Buzzi Unicem

Interim report as at

March 31, 2013

Buzzi Unicem S.p.A.
Registered Office in Casale Monferrato (AL) - Via Luigi Buzzi 6
Share Capital euro 123,636,658.80
Company Register of Alessandria no.00930290044

CONTENTS

Interim management review

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

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

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

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

Consolidated net sales declined by 10.5% from €562.2 million to €503.1 million. The decrease stems from an unfavorable volume effect for €70.4 million, only partly offset by the above mentioned positive price effect for €11.5 million. Ebitda stood at €11.8 million, down €12.3 million from Q1-12. Changes in the scope of consolidation accounted for an increase in net sales of

€1.4 million while foreign exchange effect was negative for €1.1 million; their impact on Ebitda was not material. On a like-for-like basis, net sales and Ebitda would have decreased by 10.6% and 52.0% respectively. The Q1-12 figure included other revenues for €1.8 million referring to the sale or trade of CO2 emission rights whereas no such income is included in the current period. After amortization and depreciation for €53.8 million (€56.5 million in Q1-12) Ebit was negative for €42.0 million (-€32.5 million in 2012). Net finance costs were lower than in the previous year (€25.8 million vs. €29.2 million in 2012). Due to the impact of the factors outlined above, the first quarter 2013 closed with a loss before tax of €68.8 million vs. a loss of €64.2 million at March 2012. After taxes, net loss for the period came in at €62.8 million (€66.3 million being the share attributable to the owners of the company).

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

Net sales and EBITDA breakdown by geographical area is as follows:

Net sales

million euro	*Q1-13*	*Q1-12*	*Change abs*
Italy	83.6	113.4	-29.8
United States of America	148.8	136.1	12.6
Germany	95.4	115.7	-20.3
Luxembourg	19.2	23.4	-4.2
Netherlands	13.3	21.0	-7.8
Czech Republic	17.4	19.5	-2.1
Poland	11.7	18.5	-6.7
Ukraine	15.4	17.6	-2.2
Russia	47.7	40.2	7.5
Mexico	56.8	64.8	-8.0
Eliminations	-6.2	-8.0	1.8
	503.1	**562.2**	**-59.1**

EBITDA

million euro	*Q1-13*	*Q1-12*	*Change abs*
Italy	-10.2	-4.6	-5.6
United States of America	10.2	2.5	7.8
Germany	-9.9	-0.4	-9.5
Luxembourg	-1.1	-1.4	0.2
Netherlands	-2.8	-1.8	-1.0
Czech Republic	-2.7	-3.0	0.2
Poland	-2.3	-2.0	-0.3
Ukraine	-5.2	-3.9	-1.3
Russia	15.3	13.7	1.6
Mexico	20.4	24.8	-4.4
	11.8	**24.0**	**-12.3**

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

Italy
At the beginning of 2013 economic contraction was less sharp, however a forthcoming upturn of the cyclical phase cannot be envisaged. As a matter of fact, firms' assessments on trading conditions do not improve and consumer confidence remains low. In the first months of the year, industrial activity continued to be sluggish and investment spending was largely impacted by the uncertain trend in domestic demand, the large margins of unused capacity and the difficulties to access credit. Employment decline protracts and real per capita earnings continue to fall. The cyclical phase of the construction segment is still negative; housing transactions have dropped nearly 50% from the peak reported in 2007 and short-term prospects remain unfavorable, although some signs of stabilization start appearing. In such a context, estimates on cement domestic deliveries show for the first quarter of 2013 a contraction of about 25% from the same period a year earlier. The decrease in sales volumes was substantially in line with that of domestic consumption (-24.8%), sharpened by adverse weather in February and March and only partly mitigated by an increase in exports. Selling prices showed a good steadiness (+2.8%) compared with the early 2012 levels. The trend in the ready-mix concrete

sector was even more difficult, with sales volumes down 36.5% and only slightly higher prices. Overall, net sales came in at €83.6 million, down 26.3% from €113.4 million in the previous year. Ebitda was negative for €10.2 million vs. a negative of €4.6 million in Q1-12.

Central Europe
After a marked production decline in the fourth quarter of 2012, in the first months of the current year signs of stabilization emerged in this geographical area belonging to the Eurozone, although statistics confirm that trading weakness has extended to countries less hit by sovereign debt tensions.

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

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

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

Eastern Europe
In the first months of the current year, Russia maintained the good pace of economic growth realized in the last quarter of 2012 whereas no distinctive hint on GDP's trend came from the other countries of this geographical area. Adverse weather together with a rather high basis of comparison penalized cement volumes sold especially in Poland (-39.0%) and Ukraine (-16.8%). The trend was less critical in the Czech Republic (-6.2%) since building material demand has been on the low stage of the cycle for some years. Quite different was the performance of the Russian market where cement demand continued to thrive (sales volumes +14.8%). The upward trend of prices in local currency was confirmed in Ukraine (+10.3%) and in Russia (+7.3%), whereas average unit revenue was weaker compared with Q1-12 in Poland (-8.8%) and in the Czech Republic (-1.6%). In the countries where

the group operates also in the ready-mix concrete business, especially the Czech Republic/Slovakia and Poland, volumes sold in that sector posted a quite marked decline, in line with cement trend.

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

United States of America
After a slowdown in the growth rate reported in the last quarter of 2012 and attributable to transitory factors, GDP picked up again in the first quarter of 2013, with consumption and investment speeding up. Employment growth came out better than expected and inflation rate remained under control. The latest estimates on cement consumption in the country predict a 6% growth over the previous year, driven by a more lively residential demand. Despite a challenging comparison with Q1-12 results, our cement volumes progressed (+3.9%) with average unit prices in local currency up 2.7%. Ready-mix concrete operations, which are located in the fastest-growing States, reported a sizeable output increase (+18.7%) with prices in improvement. Overall net sales totaled €148.8 million vs. €136.1 (+9.3%). Foreign exchange effect was unfavorable for €1.1 million. Ebitda stood at €10.2 million vs. €2.5 million in 2012.

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

Outlook

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

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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, May 10, 2013

for the Board of Directors
Alessandro Buzzi
(Chairman)

CONSOLIDATED BALANCE SHEET

	(thousands of euro)	
	Mar 31, 2013	Dec 31, 2012
ASSETS		
Non-current assets		
Goodwill	584,831	584,199
Other intangible assets	12,413	12,425
Property, plant and equipment	3,252,582	3,208,706
Investment property	28,640	19,299
Investments in associates	205,392	202,944
Available-for-sale financial assets	3,157	3,513
Deferred income tax assets	74,642	66,244
Other non-current assets	51,881	55,284
	4,213,538	**4,152,614**
Current assets		
Inventories	445,265	437,565
Trade receivables	437,698	439,383
Other receivables	125,286	116,085
Available-for-sale financial assets	1,987	86,989
Derivative financial instruments	2,855	2,307
Cash and cash equivalents	558,574	556,193
	1,571,665	**1,638,522**
Assets held for sale	9,604	11,546
Total Assets	**5,794,807**	**5,802,682**

	(thousands of euro)	
	Mar 31, 2013	Dec 31, 2012
EQUITY		
Equity attributable to owners of the company		
Share capital	123,637	123,637
Share premium	458,696	458,696
Other reserves	214,280	156,324
Retained earnings	1,643,772	1,694,273
Treasury shares	(4,768)	(4,768)
	2,435,617	**2,428,162**
Non-controlling interests	177,362	174,461
Total Equity	**2,612,979**	**2,602,623**
LIABILITIES		
Non-current liabilities		
Long-term debt	1,393,856	1,385,154
Derivative financial instruments	17,000	22,310
Employee benefits	424,857	437,640
Provisions for liabilities and charges	127,057	126,239
Deferred income tax liabilities	415,922	403,282
Other non-current liabilities	15,129	16,655
	2,393,821	**2,391,280**
Current liabilities		
Current portion of long-term debt	290,487	288,146
Short-term debt	76,556	70,685
Derivative financial instruments	2,691	4,994
Trade payables	207,768	244,713
Income tax payables	11,524	11,223
Provisions for liabilities and charges	40,266	40,342
Other payables	158,715	148,676
	788,007	**808,779**
Total Liabilities	**3,181,828**	**3,200,059**
Total Equity and Liabilities	**5,794,807**	**5,802,682**

CONSOLIDATED INCOME STATEMENT

	(thousands of euro) January-March 2013	2012 restated*
Net sales	**503,135**	**562,230**
Changes in inventories of finished goods and work in progress	3,668	(7,308)
Other operating income	13,794	14,877
Raw materials, supplies and consumables	(233,664)	(258,174)
Services	(143,607)	(162,146)
Staff costs	(109,787)	(106,645)
Other operating expenses	(21,786)	(18,828)
Operating cash flow (EBITDA)	**11,753**	**24,006**
Depreciation, amortization and impairment charges	(53,781)	(56,503)
Operating profit (EBIT)	**(42,028)**	**(32,497)**
Gains on disposal of investments	(1)	252
Finance revenues	17,905	28,252
Finance costs	(43,737)	(57,467)
Equity in earnings of associates	(959)	(2,783)
Profit before tax	**(68,820)**	**(64,243)**
Income tax expense	6,034	18,462
Profit for the period	**(62,786)**	**(45,781)**
Attributable to:		
Owners of the company	(66,321)	(49,813)
Non-controlling interests	3,535	4,032

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(thousands of euro)

	January-March 2013	January-March 2012 restated*
Profit for the period	**(62,786)**	**(45,781)**
Items that will not be reclassified subsequently to profit or loss		
Actuarial gains (losses) on post employment benefit obligations	16,370	(299)
Income taxes relating to actuarial gains (losses)	(5,912)	115
Items that may be reclassified subsequently to profit or loss		
Currency translation differences	65,866	(1,482)
Income taxes relating to components of other comprehensive income	(136)	324
Other comprehensive income for the period, net of tax	**76,188**	**(1,342)**
Total comprehensive income for the period	**13,402**	**(47,123)**
Attributable to:		
Owners of the company	745	(59,211)
Non-controlling interests	12,657	12,088

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

CONSOLIDATED NET FINANCIAL POSITION

(thousand of euro)

	Mar 31, 2013	Dec 31, 2012
Cash and short-term financial assets:		
- Cash and cash equivalents	558,574	556,193
- Short-term monetary investments	-	85,000
- Derivative financial instruments	2,855	2,306
- Other current financial liabilities	16,756	16,063
Short-term financial liabilities:		
- Current portion of long-term debt	(290,487)	(288,146)
- Short-term debt	(76,556)	(70,685)
- Derivative financial instruments	(2,691)	(4,994)
- Other current financial liabilities	(30,915)	(20,538)
Net short-term cash	**177,536**	**275,199**
Long-term financial assets:		
- Other non-current financial receivables	9,789	10,701
Long-term financial liabilities:		
- Long-term debt	(1,393,856)	(1,385,153)
- Derivative financial instruments	(17,000)	(22,310)
- Other non-current financial liabilities	(3,422)	(3,365)
Net debt	**(1,226,953)**	**(1,124,928)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

This interim report for the three months ended 31 March 2013 has been drawn up in compliance with art. 154 ter of Legislative Decree 58/1998. It has been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and endorsed by the European Commission and the accounting policies adopted are consistent with those of the annual financial statements for the year ended 31 December 2012, to which please refer for additional information.

The preparation of the interim report requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities at the closing date and the reported amounts of revenues and expenses for the period. In case in the future such estimates and assumptions, based on the best knowledge of the management, should significantly differ from the actual circumstances, they would be modified accordingly in the relevant period in which they change. Income tax expense is accrued using the tax rate that would be applicable to expected total annual profit or loss.

As illustrated in the annual financial statements as at 31 December 2012, the group has early adopted IAS 19 revised Employee benefits retrospectively, therefore the items of the consolidated income statement as at 31 March 2012 have been restated while the items of the consolidated balance sheet as at 31 March 2012 are consistent with the corresponding ones at 31 December 2012.

The changes occurred in the scope of consolidation during the first three months of 2013 do not alter, overall, in a material way the comparability with the previous period.

For the outlook please refer to the section “Interim management review”.

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Equity attributable to owners of the company is increased by €7.5 million from 31 December 2012. The change is mainly the result of the following developments: an increase due to translation differences (€56.8 million), actuarial gains on employee benefits (€10.2 million) and transactions with non-controlling interests after the acquisition of control (€7.5 million); a decrease due to loss for the period (€66.3 million).

* * *

The decrease of 10.5% in net sales compared with the same period of 2012 is due to unfavorable currency effect for 0.2%, to additions in the scope of consolidation for 0.3% and to unfavorable trading conditions (volumes and prices effect) for 10.6%.

Segment information

The breakdown of net sales, operating cash flow and operating profit by geographical area is the following:

thousands of euro	*Italy*	*Central Europe*	*Eastern Europe*	*USA*	*Mexico*	*Unallocated items and adjustments*	*Total*
Three months ended 31 March 2013							
Segment revenue	83,175	123,991	91,565	147,155	56,798	451	503,135
Intersegment revenue	-	-	-	-	-	-	-
Revenue from external customers	83,175	123,991	91,565	147,155	56,798	451	503,135
Operating cash flow	(10,141)	(13,833)	5,168	10,238	20,372	(51)	11,753
Operating profit	(20,195)	(25,068)	(6,824)	(6,994)	16,681	372	(42,028)

thousands of euro	*Italy*	*Central Europe*	*Eastern Europe*	*USA*	*Mexico*	*Unallocated items and adjustments*	*Total*
Three months ended 31 March 2012 restated							
Segment revenue	112,269	154,253	94,815	136,131	64,818	(56)	562,230
Intersegment revenue	(1)	(188)	-	-	-	189	-
Revenue from external customers	112,268	154,065	94,815	136,131	64,818	133	562,230
Operating cash flow	(4,851)	(3,564)	4,986	2,458	24,757	220	24,006
Operating profit	(15,063)	(16,152)	(7,723)	(15,246)	21,113	574	(32,497)

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