Institutional investors presentation

Intermonte

Milan, March 31st, 2009

Buzzi Unicem

FY08 results

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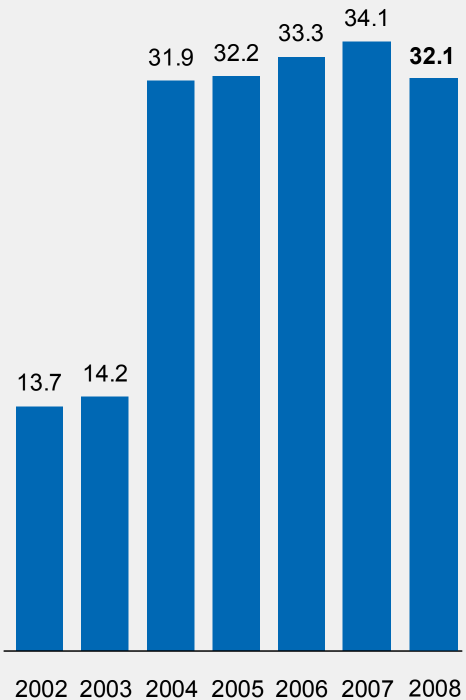
Executive summary

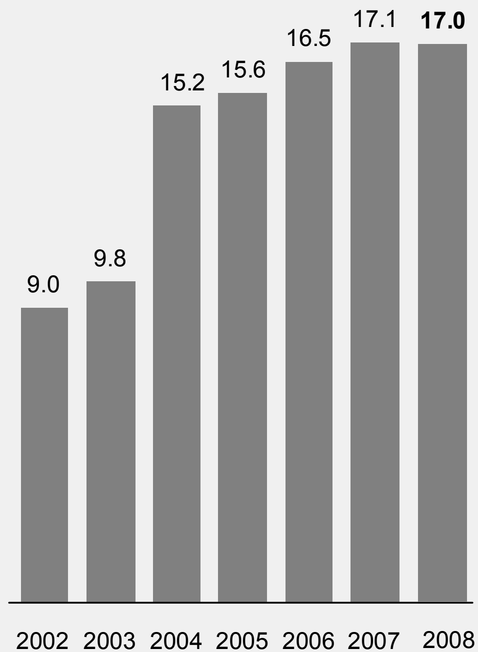
- **Volumes**
  - Italy sharply declining, Ukraine deadlock during 4Q after brilliant 9M
  - USA still declining; positive ready-mix scope variation
  - Poland very positive, Germany positive but slowing down, Mexico slightly declining as well as Russia
- **Prices**
  - Growing in Russia, Ukraine, Poland for the FY; slow down in the 4Q
  - Italy in continuous deterioration: exit price level below 2007 average
  - Mexico improving; USA some further deterioration in the 4Q
- **Forex**
  - Negative influence on top line and Ebitda, mainly from dollar denominated currencies
  - Deterioration of some emerging market currencies starting in 4Q (UAH, RUB)
- **Costs**
  - Negative full year impact from oil price increases on energetics; starting to ease in the 1Q09
  - Freight rates declining in the last months of the year
- **Results**
  - Net sales slightly exceeding the previous year (+0,7%) but major slowdown in the 4Q (-9,4%)
  - Net income very close to the 2007 recurring one
  - Net debt growing due to equity investments and expansion capex

Volumes

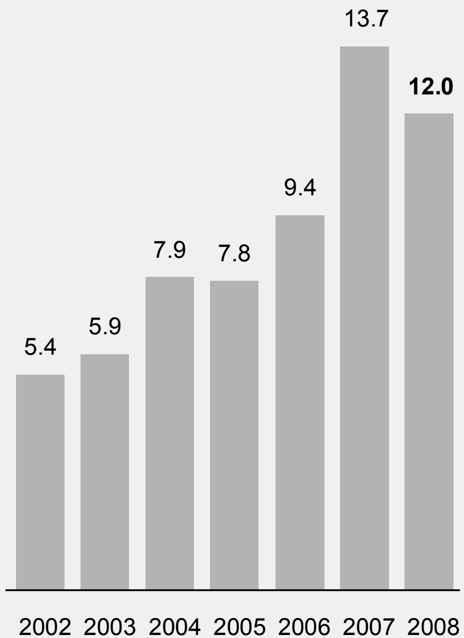
Cement (m ton)



Ready-mix concrete (m m3)



Aggregates (m ton)



Cement volumes

000 ton	2008	2007	Δ abs	Δ %
Italy	7,347	8,465	(1,119)	- 13.2
United States of America	8,387	9,367	(980)	- 10.5
Germany	5,511	5,400	111	+ 2.1
Luxembourg	1,090	1,102	(12)	- 1.0
Czech Republic	1,064	1,042	21	+ 2.1
Poland	1,553	1,414	139	+ 9.8
Ukraine	2,495	2,552	(57)	- 2.2
Russia	2,261	2,330	(69)	- 3.0
Mexico	2,419	2,461	(42)	- 1.7
Total	**32,093**	**34,067**	**(1,975)**	**- 5.8**

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Ready-mix concrete volumes

000 m3	2008	2007	Δ abs	Δ %
Italy	5,632	6,819	(1,186)	- 17.4
United States of America	2,306	1,940	366	+ 18.9
Germany	3,281	2,932	349	+ 11.9
Netherlands	1,167	992	175	+ 17.7
Czech Republic	2,431	2,302	128	+ 5.6
Poland	982	938	44	+ 4.6
Ukraine	349	375	(26)	- 6.9
Mexico	847	798	49	+ 6.2
Total	**16,996**	**17,096**	**(100)**	**- 0.6**

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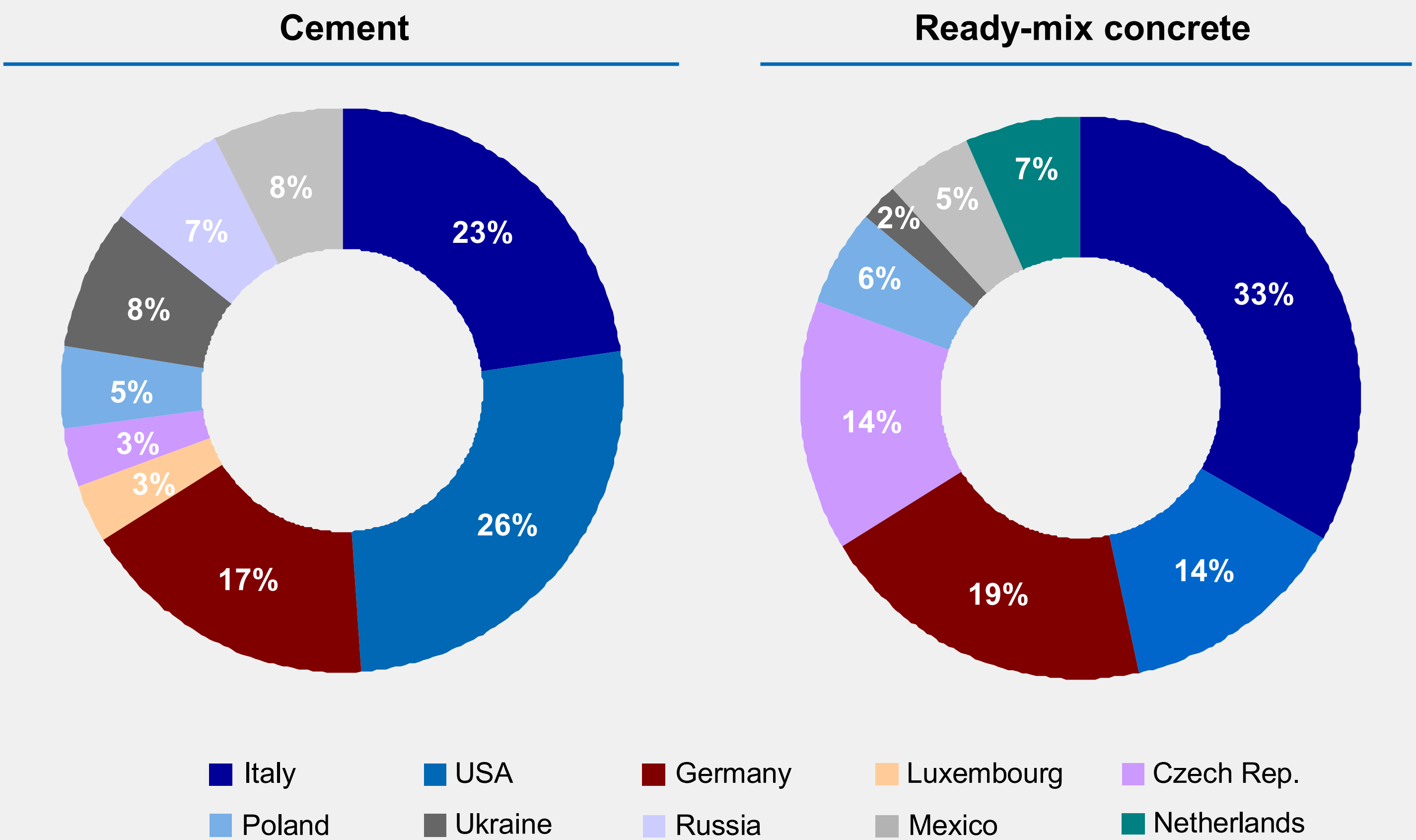
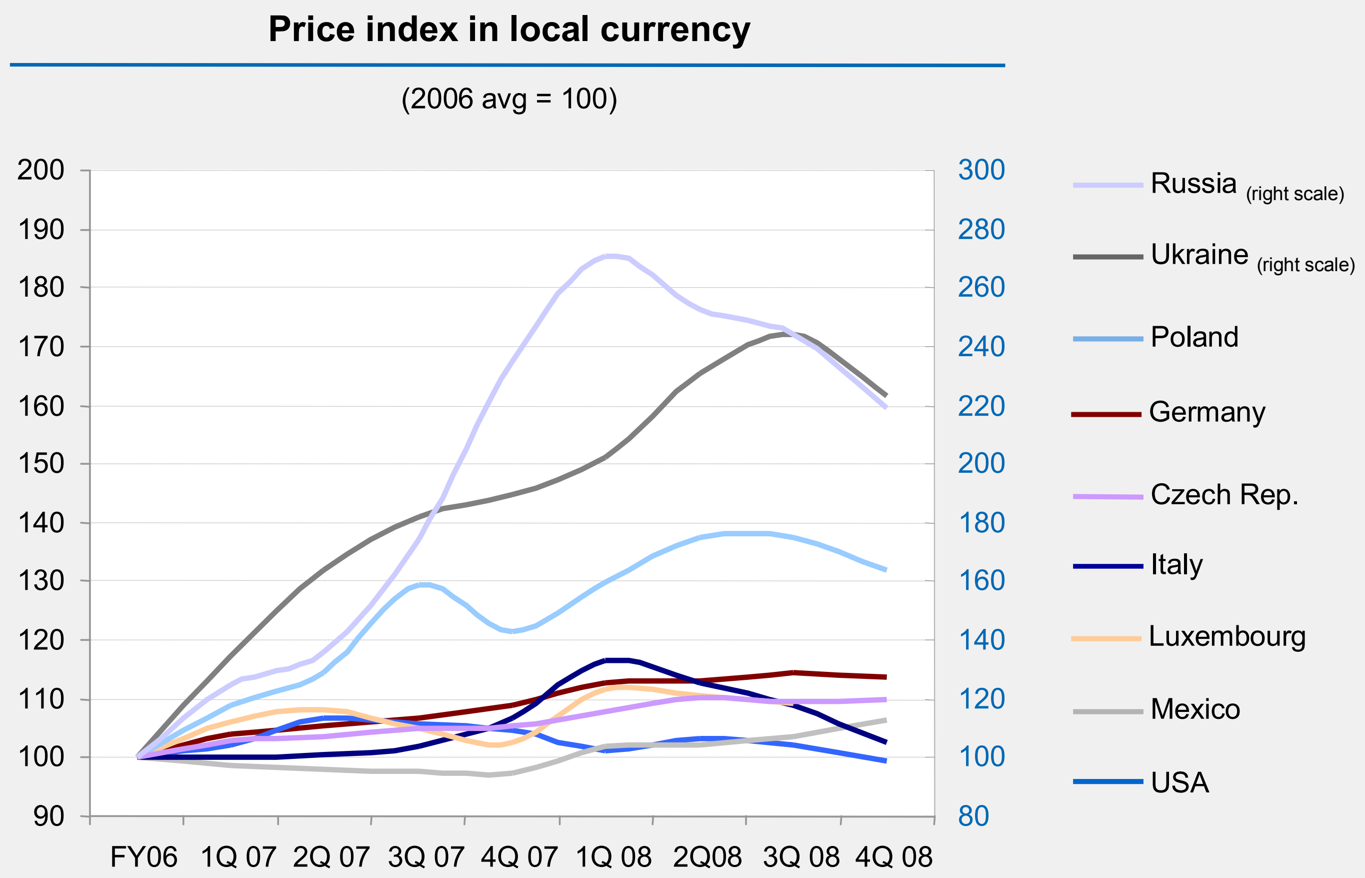
Volumes breakdown



FX changes

	2008	2007	Δ
EUR 1 =	average	average	%
USD	1.47	1.37	- 7.3
MXN	16.29	14.97	- 8.8
CZK	24.95	27.76	+ 10.2
PLN	3.51	3.78	+ 7.2
UAH	7.69	6.90	- 11.4
RUB	36.42	35.02	- 4.0

Cement prices by country



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Net sales by country

EURm	2008	2007	Δ abs	Δ %	Δ l-f-l %
Italy	850.2	961.5	(111.2)	- 11.6%	-11.6%
United States of America	750.0	850.9	(100.8)	- 11.9%	- 9.9%
Germany	594.8	514.9	79.9	15.5%	11.7%
Luxembourg	89.3	91.8	(2.5)	- 2.7%	4.8%
Netherlands	132.9	140.6	(7.7)	- 5.5%	-5.2%
Czech Republic	260.8	215.8	44.9	20.8%	8.7%
Poland	183.7	142.8	40.9	28.7%	19.4%
Ukraine	209.4	179.2	30.1	16.8%	30.1%
Russia	267.3	197.9	69.4	35.1%	40.5%
Mexico	205.1	212.0	(6.8)	- 3.2%	5.3%
Eliminations	(23.3)	(11.2)	(12.1)	–	–
Total	**3,520.2**	**3,496.1**	**24.1**	**0.7%**	**1.2%**

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EBITDA by country

EURm	FY 08	FY 07	Δ abs	Δ %	Δ l-f-l %
Italy	143.4	206.4	(63.0)	-30.5%	-30.5%
net of non-recurring	136.4	206.4	(70.0)	-33.9%	-33.9%
United States of America	205.8	304.1	(98.2)	- 32.3%	- 27.7%
Germany	102.7	138.9	(36.2)	- 26.1%	-27.5%
net of non-recurring	102.4	80.5	21.8	27.1%	24.6%
Luxembourg	17.4	21.5	(4.1)	- 19.2%	-25.5%
net of non-recurring	17.4	22.0	(4.6)	-21.0%	-27.0%
Netherlands	7.2	8.1	(0.9)	- 11.1%	-14.2%
Czech Republic	73.2	70.3	2.8	4.0%	-6.5%
net of non-recurring	73.2	67.0	6.2	9.2%	-1.8%
Poland	70.0	52.1	17.9	34.3%	24.7%
Ukraine	49.9	58.1	(8.3)	- 14.2%	-4.5%
Russia	173.2	94.7	78.5	82.9%	89.7%
Mexico	79.9	91.9	(12.1)	- 13.1%	- 5.5%
Total	**922.7**	**1,046.3**	**(123.6)**	**- 11.8%**	**-10.2%**
net of non-recurring	915.4	985.1	(69.7)	-7.1%	-5.4%

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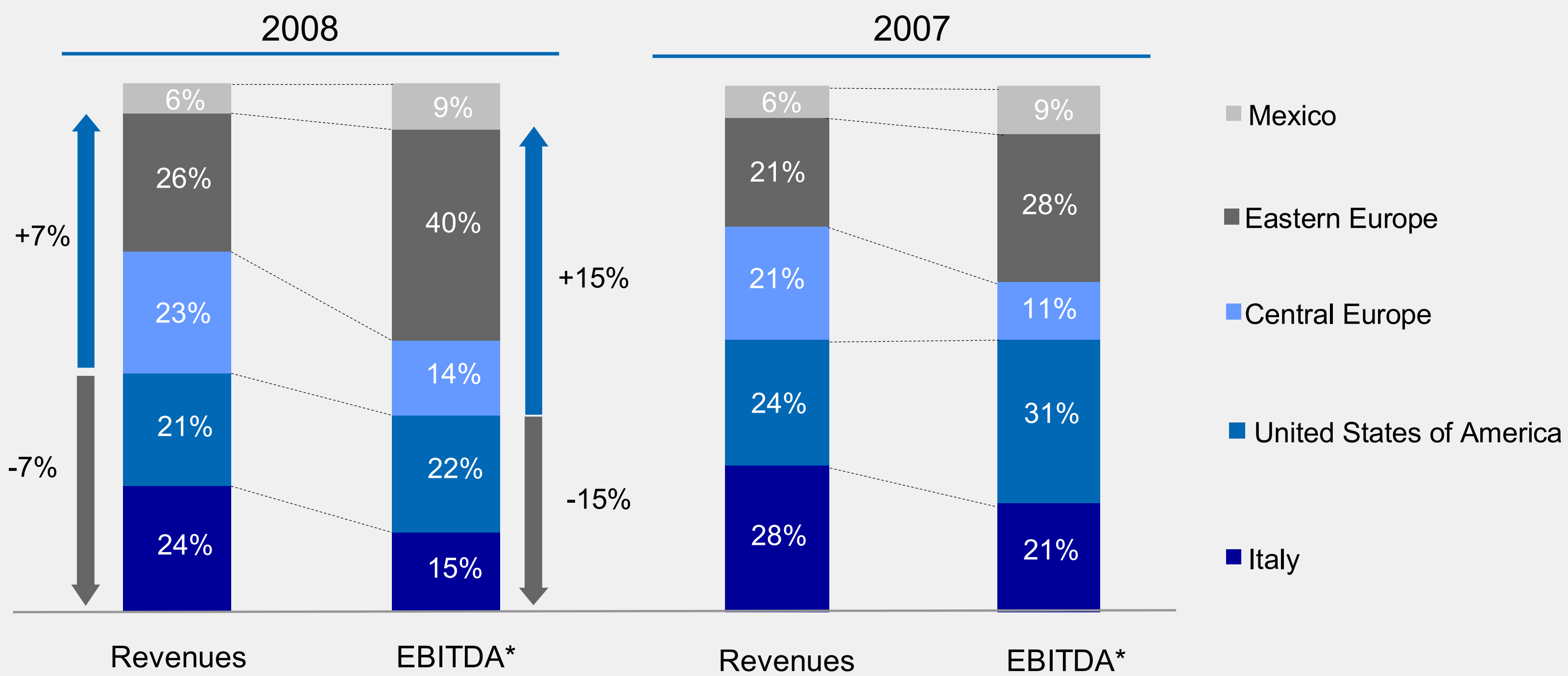
Net sales and EBITDA development

- Eastern Europe contribution to consolidated figures: Net sales from 21% to 26%, EBITDA from 28% to 40%
- Contraction in Italy and USA market not fully offset by Eastern Europe
- Central Europe further improving thanks to Germany (both Net sales and EBITDA)



* recurring

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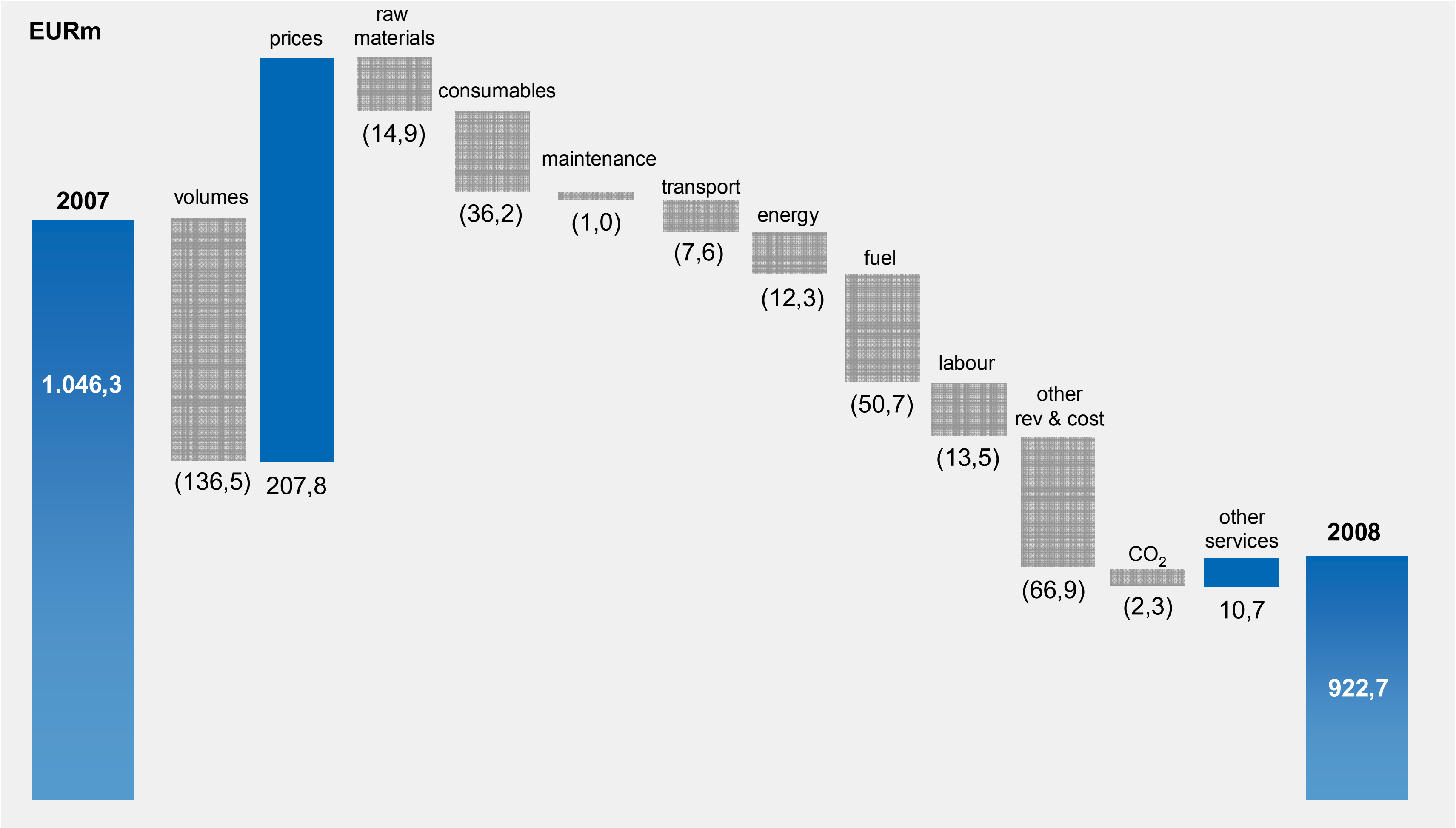
EBITDA variance analysis



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Consolidated Income Statement

EURm	2008	2007	Δ abs	Δ %
Net Sales	**3,520.2**	**3,496.1**	**24.1**	**0.7**
Operating cash flow (EBITDA)	**922.7**	**1,046.3**	**(123.6)**	**-11.8**
of which, non recurring	7.3	61.2		
% of sales (net of non recurring)	26.0%	28.2%		
Depreciation and amortization	(225.0)	(210.9)	(14.1)	
Operating profit (EBIT)	**697.7**	**835.3**	**(137.7)**	**-16.5**
% of sales	19.8%	23.9%		
Disposal of investments	12.0	(0.6)	12.6	
Net finance cost	(66.4)	(22.2)	(44.1)	
Equity earnings	7.0	12.4	(5.3)	
Profit before tax	**650.3**	**824.8**	**(174.5)**	**-21.2**
Income tax expense	(179.6)	(288.3)	108.7	
Net profit	**470.8**	**536.5**	**(65.7)**	**-12.2**
Minorities	(75.5)	(78.1)	2.6	
Consolidated net profit	**395.3**	**458.5**	**(63.2)**	**-13.8**
Cash flow	**695.8**	**747.5**	**(51.7)**	**-6.9**

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Finance costs detail

EURm	2008	2007	Δ abs	Δ %
Interest expense	(93.9)	(86.2)	(7.7)	(8.9)
Interest income	34.4	33.8	0.6	1.8
Net interest expense	**(59.5)**	**(52.5)**	**(7.0)**	**(13.3)**
Forex gains (losses)	(38.0)	59.9		
Derivatives valuation	57.8	(26.8)		
Interest costs of pension funds	(12.6)	(10.9)		
Other	(14.1)	8.1		
Net finance costs	**(66.4)**	**(22.2)**	**(44.2)**	

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Consolidated Cash Flow Statement

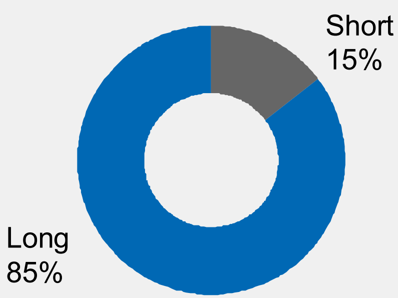
EURm	2008	2007
Cash flow [1]	**695.8**	**747.5**
% of sales	19.8	21.4
Changes in working capital	(139.3)	(119.2)
Equity earnings	(7.0)	(12.4)
Other non-cash items[2]	(25.1)	(27.1)
Net cash provided by operating activities	**524.3**	**588.8**
% of sales	14.8	16.8
Capital expenditures	(519.8)	(322.4)
Equity investments	(333.5)	(204.9)
Conversion of bonds	1.7	4.4
Dividends paid	(127.6)	(99.8)
Dividends from associates	10.7	12.6
Disposal of fixed assets and investments	34.3	30.3
Purchase of treasury shares	(2.8)	(2.8)
Translation differences	(50.1)	(34.5)
Other	24.2	16.1
Change in net debt	**(438.5)**	**(12.3)**
Net financial position (end of period)	**(1,059.7)**	**(621.2)**

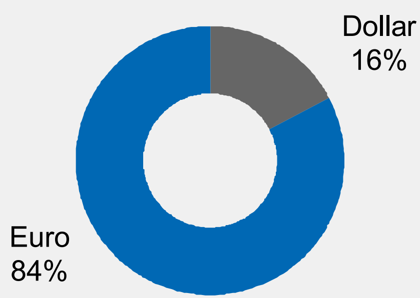
(1) Net Profit + amortization & depreciation (2) Includes also: capital gains, change in deferred tax, provisions, share based payments

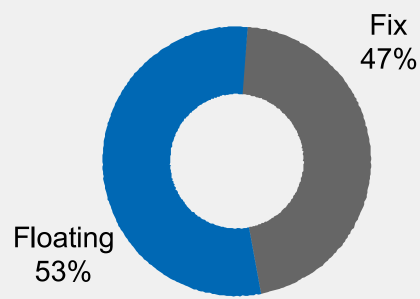
Net Financial Position

EURm	Dec 08	Dec 07	Δ abs
Cash and equivalents	597.8	763.7	(165.9)
Short-term debt	(246.9)	(246.9)	0.0
Net short-term cash	**350.9**	**516.8**	**(165.9)**
Long-term financial assets	17.0	2.3	14.7
Long-term debt	(1,427.6)	(1,140.4)	(287.2)
Net debt	**(1,059.7)**	**(621.2)**	**(438.5)**

Gross debt breakdown (€m 1,674.5)







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Trading outlook (1)

- ITALY
  - – Cement volumes still declining
  - – Negative yoy price effect in 1H; discount reduction occurring on the market
  - – Some further pressure on margin, also in a deflationary cost environment
- GERMANY
  - – Volumes declining with price improvement
  - – Stable revenues and profitability
- LUXEMBOURG
  - – Declining volumes, but stable profitability thanks to the new sales mix
- USA
  - – Further volumes slowdown, around 10% (PCA forecast ~ 15%)
  - – Average price level for the full year ~3÷5% lower than in 2008
  - – Obama's plan could increase US cement consumption by some mton in 2009
- MEXICO
  - – Volumes somewhat below versus previous year; prices above
  - – No major margin deterioration, but negative currency effect

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Trading outlook (2)

- CZECH REPUBLIC
  - – Slightly declining volumes, in a stable pricing environment
  - – Negative translation effect on the results
- POLAND
  - – Construction market to hold with stable to slightly declining volumes
  - – Negative impact of PLN currency on the results
- UKRAINE
  - – Market declining and potential pricing pressure
  - – Gas cost inflation and currency depreciation affecting margins
  - – Results deficient into 2009; coal usage starting in 2010 to restore better profitability
- RUSSIA
  - – Price reduction have stabilized, but lower volumes
  - – Ruble depreciation with negative consequence
  - – Profitability still at satisfactory level

Company profile & strategies

Lean and direct ownership

Buzzi Family Holdings

45.5%
(56.7% Ord)

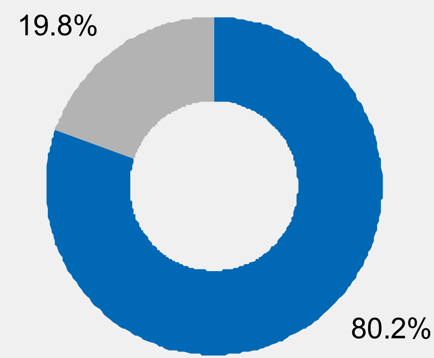
Free Float — 54.5% → **Buzzi Unicem**

93.1%
(98.0% Ord)
(88.3% Pref)

Dyckerhoff

Share capital

▪ Total shares	206,061,098
▪ Ordinary	165,349,149
▪ Savings	40,711,949



As of Jan 09

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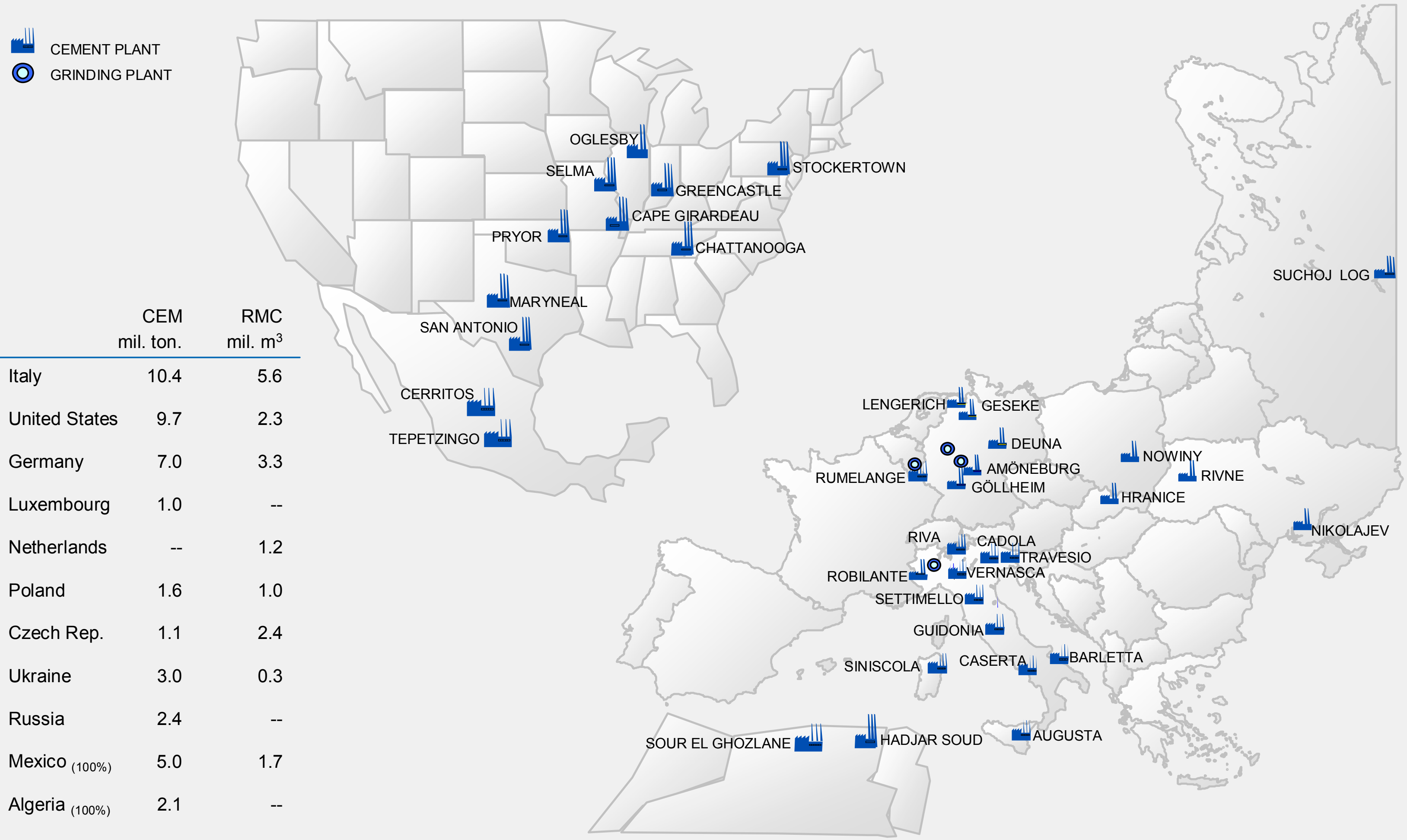
Cement plants location and capacity



	CEM mil. ton.	RMC mil. m^3
Italy	10.4	5.6
United States	9.7	2.3
Germany	7.0	3.3
Luxembourg	1.0	--
Netherlands	--	1.2
Poland	1.6	1.0
Czech Rep.	1.1	2.4
Ukraine	3.0	0.3
Russia	2.4	--
Mexico (100%)	5.0	1.7
Algeria (100%)	2.1	--

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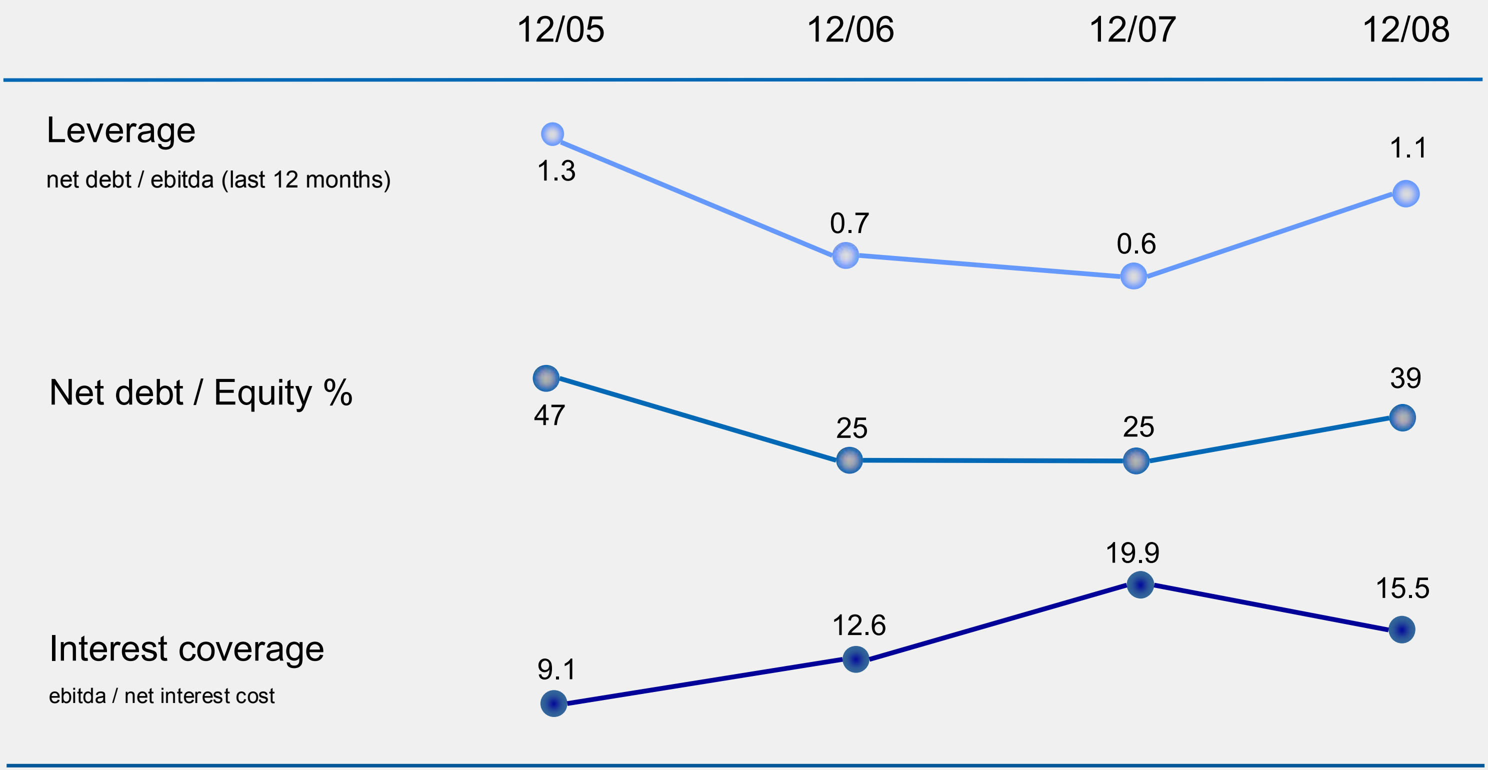
Financial condition

- Solid leverage conditions, allowing good flexibility
- Conservative debt profile to maintain favorable ratios



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Preserving financial condition

- Market conditions are still deteriorating: visibility for the year 2009 is uncertain, consequently operating results will be probably 20/30% lower than in the past
- Preserving cash flow is a key point, monitoring ordinary capex, working capital and new project outlay (expansion capex)
- Capex deployment will adapt to new conditions
- Expansion projects schedule is monitored and multiple scenarios have been evaluated:
  - Akbulak (RUS) project to attain all permissions, realizing preparative civil works and to complete engineering, current commitment of 25% (110m€) of budget will be enhanced depending on market development. Plant start-up postponed to 2014
  - Volyn (UKR) brownfield project working on permits and engineering; no further commitment for now. New kiln start-up tbd
  - USA project 2 to be further delayed until market conditions improve
  - GER Amöneburg new white cement line postponed by 1yr at least
- Compliance with financial ratios to maintain an implicit strong investment grade rating

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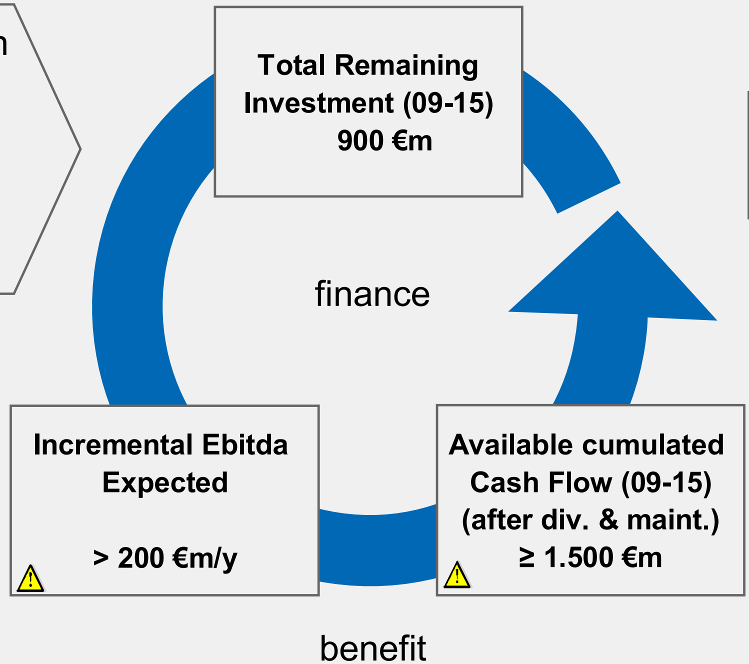
Strengthening the industrial system

- 3 yrs extention on capex cash out
- Capacity expansion being reduced

Nominal capacity addition
~8.5 mt +20%

Net capacity addition
~ 6.5 mt +15%



Leverage condition
< 2.0x EBITDA

⚠ *At Jan.2009 prices/FX and proposed roll-out of the new capacity*

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Roll-out of additional capacity by project and sales

	2009	2010	2011	2012	2013	2014	2015	Add	Replace
	mt	mt	mt	mt	mt	mt	mt	mt	mt
USA Selma	1,5	0,3	0,2	0,2				0,7	1,5
USA Project 2 (tbc)					0,5	0,7		0,7	0,5
RUS Suchoi Log		0,4	0,5	0,3				1,2	
RUS Akbulak						0,8	1,4	2,2	
UKR Volyn		0,2	0,2					0,4	
GER Amöneburg				0,1	0,1			0,2	
MEX Apazapán			0,5	0,2				0,7	
LUX Esch	0,1	0,1	0,2					0,4	
Total	1,6	1,0	1,6	0,8	0,6	1,5	1,4	6,5	2,0

commissioning   full utilization

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USA: River 7000

- The new Selma production line is schedule to start-up by 1H09, replacing 1.3mton of current capacity and adding 1.0mton of new spare capacity
- Variable cost structure will be improved, even when running at reduced capacity
- Plants closure (Independence ~300kton, New Orleans ~550kton, Oglesby ~650kton) to support Selma production in weak environment
- US market nominal overcapacity is expected to be followed by further shutdowns
- US import still declining into 08; potential threats in 09 given lower freight rates and stronger $

Pre-heater tower and stack

Kiln line


Raw material deposits


Barge loading facility

Russia: Suchoi Log expansion

- The SL5 project is to be commissioned by end of 2009, expanding capacity by 1.2mton (+50%)
- The new brownfield production line will add variable costs only, leveraging on the current staff and strengthening the profitability scenario in the country
- Serving the Ural region markets, with sales mainly direct toward commercial and infrastructures
- Local demand less affected by credit crunch like in Moscow or St.Petersburg area
- Given the high levels of profitability reached, prices in the area are softening (oil-well and specialty cements, representing 30% of sales, sold at premium price)

Raw mill

Tower and kiln line

Cement mill

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