bonds	99,996	99,014
Finance lease obligations	208	214
Unsecured term loans	69,864	97,096
	170,068	**196,324**
Short-term debt		
Bank overdrafts and borrowing	426	-
	426	**-**

Senior Notes and Bonds

The change in the period is mainly due to a decrease of €41,490 thousand for principal repayments and an increase of €3,347 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 2014, such contractual covenants are all complied with.

Term loans and other borrowings

In the first half of 2014 principal payments on long-term debt amounted to €34,994 thousand.

At the date of these interim consolidated financial statements, the fair value of the fix rate borrowings is equal to €1,388,875 thousand (2013: €1,396,467 thousand), exceeding the carrying amount by about €113,000 thousand (2013: fair value greater than carrying amount by about €80,000 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 2014*	*31 Dec 2013 restated*
By category		
Post-employment benefits:		
- Pension plans	287,706	263,827
- Healthcare plans	90,665	85,808
- Employee severance indemnities	21,532	23,243
Other long-term benefits	9,349	8,906
	409,252	**381,784**
By geographical area		
Italy	22,581	24,490
Germany, Luxembourg, Netherlands	263,290	241,825
United States of America	120,365	112,335
Other Countries	3,016	3,134
	409,252	**381,784**

25. Provisions for liabilities and charges

thousands of euro	*Environmental risks and restoration*	*Antitrust*	*Legal claims Tax risks*	*Other risks*	*Total*
At 1 January 2014 restated	57,968	22,259	35,120	18,361	133,708
Additional provisions	288	-	1,662	5,776	7,726
Discount unwinding	252	210	-	20	482
Unused amounts released	(12)	-	(14)	(164)	(190)
Used during the year	(997)	-	(876)	(6,356)	(8,229)
Translation differences	(494)	(6)	28	63	(409)
Riclassifications	(30)	-	-	839	809
Other changes	309	-	-	-	309
At 30 June 2014	**57,284**	**22,463**	**35,920**	**18,539**	**134,206**

Total provisions can be analyzed as follows:

thousands of euro	*30 Jun 2014*	*31 Dec 2013 restated*
Non-current	91,646	88,179
Current	42,560	45,529
	134,206	**133,708**

26. Other non-current liabilities

thousands of euro	*30 Jun 2014*	*31 Dec 2013 restated*
Purchase of equity investments	3,079	3,075
Non-controlling interests in partnerships	5,185	5,686
Payables to personnel	842	866
Other	6,183	4,287
	15,289	**13,914**

A former manager has an obligation to sell his minority interest of 6.40% in the subsidiary OAO Sukholozhskcement. The liability for purchase of equity investment recognizes the present value of this obligation, which is due in 2017.

27. Trade payables

thousands of euro	*30 Jun 2014*	*31 Dec 2013 restated*
Trade payables	210,635	212,863
Other trade payables:		
- To unconsolidated subsidiaries	219	250
- To associates	3,414	4,458
	214,268	**217,893**

28. Other payables

thousands of euro	*30 Jun 2014*	*31 Dec 2013 restated*
Advances	3,868	4,060
Purchase of equity investments	1,796	1,796
Payables to social security institutions	12,562	15,057
Payables to personnel	46,778	49,199
Payables to customers	6,554	6,530
Accrued expenses and deferred income	45,368	25,475
Other	40,526	33,317
	157,452	**135,434**

Accrued expenses total €40,324 thousand (2013: €19,635 thousand) and include interest expense on bank loans, finance lease and bonds. Deferred income amounts to €5,044 thousand (2013: €5,840 thousand) relating to operating income pertaining to the following period.
The item other consists of sundry elements, among which the credit balance of periodic value added tax for €15,049 thousand (€7,537 thousand in 2013).

29. Net sales

Net sales breakdown is as follows:

thousands of euro	*1H 2014*	*1H 2013 restated*
Cement and clinker	744,215	735,632
Ready-mix concrete and aggregates	427,413	404,674
Related activities	9,093	9,407
	1,180,721	**1,149,713**

The 2.7% increase from 2013 is due unfavorable currency effects for 4.6% and to favorable market trends for 7.3%. 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 2014*	*1H 2013 restated*
Recovery of expenses	4,174	3,957
Indemnity for damages	1,142	2,025
Revenue from leased properties	4,448	3,986
Gains on disposals of property, plant and equipment	1,925	1,389
Capital grants	292	332
Release of provisions	323	280
Internal work capitalized	1,515	2,611
Sale of emission rights	4,218	-
Other	11,061	17,447
	29,098	**32,027**

31. Raw materials, supplies and consumables

thousands of euro	*1H 2014*	*1H 2013 restated*
Raw materials, supplies and consumables	294,482	279,672
Finished goods and merchandise	20,481	21,660
Electricity	85,942	95,209
Fuels	93,056	95,653
Other goods	10,678	11,100
	504,639	**503,294**

32. Services

thousands of euro	*1H 2014*	*1H 2013 restated*
Transportation	166,008	157,374
Maintenance and contractual services	61,692	58,016
Insurance	5,665	5,843
Legal and professional consultancy	7,411	8,241
Operating leases of property and machinery	17,078	17,877
Travel	2,589	2,648
Sales commissions	261	360
Other	45,183	36,818
	305,887	**287,177**

33. Staff costs

thousands of euro	*1H 2014*	*1H 2013 restated*
Salaries and wages	156,630	160,793
Social security contributions and defined contribution plans	46,301	47,062
Employee severance indemnities and defined benefit plans	5,640	8,385
Other long-term benefits	250	156
Other	3,522	2,457
	212,343	**218,853**

In first half 2014, the caption other includes restructuring costs of €2,380 thousand (€1.677 thousand in 2013), related primarily to Italy and Germany.

The average number of employees is the following:

number	*1H 2014*	*1H 2013 restated*
White collar and executives	3,779	3,869
Blue collar and supervisors	5,992	6,190
	9,771	**10,059**

34. Other operating expenses

thousands of euro	*1H 2014*	*1H 2013 restated*
Write-down of receivables	9,476	17,625
Provisions for liabilities and charges	4,721	2,110
Association dues	2,384	2,669
Indirect taxes and duties	15,368	16,781
Losses on disposal of property, plant and equipment	306	529
Other	6,735	7,135
	38,990	**46,849**

35. Depreciation, amortization and impairment charges

thousands of euro	*1H 2014*	*1H 2013 restated*
Amortization of intangible assets	1,717	1,939
Depreciation of property, plant and equipment	91,423	101,146
Impairment losses of non-current assets	31,239	2,342
	124,379	**105,427**

The impairment losses refer to the write-off of the goodwill on the Ukraine CGU for €30,922 thousand (note 8).
In the previous year the impairment losses included those recognized on assets belonging to plants of the cement business in Italy (€1,641 thousand), Germany (€311 thousand), the Czech Republic and Slovakia (€253 thousand), Poland (€99 thousand).

36. Finance revenues and Finance costs

thousands of euro	*1H 2014*	*1H 2013 restated*
Finance revenues		
Interest income on liquid assets	1,992	3,638
Interest income on interest rate swap contracts	1,851	3,395
Expected return on plan assets of employee benefits	4,512	3,983
Changes in the fair value of derivative instruments	6,703	4,721
Foreign exchange gains	2,172	2,090
Dividend income	204	361
Other	1,970	2,516
	19,404	**20,704**
Finance costs		
Interest expense on bank borrowings	(9,525)	(13,717)
Interest expense on senior notes and bonds	(35,291)	(34,932)
Interest expense on employee benefits	(11,276)	(10,880)
Interest expense on interest rate swap contracts	(230)	(674)
Changes in the fair value of derivative instruments	(168)	(186)
Discount unwinding on liabilities	(522)	1,434
Foreign exchange losses	(7,570)	(7,141)
Other	(1,849)	(2,196)
	(66,431)	**(68,292)**
Net finance costs	**(47,027)**	**(47,588)**

Net finance costs decrease slightly from the previous period due to the improvement of the net balance resulting from fluctuation of exchange gains/losses and derivative instruments.

37. Equity in earnings of associates

The line item includes the share of profit (loss) of associates accounted for under the equity method and possible write-downs.
The net results of the major companies contribute as follows:

thousands of euro	*1H 2014*	*1H 2013 restated*
Corporación Moctezuma SAB de CV	18,733	16,739
Société des Ciments de Sour El Ghozlane EPE SpA	3,047	326
Société des Ciments de Hadjar Soud EPE SpA	1,436	1,061
Bétons Feidt SA	386	115
Addiment Italia Srl	226	16
Laterlite SpA	(533)	514
Cementi Moccia SpA	(809)	(1,118)
Kosmos Cement Company	(997)	(1,133)
quick-mix Holding GmbH & Co. KG	-	1,505
Other minor investments	304	494
	21,793	**18,519**

38. Income tax expense

thousands of euro	*1H 2014*	*1H 2013 restated*
Current tax	22,855	17,154
Deferred tax	(12,740)	(10,585)
Tax relating to prior periods	(401)	2,335
	9,714	**8,904**

The increase in current tax is ascribable essentially to a higher taxable income produced in some geographical areas of activity where trading conditions were favorable. Deferred taxes in the first half 2014, similar to those of first half 2013, 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. Furthermore the income statement for the period includes impairment charges of remarkable amount not deductible for tax purposes.

39. Earnings per share

thousands of euro		*1H 2014*	*1H 2013 restated*
Net profit attributable to owners of the company	euro thousand	(22,629)	(37,336)
- attributable to ordinary shares	euro thousand	(23,239)	(37,946)
- attributable to savings shares	euro thousand	610	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	(0.141)	(0.230)
Basic earnings per savings share	euro	0.015	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.

40. Cash generated from operations

thousands of euro	*1H 2014*	*1H 2013 restated*
Profit before tax	**(11,100)**	**(26,000)**
Adjustments for:		
Depreciation, amortization and impairment charges	124,379	105,427
Equity in earnings of associates	(21,793)	(18,519)
Gains on disposal of fixed assets	(1,645)	(872)
Net change in provisions and employee benefits	(9,191)	(6,032)
Net finance costs	47,027	47,588
Other non-cash movements	14,827	4,884
Changes in operating assets and liabilities:		
- Inventories	15,375	26,714
- Trade and other receivables	(65,030)	(80,150)
- Trade and other payables	762	10,354
Cash generated from operations	**93,611**	**63,394**

41. Dividends

The dividends paid in 2014 were equal to €10,277 thousand (€0.05 per ordinary share and per savings share).
In 2013 the dividends paid amounted to €12,473 thousand (€0.05 per ordinary share and 0.104 per savings share, of which €0.03 as total allocation of the preferential dividend relating to the year 2011).

42. Commitments

thousands of euro	*1H 2014*	*1H 2013 restated*
Guarantees granted	15,359	16,505
Guarantees received	20,052	9,881
Other commitments and guarantees	62,260	45,319

43. 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 legal claims and contingencies, we highlight the following developments.

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 (€2.2 million approx.), 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. 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.

At the end of 2011 and 2012 the company underwent a tax audit by the Revenue Service; the audit concerned income tax and value added tax for the years 2006, 2007, 2008, 2009, 2010 and 2011. The minutes of the assessments contain a single remark on the fair market value of the intra-group interest expense in each of the fiscal years from 2006 through 2011. The higher taxable income notified for all the years from 2006 to 2011 amounts to €19.6 million approx. To date the company received three notices of assessment for the years 2006, 2007 and 2008. The higher taxes assessed, the sanctions inflicted and the legal interests accrued amount to approximately €7.8 million for all the three notices of assessment. The above notices of assessment have been contested before the Provincial Tax Court of Turin which to date has not set a date for the discussion yet. The company's advisors deem that the defense elements 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 underneath aquifer, Buzzi Unicem has instituted 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 division by judgment of 11 September 2012, against which the Ministry has not appealed, 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 in the Decision-Making Conference of 3 June 2013 has already ruled on certain aspects 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, the Antitrust Authority, by judgment of 10 December 2013, reassessed the fine reducing it to about €7.0 million and required to settle the amount within 30 days from the date the order was notified (occurred on 8 January 2014). In the judgment the Authority moreover ordered Unical to pay within the same deadline 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, by claim filed on 28 January 2014. On 13 February 2014 a court order was obtained suspending the payment till the first-instance judgment is pronounced. However, following the appeal the Authority filed before the Council of State, the suspension of payment was confirmed only with reference to the additional charges. Unical has applied to the Authority for payment of the fine by installments; such application is currently pending. The hearing for the discussion on the merits is scheduled for 19 November 2014. The original fine has been fully provided for in the financial statements.

As regards the proceedings opened in December 2010 by the European Commission (the "Commission") and aiming to ascertain the existence of anticompetitive practices in the European Economic Area (EEA), and also, possibly through restrictions to imports toward

EEA, in the market for cement and other related products, Buzzi Unicem answered all the requests and contested the last one 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 appealed the judgment before the Court of Justice. the issue is currently pending. At the present stage of the proceedings we deem that no evidence exists that could constitute an infringement of the antitrust laws and consequently no provision has been recognized.

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 current German law. Consequently, the company deems that the minority shareholders claims are groundless and has instituted a civil action disputing all claims notified.

The Düsseldorf Court rejected in December 2013 the lawsuit filed by a Belgian company against Dyckerhoff AG and five other cement producers for damages to customers arising from alleged cartel agreements. In January 2014 the claimants appealed against the first instance judgment. At the present stage we deem that the Court of Appeal will most likely uphold the first instance judgment and therefore we do not expect a negative 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 €15 million, has been appealed before the Warsaw Regional Court which made the 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 reassessed 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 in which 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 group’s earnings and financial position.

In Ukraine there is still pending litigation concerning claims filed by the Ukrainian Revenue Office that relate to value added tax and the deductibility of operating expenses for production plants. After termination of some of the proceedings and judgments in favor of the tax authority, the total amount of the claims is now amounting to approximately €5 million. The claims by the Revenue Office seem not to be covered by the applicable Ukrainian legislation and the judgments have been appealed.

In Russia in June 2014 the trustee in bankruptcy of a former subsidiary, sold in December 2013, required the cancellation of a contract between said company and OAO Sucholoszhkcement, requesting the latter to repay an amount of around €4 million. The company deems this request groundless.

In the United States of America, numerous lawsuits and claims exists that have been filed against Lone Star Industries, Inc. (LSI) regarding silica-containing materials or asbestos containing materials sold or distributed by the company or its subsidiaries which were 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 amounts not expected to be covered by insurance.

44. 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 remarkably 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 subsidiaries are members of a controlled group of corporations for domestic income tax purposes, with Fimedi SpA acting as the parent.

The following are the main transactions carried out with related parties:

thousands of euro	*1H 2014*	*in % of reported balance*	*1H 2013*	*in % of reported balance*
Sales of goods and services:	*21,217*	*1.8*	*18,715*	*1.6*
- Associates and unconsolidated subsidiaries	18,359		16,132	
- Joint ventures	2,845		2,555	
- Parent companies	9		9	
- Other related parties	4		19	
Purchases of goods and services:	*15,372*	*1.8*	*13,508*	*1.6*
- Associates and unconsolidated subsidiaries	12,652		9,720	
- Joint ventures	2,337		3,600	
- Parent companies	-		1	
- Other related parties	383		186	
Internal works capitalized:	-	-	*139*	*2.1*
- Joint ventures	-		139	
Finance revenues:	*94*	*0.5*	*296*	*1.4*
- Associates and unconsolidated subsidiaries	6		85	
- Other related parties	88		211	
Finance costs:	-	-	*1*	*0.0*
- Other related parties	-		1	
Trade receivables:	*15,964*	*3.8*	*14,420*	*2.9*
- Associates and unconsolidated subsidiaries	15,623		14,218	
- Joint ventures	332		175	
- Parent companies	9		9	
- Other related parties	-		18	
Loans receivable:	*3,528*	*15.1*	*5,640*	*22.7*
- Associates and unconsolidated subsidiaries	3,528		5,630	
- Joint ventures	-		10	
Other receivables:	*21,050*	*15.7*	*25,650*	*12.4*
- Associates and unconsolidated subsidiaries	1,067		3,598	
- Parent companies	19,981		22,052	
Cash and cash equivalents:	*443*	*0.1*	*210*	*0.0*
- Other related parties	443		210	
Trade payables:	*4,330*	*2.0*	*5,396*	*1.6*
- Associates and unconsolidated subsidiaries	2,706		2,360	
- Joint ventures	1,624		3,033	
- Parent companies	-		1	
- Other related parties	-		2	
Other payables:	*692*	*0.4*	*704*	*0.5*
- Associates and unconsolidated subsidiaries	692		701	
- Other related parties	-		3	
Guarantees granted:	*1,937*	*0.2*	*13,937*	*0.2*
- Associates and unconsolidated subsidiaries	1,937		13,937	

Key management includes directors of the company (executive and non-executive), statutory auditors and 8 other senior executives (two of whom ceased employment with the company in the first half of 2014). The compensation paid or payable to key management for employee services, not included in the previous table, is shown below:

thousands of euro	*1H 2014*	*1H 2013*
Salaries and other short-term employee benefits	2,435	2,497
Post-employment benefits	366	456
Other long-term benefits	-	-
Termination benefits	219	-
Share-based payments	-	-
	3,020	**2,953**

45. Events occurring after the reporting period

On 30 July 2014 Buzzi Unicem SpA executed the agreement entered into with Wietersdorfer on 18 February 2014. Specifically, effective as of 1 August 2014 Buzzi Unicem SpA has transferred to a subsidiary of Wietersdorfer (w&p Cementi SpA) the cement plant located in Cadola (Belluno); moreover the option was formalized which entitles Wietersdorfer to acquire, within five years and without additional payment, the Travesio (Pordenone) cement plant, for a total consideration referring to the two plants of about €22 million. At the same time, Buzzi Unicem SpA has purchased a 25% interest in the share capital of w&p Cementi SpA and Salonit Anhovo Gradbeni Materiali d.d. (Slovenia), both subsidiaries of Wietersdorfer, for a total consideration of about €22 million.

In July 2014, the subsidiary Dyckerhoff concluded with the investors a swap transaction of the "Schuldscheindarlehen" loan of €134.5 million, issued on 29 July 2011 and due on 29 July 2015. Following the swap the investors subscribed a new "Schuldscheindarlehen" loan of €117 million euro structured in two tranches, the first one of €15 million due in September 2017 and the second one of €102 million due in September 2019. Within September 2014 the investors are entitled to increase their engagement, with possibility of subscription also by new lenders, up to a total maximum amount of the new Schuldschein loan of €200 million. Buzzi Unicem is the guarantor of the proper fulfillment of all obligations arising from the new Schuldschein loan. Through the swap transaction, the maturity of the loan has been considerably extended and the interest rate has been revised downward, with consequent economic advantage for the group.

As far as the trading outlook is concerned, reference is made to the proper chapter of the interim management report.

Casale Monferrato, 1 August 2014

For 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.	Draria - 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	
Dycura Versicherungs-Vermittlungs-GmbH	Wiesbaden DE	EUR	25,600	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	17,950,000	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	99.14	
				TOB Dyckerhoff Ukraina	0.16	
PAT Volyn-Cement	Zdolbuniv UA	UAH	1,402,422	Dyckerhoff GmbH	98.44	
				TOB Dyckerhoff Ukraina	0.28	
OOO Russkiy Cement	Ekaterinburg RU	RUB	350,000	Dyckerhoff GmbH	100.00	
OAO Sukholozhskcement	Suchoi 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 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	
Gravières et Sablières Karl EPPLE S.A.S.	Seltz FR	EUR	180,000	Dyckerhoff Beton GmbH & Co. KG	99.00	
Dyckerhoff Transportbeton Thüringen GmbH & Co. KG	Erfurt DE	EUR	100,000	Dyckerhoff Beton GmbH & Co. KG	95.00	
sibobeton Wilhelmshaven GmbH & Co. KG	Osnabrück DE	EUR	920,325	Dyckerhoff Beton GmbH & Co. KG	85.44	
				sibobeton Osnabrück GmbH & Co. KG	14.56	
MKB Mörteldienst Köln-Bonn GmbH & Co. KG	Hückelhoven DE	EUR	125,500	Dyckerhoff Beton GmbH & Co. KG	75.30	
Dyckerhoff Transportbeton Hamburg GmbH	Wiesbaden DE	EUR	25,000	Dyckerhoff Beton GmbH & Co. KG	75.00	
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	
sibobeton Osnabrück GmbH & Co. KG	Osnabrück DE	EUR	5,368,565	Dyckerhoff Beton GmbH & Co. KG	63.52	
				Dyckerhoff GmbH	24.49	
TB Rheinland GmbH & Co. KG	Remagen DE	EUR	795,356	Dyckerhoff Beton GmbH & Co. KG	55.00	
Nordenhamer Transportbeton GmbH & Co. KG	Nordenham DE	EUR	322,114	Dyckerhoff Beton GmbH & Co. KG	51.59	
sibobeton Enger GmbH & Co. KG	Osnabrück DE	EUR	306,775	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	
Piskovny Hradek a.s.	Hradek nad Nisou CZ	CZK	12,000,000	ZAPA beton a.s.	100.00	
Beton Union Plzen s.r.o.	Plzen CZ	CZK	31,600,000	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	Suchoi Log RU	RUB	20,000,000	OAO Sukholozhskcement	100.00	
OOO Dyckerhoff Suchoi Log obshestvo po sbitu tamponashnich zementow	Suchoi Log RU	RUB	4,100,000	OAO Sukholozhskcement	100.00	
OOO Omsk Cement	Omsk RU	RUB	779,617,530	OAO Sukholozhskcement	83.27	
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	
Buzzi Unicem USA Inc.	Wilmington US	USD	10	RC Lonestar Inc.	100.00	

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

Name	*Registered Office*	*Share capital*		*Ownership interest held by*	*% of ownership*	*% of voting rights*
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	
SONDA s.r.o.	Most pri Bratislave SK	EUR	6,639	ZAPA beton SK s.r.o.	100.00	
ZAPA beton HUNGÁRIA k.f.t.	Zsujta HU	HUF	88,000,000	ZAPA beton SK s.r.o.	100.00	
PAT Kyivcement	Kyiv UA	UAH	277,536	TOB Dyckerhoff Transport Ukraina	79.73	
				TOB Dyckerhoff Ukraina	14.63	
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	
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	
Rosebud Real Properties, Inc.	Wilmington US	USD	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	

Companies valued by the equity method

Name	*Registered Office*	*Share capital*		*Ownership interest held by*	*% of ownership*	*% of voting rights*
Addiment Italia S.r.l.	Casale Monferrato (AL)	EUR	10,400	Buzzi Unicem S.p.A.	50.00	
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	
Premix S.p.A.	Melilli (SR)	EUR	3,483,000	Buzzi Unicem S.p.A.	40.00	
Laterlite S.p.A.	Solignano (PR)	EUR	22,500,000	Buzzi Unicem S.p.A.	33.33	
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	
Albenga Calcestruzzi S.r.l.	Albenga (SV)	EUR	10,000	Unical 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	
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	
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	
Warsteiner Kalksteinmehl GmbH & Co. KG	Warstein DE	EUR	51,129	Dyckerhoff Beteiligungsverwaltung GmbH	50.00	
Lichtner-Dyckerhoff Beton GmbH & Co. KG	Berlin DE	EUR	200,000	Dyckerhoff Beton GmbH & Co. KG	50.00	
TRAMIRA Transportbetonwerk Minden-Ravensberg GmbH & Co. KG	Minden-Dankersen DE	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	
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	1,008,000	ZAPA beton a.s.	50.00	

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

Companies value by the equity method (follows)

Name	*Registered Office*	*Share capital*		*Ownership interest held by*	*% of ownership*	*% of voting rights*
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	
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-Amsterdam B.V.	Gouda NL	EUR	81,680	Dyckerhoff Basal Betonmortel B.V.	50.00	
Megamix-Randstad B.V.	Gouda NL	EUR	90,756	Dyckerhoff Basal Betonmortel B.V.	50.00	
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	
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	
Latinoamericana 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	
Latinoamericana 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	
Latinoamericana 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	Latinoamericana 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	Latinoamericana de Concretos, S.A. de C.V.	85.00	
Latinoamericana de Concretos de San Luis, S.A. de C.V.	Mexico MX	MXN	15,676,550	Latinoamericana de Concretos, S.A. de C.V.	60.00	
Concretos Moctezuma de Xalapa, S.A. de C.V.	Xalapa MX	MXN	10,000,000	Latinoamericana de Concretos, S.A. de C.V.	60.00	
Concretos Moctezuma de Torreón, S.A. de C.V.	Mexico MX	MXN	14,612,489	Latinoamericana 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	Latinoamericana de Concretos, S.A. de C.V.	51.00	
Concretos Moctezuma de Jalisco S.A. de C.V.	Mexico MX	MXN	100,000	Latinoamericana de Concretos, S.A. de C.V.	51.00	
CYM Infraestructura, S.A.P.I. de C.V.	Mexico MX	MXN	100,000	Latinoamericana de Concretos, S.A. de C.V.	50.00	

Other investments in subsidiaries and associates

Name	*Registered Office*	*Share capital*		*Ownership interest held by*	*% of ownership*	*% of voting rights*
Siefic Calcestruzzi S.r.l.	Isernia	EUR	5,080,000	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	
S.A.F.I. S.r.l.	Mezzana Bigli (PV)	EUR	332,010	Unical S.p.A.	-	33.33
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	
Basal Belgie BVBA	Antwerp BE	EUR	5,262,975	Dyckerhoff GmbH	99.95	
				Dyckerhoff Basal Toeslagstoffen B.V.	0.05	
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	
sibobeton Ems Beteiligungsgesellschaft mbH	Osnabrück DE	EUR	25,565	Dyckerhoff Beton GmbH & Co. KG	100.00	
sibobeton Osnabrück Beteiligungsgesellschaft mbH	Osnabrück DE	EUR	25,565	Dyckerhoff Beton GmbH & Co. KG	100.00	
sibobeton Wilhelmshaven GmbH	Osnabrück DE	EUR	25,565	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	Remagen DE	EUR	26,000	Dyckerhoff Beton GmbH & Co. KG	55.00	

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

Other investments in subsidiaries and associates (follows)

Name	*Registered Office*	*Share capital*		*Ownership interest held by*	*% of ownership*	*% of voting rights*
sibobeton Enger GmbH	Osnabrück DE	EUR	30,678	Dyckerhoff Beton GmbH & Co. KG	50.00	
				sibobeton Osnabrück GmbH & Co. KG	50.00	
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 Dyckerhoff-BAC-Systemsteine Erfurt GbR	Erfurt DE	EUR	n/a	Dyckerhoff Transportbeton Thüringen GmbH & Co. KG	50.00	
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	
Ostfriesische Transport-Beton GmbH	Osnabrück DE	EUR	25,565	sibobeton Ems GmbH & Co. KG	45.20	
				sibobeton Wilhelmshaven GmbH & Co. KG	30.00	
				Dyckerhoff Beton GmbH & Co. KG	24.80	
Westerwald-Beton Verwaltungs GmbH	Westerburg DE	EUR	25,565	TB Rheinland GmbH & Co. KG	100.00	
Liefergemeinschaft Transportbeton JadeWeserPort GbR	Wilhelmshaven DE	EUR	n/a	sibobeton Papenburg GmbH & Co. KG	50.00	

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 2014:

– 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 contain 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, 1 August 2014

Chief Executive Finance	Manager responsible for preparing financial reports
Pietro Buzzi	**Silvio Picca**

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Auditors' review report on the half-year condensed consolidated financial statements
(Translation from the original Italian text)

To the Shareholders of
Buzzi Unicem S.p.A.

1. We have reviewed the half-year condensed consolidated financial statements, comprising the consolidated balance sheet, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and the related notes of Buzzi Unicem S.p.A. and its subsidiaries (the "Buzzi Unicem Group") as of June 30, 2014. Directors of Buzzi Unicem S.p.A. are responsible for the preparation of the half-year condensed consolidated financial statements in conformity with the International Financial Reporting Standards applicable to interim financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to issue this review report based on our review.

2. We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of July 31, 1997. Our review consisted mainly of obtaining information on the accounts included in the half-year condensed consolidated financial statements and the consistency of the accounting principles applied, through discussions with management, and of applying analytical procedures to the financial data presented in these consolidated financial statements. Our review did not include the application of audit procedures such as tests of compliance and substantive procedures on assets and liabilities and was substantially less in scope than an audit conducted in accordance with generally accepted auditing standards. Accordingly, we do not express an audit opinion on the half-year condensed consolidated financial statements, as we express on the annual consolidated financial statements.

   With respect to the comparative data related to the consolidated financial statements of the prior year, the half-year condensed consolidated financial statements of the corresponding period of the prior year, and the consolidated balance sheet at January 1, 2013, derived from the consolidated financial statements at December 31, 2012, all restated as a result of the retrospective application of the newly issued IFRS 11 - Joint arrangements, as described in the related notes, reference should be made to the reports of other auditors respectively issued on April 4, 2014, August 7, 2013 and April 5, 2013. We have examined the methods used to restate the comparative financial data and the information presented in the notes in this respect for the purposes of issuing this review report.

3. Based on our review, nothing has come to our attention that causes us to believe that the half-year condensed consolidated financial statements of the Buzzi Unicem Group as of June 30, 2014 are not prepared, in all material respects, in conformity with the International Financial Reporting Standards applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Turin, August 1, 2014

Reconta Ernst & Young S.p.A.
Signed by: Stefania Boschetti, partner

This report has been translated into the English language solely for the convenience of international readers

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