Half-Year Financial Report
January to June 2008

HEIDELBERGCEMENT

- **Group turnover increases to around EUR 7 billion (+67 %)**
- **Significant double-digit increase in operating income (+37 %)**
- **Profit for the financial year grows to more than EUR 1.7 billion (+29 %)**
- **Group structure strengthened and optimised as a result of rapid implementation of the Hanson integration**
- **"Fitness 2009" (EUR 250 million) adopted**
- **Global growth despite weakness in the US and United Kingdom**
- **Forecast of appreciable growth in sales and earnings for the whole of 2008 confirmed**

Overview January - June 2008	April - June		January - June	
EURm	2007*	**2008**	2007*	**2008**
Turnover	2,378	**3,865**	4,160	**6,928**
Operating income before depreciation (OIBD)	623	**891**	876	**1,276**
Operating income	506	**698**	649	**888**
Additional ordinary result	792	**5**	829**	**24**
Results from participations	89	**28**	106	**34**
Earnings before interest and income taxes (EBIT)	1,387	**731**	1,583	**945**
Profit before tax	1,320	**564**	1,464	**579**
Net income from continuing operations	1,179	**449**	1,283	**460**
Net income from discontinued operations	44	**-6**	59	**1,271**
Profit for the financial year	1,223	**443**	1,342	**1,731**
Group share of profit	1,194	**410**	1,303	**1,674**
Investments	3,385	**272**	3,614	**524**

* Figures have been adjusted following the presentation of maxit Group as discontinued operation (IFRS 5) and are therefore not comparable with those presented in 2007.
** Vicat effect: EUR 805 million

Change in consolidation scope

In order to ensure the comparability of operational development, the following consolidation-related changes should be taken into account:

Besides the companies included in the consolidation scope for the first time, the inclusion of Hanson had a particularly significant impact in the first half of 2008. Net income from discontinued operations includes the profit from the sale of maxit Group on 13 March 2008.

Financial calendar	
Interim Report January to September 2008	5 November 2008
First financial highlights for the 2008 financial year	January 2009
Press and analysts' conference on annual accounts	19 March 2009
Annual General Meeting 2009	7 May 2009

Interim Group management report

General economic environment

In the last few months, the dynamics of the global economy weakened as a result of the turbulence on the financial markets, after a strong start to the year. The slowdown is particularly marked in the US, while the emerging countries and the countries of Central and Eastern Europe are continuing to record above-average growth. The worldwide increase in raw material prices has continued.

Global growth despite weakness in the US

During the first half of the year, HeidelbergCement's cement and clinker sales volumes rose by 8.0% to 44.4 million tonnes (previous year: 41.1). Excluding consolidation effects, the increase amounted to 2.6%. The growth was strongest in the Asia-Australia-Africa Group area, followed by Europe. In North America, our sales volumes were impaired not only by the significant decline in construction activity, but also by adverse weather conditions. Deliveries of aggregates more than trebled, reaching 145.4 million tonnes (previous year: 42.3). Ready-mixed concrete sales volumes grew by 81.5% to 22.2 million m^3 (previous year: 12.2). Even excluding the Hanson activities, the sales volumes of both operating lines improved noticeably.

In the first six months, Group turnover increased by 66.5% to EUR 6,928 million (previous year: 4,160). This was due to the inclusion of Hanson in particular, but the countries of Eastern Europe and Central Asia as well as the Benelux countries, Scandinavia, Indonesia, China, Africa and Turkey also contributed to this growth. Excluding exchange rate and consolidation effects, turnover increased by 9.2%. Operating income before depreciation (OIBD) rose by 45.8% to EUR 1,276 million (previous year: 876). Operating income grew by 36.8% to EUR 888 million (previous year: 649).

The decrease of EUR 805.5 million in the additional ordinary result is attributable to the profit from the sale of the French participation Vicat S.A. (June 2007) included in the first half of 2007. The decline of EUR 72.0 million in results from participations to EUR 33.5 million (previous year: 105.5) results essentially from the sale of Vicat and the at-equity profit of Hanson PLC included in the same period of 2007. The decrease of EUR 246.7 million in financial results to EUR -366.2 million (previous year: -119.5) is largely due to the financing of the Hanson acquisition in August 2007.

The increase in financing costs and the decline in the additional ordinary result and results from participations were not completely compensated for by the improvement in operating income, which resulted in a reduction of EUR 885.2 million in profit before tax from continuing operations, bringing the total to EUR 578.8 million (previous year: 1,464.0). Taxes on income fell accordingly by EUR 61.7 million to EUR 119.0 million (previous year: 180.7). The optimisation of the Group structure also contributes to reducing the tax ratio on a comparable basis. Profit after tax from continuing operations amounted to EUR 459.8 million (previous year: 1,283.4), noting that the previous year result was influenced by one-off effects from the sale of Vicat.

In August 2007, HeidelbergCement had reached an agreement with the French building materials manufacturer Saint Gobain regarding the sale of maxit Group. The transaction, with a value of EUR 2,125 million, was completed on 13 March 2008 with the approval of the competition authorities. The book profit of EUR 1,279.3 million is shown in the net income from discontinued operations.

Overall, the profit for the financial year also increased to EUR 1,730.6 million (previous year: 1,342.0). Consequently, the Group share of profit rose to EUR 1,674.3 million (previous year: 1,302.7).

In the first half of 2008, the balance sheet total fell by EUR 2.1 billion to EUR 27.2 billion. As a result of seasonal factors, the trade receivables increased by EUR 0.5 billion to EUR 2.2 billion. The change in the liabilities side of the Group balance sheet is primarily attributable to the capital increase for cash of EUR 0.5 billion, the profit for the financial year of EUR 1.7 billion and the decrease of EUR 2.6 billion in financial liabilities.

Cornerstones of the integration completed

Less than a year after the takeover of the Hanson Group, the fundamental cornerstones of the integration process were successfully completed. In connection with the restructuring of our organisations in North America and the United Kingdom, far-reaching changes were consistently implemented. The headquarters of Hanson in London, Castle Cement in Birmingham and Lehigh Cement in Allentown have been closed. The integrated activities in the United Kingdom are now being managed from a small central office in Maidenhead; all Shared Service Center functions are combined under one roof in Chipping Sodbury. In North America, administration and the majority of Shared Service Center activities have been concentrated in Dallas.

We have also achieved remarkable progress in bringing together all purchasing activities, standardising IT, optimising production structures and utilising the potential of integrated market cultivation. We are confident of being able to achieve the targeted savings potential of more than EUR 400 million per year from 2010. We anticipate that this figure will be around EUR 130 million for the whole of 2008.

Change in the Supervisory Board

On 11 June 2008, Frank-Dirk Steininger, specialist in employment law on the Federal Executive Committee of the Trade Union for Building-Agriculture-Environment (IG BAU), was appointed a member of the Supervisory Board by the Local Court (Amtsgericht) of Mannheim at the recommendation of this trade union. He succeeded Karl Heinz Strobl, who retired from the Supervisory Board after the Annual General Meeting of 8 May 2008.

Employees

At the end of the first half of 2008, the number of employees in HeidelbergCement's continuing operations was 65,075 (previous year: 41,079). The increase of 23,996 employees results essentially from the acquisition of Hanson in August 2007.

Investments

In the first half of the year, cash flow investments in continuing operations amounted to EUR 524 million (previous year: 3,614). Investments in tangible fixed assets, which primarily relate to maintenance and optimisation measures in our cement plants, but also expansion projects in Russia, Kazakhstan, China, Tanzania and Turkey, accounted for EUR 452 million (previous year: 360) of this total. Investments in financial fixed assets, which, in the first half of 2007, were essentially characterised by the acquisition of 27.6% of the Hanson shares, fell to EUR 72 million (previous year: 3,254). A significant portion of this related to the acquisition of further shares in the Indian company Indorama Cement Limited.

Turnover by business lines January to June 2008

Europe EURm	2007	**2008**
Cement	1,497	**1,724**
Aggregates and concrete	805	**1,764**
Building products	85	**368**
Intra Group eliminations	-139	**-213**
Total	2,247	**3,644**

Significant growth once again in Europe

The construction industry continues to provide strong impetus to economic growth, particularly in the countries of Eastern Europe. In general, economic development is bottoming out as the year progresses. The United Kingdom is particularly affected by this weakening.

Overall, our cement business line showed a pleasing upward trend in the first half of 2008. Cement deliveries increased in the majority of our markets, by a significant percentage in most cases. The highest growth rates were achieved in Russia and Eastern Europe. Our subsidiaries in Scandinavia and the Benelux countries also benefited from the strong construction activity in their domestic markets. The sales volumes of the German plants were noticeably above the previous year's level, thanks to slight domestic growth and increased exports, particularly to Poland and Russia. In contrast, cement deliveries in the United Kingdom were in clear decline as a result of weak residential construction activity. Overall, our cement and clinker sales volumes in Europe rose by 8.9% to 21.4 million tonnes (previous year: 19.7).

Deliveries of aggregates grew by 116% to 62.4 million tonnes (previous year: 28.8); excluding the Hanson activities, the increase amounted to 27.7%. Our plants in Eastern Europe, Germany and the Benelux countries achieved high double-digit growth rates. In the United Kingdom and particularly in Spain, the decline in construction activity had a noticeable effect on demand for aggregates. In the first half of the year, the sales volumes of the asphalt operating line were 2.5% above the previous year's level. Ready-mixed concrete sales volumes rose by 84.7% to 12.1 million m^3 (previous year: 6.5); excluding Hanson, they increased by 14.7%.

The building products business line, whose product range is primarily used in residential construction, had to accept significant decreases in quantities as a result of the weakness of the British market. This decline in demand is being addressed by means of capacity adjustments and location optimisations.

The turnover of the Europe Group area rose by 62.1% to EUR 3,644 million (previous year 2,247); the operational growth amounted to 10.7%.

North America still adversely affected by economic factors

In North America, HeidelbergCement is present in the US and Canada.

In the US, the decline in residential construction is continuing at a stronger level than expected. As a result of the sustained weakness of the economy as a whole and the tightening of credit conditions, commercial construction also weakened. However, positive contributions are expected from the multi-year infrastructure/road construction programme. Particularly affected by the decline are the states of Florida, Arizona, Nevada and southern California.

Canada, a country in which HeidelbergCement has a strong market position, primarily in the western provinces, is continuing to record solid economic growth after a hard winter thanks to the boom in oil and raw materials. The decline in residential construction is being contained and non-residential construction remains in good shape.

North America

EURm	2007	**2008**
Cement	632	**545**
Aggregates and concrete	586	**953**
Building products		**454**
Intra Group eliminations	-95	**-97**
Total	1,123	**1,855**

Asia-Australia-Africa

EURm	2007	**2008**
Cement	715	**842**
Aggregates and concrete	46	**519**
Building products		**40**
Intra Group eliminations	-17	**-22**
Total	744	**1,380**

The cement sales volumes of our North American plants fell by 1.3 % overall to 6.8 million tonnes (previous year: 6.9) in the first half of the year. Excluding Hanson's cement activities in California, deliveries remained 10.3 % below the previous year's level. This decline is not only attributable to the property crisis and the overall economic downturn; unfavourable weather conditions in the Midwest and on the east coast of the US also contributed to an impairment in sales volumes in the second quarter. In order to ensure that our plants continue to be fully utilised, we have reduced low-margin imports significantly.

The aggregates and concrete business line also suffered volume losses caused by economic and weather-related factors. Deliveries of aggregates, including the quantities delivered by Hanson, rose to 64.0 million tonnes (previous year: 13.5). The sales volumes of the asphalt plants were markedly lower than the previous year's figures. Ready-mixed concrete sales volumes grew by 6.8 % to 4.8 million m^3 (previous year: 4.5).

The building products business line recorded a considerable decline in sales volumes and turnover. The brick and roof tile operating lines, which are primarily dependent on residential construction, were particularly heavily affected by the property crisis in the US. We are responding to this development with cost reductions and streamlining of regional capacities.

The total turnover in North America rose by 65.3 % to EUR 1,855 million (previous year: 1,123) as a result of consolidation. Excluding Hanson and exchange rate effects, turnover fell by 9.4 %.

Strong growth in Asia-Australia-Africa

Despite the weakening dynamics resulting from the worldwide economic slowdown, the emerging countries of the Asia-Australia-Africa Group area are continuing to record solid economic growth. The strongest impetus is still coming from China. Australia is benefiting from the global commodity boom.

By the end of June, the total cement and clinker sales volumes of the Asia-Australia-Africa Group area had risen by 11.3 % to 16.2 million tonnes (previous year: 14.6). In Indonesia, our subsidiary Indocement benefited from the strong increase in construction activity, particularly in the area of infrastructure. As a result of the high level of domestic demand, Indocement has cut back exports considerably. We also achieved significant growth in sales volumes in China – particularly in the central Chinese province of Shaanxi, where the new Jingyang plant was commissioned in summer 2007. The sales volumes of our Indian plants also rose. In Turkey, the new production line in the Çanakkale plant officially began operation on 6 May 2008. This means that our joint venture Akçansa now has an annual production capacity of 6.5 million tonnes of clinker and 9 million tonnes of cement. In the first half of the year, Akçansa's sales volumes increased noticeably, by 25.7 %. In Africa, where we achieved pleasing growth, particularly in Ghana, our main market, as well as in Togo and Sierra Leone, we recorded an overall rise of 3.9 % in sales volumes; excluding the activities in Nigeria and Niger, which were deconsolidated at the end of February 2008, the increase amounted to 12.7 %.

Aggregates sales volumes reached 19.0 million tonnes (previous year: 0.2) as a result of the inclusion of the Hanson activities in Australia and Malaysia. The asphalt business in Malaysia improved considerably. Deliveries of ready-mixed concrete more than quadrupled to 5.3 million m^3 (previous year: 1.2); excluding Hanson, they increased by 20.8 %.

The turnover of the Asia-Australia-Africa Group area was 85.6 % above the previous year at EUR 1,380 million (previous year: 744); the operational increase amounted to 24.4 %.

Group Services

The trade volume of our subsidiary HC Trading decreased by 11.7 % to 5.1 million tonnes (previous year: 5.7) in the first half of the year; this was caused, on the one hand, by the extremely high freight rates and, on the other hand, by the dramatic fall in cement imports in traditional import countries such as the US and Spain. Increases in clinker and dry mortar were not able to offset the decline in the cement trade volume.

As a result of the increase in turnover achieved by our subsidiary HC Fuels, which is responsible for purchasing fossil fuels, the total turnover of the Group Services business unit was slightly above the previous year's level at EUR 336 million (previous year: 333).

Risk report

Entrepreneurial activity is always forward-looking and therefore carries certain risks. HeidelbergCement's aim is not to avoid risks altogether, but to accept risks whenever they are balanced by the opportunities they present. Identifying risks, understanding them and reducing them systematically is the responsibility of the Managing Board and is a key task for all managers. Our risk system, standardised across the Group, consists of a number of different elements, which are co-ordinated and systematically incorporated in our organisational structures and processes. It is based on the financial resources, operational planning and the risk management strategy established by the Managing Board.

On the basis of the well-established structures of our risk management system, we can confirm that no circumstances have transpired that would lead to an assessment other than the description of the risks presented in the 2007 Annual Report. There are still considerable levels of risk from rising energy and commodity prices, as well as the market downturn in the US and United Kingdom.

HeidelbergCement reacts systematically to cost pressure

HeidelbergCement is responding to the ongoing cost pressure from rising energy and raw materials prices with a worldwide “Fitness 2009” programme and double-digit price increases across all business lines.

The company expects cost savings of EUR 250 million annually as a result of the “Fitness 2009” programme, which encompasses further optimisation and efficiency gains in all business lines as well as a reduction of administrative expenses. Key measures in the cement business line include a continued increase in the proportion of alternative fuels and a decrease in the clinker to cement ratio. In aggregates and concrete as well as building products, a flexible working-hours system is being implemented with the aim of reducing overtime. Additionally, maintenance and repair costs are being reduced throughout every business line. As a result of slowing demand for building products, in particular, capacity adjustments are unavoidable.

The drastic increase in fuel and raw materials prices, however, cannot be balanced out through internal measures alone. We are thus implementing fuel surcharges and price increases ranging from 10 % to 25 % in response to these cost pressures.

Outlook confirmed: appreciable growth in 2008 sales and earnings

The expansion of the global economy will slow down in 2008 as a whole. Noticeable growth rates are still expected in Eastern Europe, Russia and the emerging countries of Asia; Canada and Australia are experiencing positive overall economic conditions as well.

Despite the weakness in the US and United Kingdom, HeidelbergCement anticipates a significant double-digit increase in turnover and earnings for the whole of 2008 as a result of the operational growth on the European and Asian markets as well as the inclusion of Hanson. Capacity adjustments and the optimisation of locations in the US and United Kingdom, which are particularly affected by the weak property situation, will also contribute to this growth.

Despite the expected global economic weakening in 2008/2009, the medium-term prospects for our industry remain positive. HeidelbergCement is well-positioned to participate in this upward trend, in terms of both its product range and its regional distribution of locations over five continents.

Group profit and loss accounts

Group profit and loss accounts	April - June		January - June	
EUR '000s	2007*	**2008**	2007*	**2008**
Turnover	2,377,688	**3,865,393**	4,160,416	**6,927,747**
Change in stock and work in progress	14,877	**-8,912**	15,484	**6,596**
Own work capitalised	323	**685**	651	**1,197**
Operating revenue	2,392,888	**3,857,166**	4,176,551	**6,935,540**
Other operating income	38,454	**65,058**	82,956	**115,718**
Material costs	-887,514	**-1,445,928**	-1,641,737	**-2,707,096** 2)
Employee and personnel costs	-331,715	**-599,987**	-642,249	**-1,183,844**
Other operating expenses	-589,430	**-985,109**	-1,099,976	**-1,883,883**
Operating income before depreciation (OIBD)	622,683	**891,200**	875,545	**1,276,435**
Depreciation of tangible fixed assets	-114,208	**-186,983**	-222,176	**-377,059**
Amortisation of intangible assets	-2,160	**-6,089**	-4,584	**-11,651** 2)
Operating income	506,315	**698,128**	648,785	**887,725**
Additional ordinary income	1,382,645	**32,486**	1,426,763	**75,614**
Additional ordinary expense	-590,537	**-27,346**	-597,561	**-51,882**
Additional ordinary result	792,108	**5,140**	829,202**	**23,732**
Result from associated companies 1)	87,641	**24,756**	103,375***	**28,909**
Results from other participations	1,244	**3,023**	2,133	**4,609**
Earnings before interest and income taxes (EBIT)	1,387,308	**731,047**	1,583,495	**944,975**
Interest and similar income	9,735	**12,512**	30,528	**29,628**
Interest and similar expenses	-74,014	**-186,526**	-141,788	**-401,932**
Foreign exchange gains and losses	1,112	**7,921**	-3,953	**7,425**
Financial result of puttable minorities	-3,840	**-1,044**	-4,238	**-1,310**
Profit before tax	1,320,301	**563,910**	1,464,044	**578,786**
Taxes on income	-141,251	**-114,855**	-180,657	**-119,001** 2)
Net income from continuing operations	1,179,050	**449,055**	1,283,387	**459,785** 2)
Net income from discontinued operations	43,792	**-5,575**	58,589	**1,270,786**
Profit for the financial year	1,222,842	**443,480**	1,341,976	**1,730,571** 2)
Thereof minority interests	-29,101	**-33,581**	-39,292	**-56,237**
Thereof Group share of profit	1,193,741	**409,899**	1,302,684	**1,674,334** 2)
Earnings per share in EUR (IAS 33)				
Earnings per share attributable to the parent entity	10.26	**3.04**	11.20	**13.54**
Earnings per share - continuing operations	9.89	**3.36**	10.70	**3.26**
Earnings per share - discontinued operations	0.37	**-0.32**	0.50	**10.28**

1) Net result from associated companies	79,206	20,865	90,047	24,185

2) The retrospective adjustments due to the application of IFRS 3.62 decreased material costs by EUR '000s 4,300, increased amortisation of intangible assets by EUR '000s 327 and taxes on income by EUR '000s 1,192. Total adjustments increased net income from continuing operations, profit for the financial year and Group share of profit by EUR '000s 2,781.

* Figures have been adjusted following the presentation of maxit Group as discontinued operation (IFRS 5) and are therefore not comparable with those presented in 2007.

** Vicat effect: EUR 805 million; *** Vicat effect: EUR 60 million

Group cash flow statement

Group cash flow statement EUR '000s	January - June 2007*	**2008**
Net income from continuing operations	1,283,387	**459,785**
Taxes on income	180,657	**119,001**
Interest income/expense	111,260	**372,304**
Dividends received	11,536	**25,677**
Interest paid	-154,793	**-359,425**
Taxes paid	-144,966	**-208,549**
Elimination of non-cash items	-565,275	**495,358**
Cash flow	721,806	**904,151**
Changes in operating assets	-319,221	**-702,343**
Changes in operating liabilities	-35,591	**-80,176**
Cash flow from operating activities - continuing operations	366,994	**121,632**
Cash flow from operating activities - discontinued operations	15,725	**-30,434**
Cash flow from operating activities	382,719	**91,198**
Intangible fixed assets	-36,348	**-5,109**
Tangible fixed assets	-323,762	**-447,628**
Financial fixed assets	-3,254,359	**-71,458**
Investments (cash outflow)	-3,614,469	**-524,195**
Proceeds from fixed asset disposals	1,429,101	**2,163,055**
Cash from changes in consolidation scope	8,938	**30,317**
Cash flow from investing activities - continuing operations	-2,176,430	**1,669,177**
Cash flow from investing activities - discountinued operations	-23,170	**-24,519**
Cash flow from investing activities	-2,199,600	**1,644,658**
Capital increase	527,067	**512,500**
Dividend payments - HeidelbergCement AG	-144,508	**-162,500**
Dividend payments - minority shareholders	-23,665	**-24,899**
Proceeds from bond issuance and loans	1,627,584	**2,343,131**
Repayment of bonds and loans	-123,809	**-4,723,810**
Cash flow from financing activities - continuing operations	1,862,669	**-2,055,578**
Cash flow from financing activities - discountinued operations	6,476	**40,802**
Cash flow from financing activities	1,869,145	**-2,014,776**
Net change in cash and cash equivalents - continuing operations	53,233	**-264,769**
Net change in cash and cash equivalents - discontinued operations	-969	**-14,151**
Net change in cash and cash equivalents	52,264	**-278,920**
Effect of exchange rate changes	997	**-39,880**
Cash and cash equivalents at 1 January	218,839	**831,585**
Reclassification of cash and cash equivalents from discontinued operations	-13,810	
Cash and cash equivalents at 30 June	258,290	**512,785**

* Figures have been adjusted following the presentation of maxit Group as discontinued operation (IFRS 5) and are therefore not comparable with those presented in 2007.

Group balance sheet

Assets EUR '000s	31 Dec. 2007	30 June 2008
Long-term assets		
Intangible assets	10,943,310	**10,399,449**[2]
Tangible fixed assets		
Land and buildings	4,962,660	**4,731,120**
Plant and machinery	4,481,000	**4,273,204**
Fixtures, fittings, tools and equipment	219,237	**232,678**
Payment on account and assets under construction	771,804	**847,541**
	10,434,701	**10,084,543**
Financial fixed assets		
Investments in associates	761,864	**738,397**[2]
Financial investments	152,609	**103,479**
Loans to participations	79,770	**54,022**[2]
Other loans and derivative financial instruments	25,993	**27,057**
	1,020,236	**922,955**
Fixed assets	22,398,247	**21,406,947**
Deferred taxes	157,408	**155,470**
Other long-term receivables	353,991	**367,580**
Long-term tax assets	19,781	**29,898**
	22,929,427	**21,959,895**
Short-term assets		
Stock		
Raw materials and consumables	663,131	**717,602**
Work in progress	145,247	**150,629**
Finished goods and goods for resale	741,381	**713,122**
Payments on account	21,135	**45,998**
	1,570,894	**1,627,351**
Receivables and other assets		
Short-term financial receivables	189,114	**152,640**
Trade receivables	1,746,691	**2,235,469**
Other short-term operating receivables	429,072	**432,623**
Current tax assets	138,261	**220,578**
	2,503,138	**3,041,310**
Financial investments and derivative financial instruments	40,968	**39,904**
Cash at bank and in hand	831,585	**512,785**
	4,946,585	**5,221,350**
Assets held for sale and discontinued operations	1,406,300	
Balance sheet total	29,282,312	**27,181,245**

[1] Includes puttable minorities with an amount of EUR '000s 40,166 (previous year: 85,977).

Liabilities EUR '000s	31 Dec. 2007	30 June 2008
Shareholders' equity and minority interests		
Subscribed share capital	360,000	**375,000**
Share premium	2,973,392	**3,470,892**
Profit and loss reserve	4,761,976	**6,273,015** [2)]
Currency translation	-1,098,404	**-2,044,215**
Equity attributable to shareholders	6,996,964	**8,074,692**
Minority interests	521,861	**509,161**
	7,518,825	**8,583,853**
Long-term provisions and liabilities		
Provisions		
Provisions for pensions	648,360	**675,585**
Deferred taxes	1,103,934	**1,019,374** [2)]
Other long-term provisions	1,199,235	**1,077,664** [2)]
	2,951,529	**2,772,623**
Liabilities		
Debenture loans	2,312,166	**2,888,192**
Bank loans	10,547,677	**7,038,198**
Other long-term financial liabilities	389,312	**333,464** [1)]
	13,249,155	**10,259,854**
Other long-term operating liabilities	140,328	**140,960**
Long-term tax liabilities	287,533	**278,083**
	13,677,016	**10,678,897**
	16,628,545	**13,451,520**
Short-term provisions and liabilities		
Provisions	280,358	**244,689**
Liabilities		
Debenture loans (current portion)	30,140	**327,682**
Bank loans (current portion)	1,365,933	**1,433,726**
Other short-term financial liabilities	921,335	**960,747** [1)]
	2,317,408	**2,722,155**
Trade payables	1,010,724	**1,040,743**
Current income taxes payables	188,548	**249,426**
Other short-term operating liabilities	979,262	**888,859**
	4,495,942	**4,901,183**
	4,776,300	**5,145,872**
Provisions and liabilities associated with assets held for sale and discontinued operations	358,642	
Balance sheet total	29,282,312	**27,181,245**

[2)] The retrospective adjustments due to the application of IFRS 3.62 reduced intangible assets by EUR '000s 72,653, investments in associates by EUR '000s 5,600, loans to participations by EUR '000s 1,200, other long-term provisions by EUR '000s 117,880 and increased deferred tax liabilities by EUR '000s 35,646 and profit and loss reserve by EUR '000s 2,781.

Statement of recognised income and expense

Statement of recognised income and expense	January - June	
EUR '000s	2007	**2008**
IAS 39 Financial Instruments: Recognition and Measurement	29,695	**-228**
Currency translation	9,781	**-954,726**
Other consolidation adjustments	356	**-972**
Income and expense directly recognised in equity	39,832	**-955,926**
Profit for the financial year	1,341,976	**1,730,571**
Total earnings for the period	1,381,808	**774,645**
Relating to minority interests	37,688	**46,917**
Relating to HeidelbergCement AG shareholders	1,344,120	**727,728**

Reconciliation of changes in total equity / Notes

Reconciliation of changes in total equity EUR '000s	Subscribed share capital	Share premium	Profit and loss reserve	Currency translation	Treasury shares	Equity attri-butable to shareholders	Minority interests	**Total equity**
1 January 2007	346,974	2,462,144	2,845,682	-303,455	-2,934	5,348,411	479,511	**5,827,922**
Profit for the financial year			1,302,684			1,302,684	39,292	**1,341,976**
Capital increase								
from issuance of new shares	13,181	514,042				527,223		**527,223**
Withdrawal of company shares	-155				2,934	2,779		**2,779**
Dividends			-144,508			-144,508	-23,665	**-168,173**
Changes without effects on results								
Consolidation adjustments			356			356	18,518	**18,874**
IAS 39 Financial instruments: Recognition and Measurement			29,263			29,263	432	**29,695**
Exchange rate				11,817		11,817	-2,036	**9,781**
30 June 2007	360,000	2,976,186	4,033,477	-291,638		7,078,025	512,052	**7,590,077**
1 January 2008	360,000	2,973,392	4,761,976	-1,098,404		6,996,964	521,861	**7,518,825**
Profit for the financial year			1,674,334[1]			1,674,334	56,237	**1,730,571**
Capital increase								
from issuance of new shares	15,000	497,500				512,500		**512,500**
Dividends			-162,500			-162,500	-24,899	**-187,399**
Changes without effects on results								
Consolidation adjustments			-252			-252	-35,438	**-35,690**
IAS 39 Financial instruments: Recognition and Measurement			-543			-543	315	**-228**
Exchange rate				-945,811		-945,811	-8,915	**-954,726**
30 June 2008	375,000	3,470,892	6,273,015	-2,044,215		8,074,692	509,161	**8,583,853**

[1] The effects of adopting IFRS 3.62 increased the profit for the financial year subsequently by EUR '000s 2,781.

Segment reporting/Notes

Group areas January - June 2008 (primary reporting format under IAS 14 No. 50 ff.)

EURm	Europe		North America	
	2007	**2008**	2007	**2008**
External turnover	2,211	**3,611**	1,123	**1,855**
Inter-Group areas turnover	36	**32**		
Turnover	2,247	**3,644**	1,123	**1,855**
Change to previous year in %		62.1 %		65.3 %
Operating income before depreciation (OIBD)	500	**733**	215	**237**
in % of turnover	22.2 %	20.1 %	19.1 %	12.8 %
Depreciation	-139	**-199**	-46	**-122**
Operating income	361	**534**	169	**115**
in % of turnover	16.0 %	14.7 %	15.0 %	6.2 %
Results from participations	102	**18**	0	**0**
Additional ordinary result				
Earnings before interest and income taxes (EBIT)	463	**552**	169	**115**
Capital expenditures [1]	147	**241**	93	**90**
Number of employees as at 30 June 2008	22,100	**28,668**	6,157	**18,229**
Average number of employees	22,271	**28,915**	6,047	**18,236**

[1] Capital expenditures = in the segment columns: tangible and intangible fixed asset investments; in the reconciliation column: financial fixed asset investments

Asia-Australia-Africa		Group Services		Reconciliation		Continuing Operations		Discontinued Operations	
2007	**2008**	2007	**2008**	2007	**2008**	2007	**2008**	2007	**2008**
705	**1,346**	122	**115**			4,160	**6,928**	650	**176**
38	**34**	212	**221**	-287	**-287**				
744	**1,380**	333	**336**	-287	**-287**	4,160	**6,928**	650	**176**
	85.6 %		0.7 %				66.5 %		-73.0 %
155	**297**	6	**10**			876	**1,276**	99	**14**
20.8 %	21.5 %	1.9 %	3.0 %			21.0 %	18.4 %	15.2 %	8,0 %
-41	**-68**	0	**0**			-227	**-389**	-28	**-10**
113	**229**	6	**10**			649	**888**	71	**4**
15.3 %	16.6 %	1.8 %	2.9 %			15.6 %	12.8 %	10.9 %	2.5 %
3	**16**					106	**34**	1	**0**
				829	**24**	829	**24**		
117	**245**	6	**10**	829	**24**	1,583	**945**	72	**4**
120	**121**			3,254	**72**	3,614	**524**	25	
12,768	**18,123**	53	**55**			41,079	**65,075**	5,277	
12,755	**18,105**	53	**55**			41,126	**65,311**	5,130	

Additional information

Accounting and consolidation principles

The interim Group accounts for HeidelbergCement AG as of 30 June 2008 were prepared according to the International Financial Reporting Standards (IFRS) for interim reporting as applicable in the European Union.

The same accounting and valuation methods were applied as in the preparation of the Group annual accounts as of 31 December 2007, as well as IAS 34 "Interim Financial Reporting".

The interim Group accounts as of 30 June 2008 were not subjected to any audits or reviews.

Results from participations comprise both income from other participations and amounts written off financial fixed assets.

Seasonal nature of the business

Regional weather conditions are reflected in HeidelbergCement's production and sales position.

Changes in the consolidation scope

Additions

Additions to the consolidation scope in comparison with 31 December 2007 occurred in the Europe and Asia-Australia-Africa Group areas and are shown in the following table.

Additions of fully consolidated companies Country / Company	Domicile	%	Acquisition costs EURm	Preliminary goodwill EURm	Included since
Belgium					
Amix SA	Villers-le-Bouillet	100.0	6.6	4.7	1 Jan.
Georgia					
Kartuli Tsementi LLC	Tbilisi	51.0	2.2	1.1	1 Jan.
Kazakhstan					
Baykaz Beton LLP	Almaty	75.0	1.5	3.1	1 Jan.
Bektaz Group LLP	Almaty	75.0	1.0	0.3	1 Jan.
CaspiCement LLP	Shetpe	75.5	5.6	6.1	1 Jan.
Russia					
TulaCement LLC	Novogurovsky	100.0	3.9	0.4	1 Jan.
Kaliningrad Cement OOO	Kaliningrad	74.9	1.3		1 Jan.
Ukraine					
LLC KSL	Bushevo	100.0	5.2	5.4	1 Jan.
LLC Kryvbas Beton	Kyiv	100.0	7.2	2.0	1 Jan.

In accordance with IFRS 3.61 ff., the acquired assets and liabilities of the companies consolidated for the first time as well as those belonging to Hanson Group, which was acquired by HeidelbergCement on 23 August 2007, are included in the Group annual accounts of HeidelbergCement AG on the basis of provisional information. The goodwill comprises market shares purchased that cannot be assigned to any other determinable and separable intangible fixed assets.

The assets and liabilities at the acquisition date and the subsequently earned turnover and profits of companies acquired and included for the first time in the Group annual accounts (Business Combinations) are as follows, in accordance with IFRS 3.67 ff:

Assets contributed by companies consolidated for the first time at acquisition date

EUR '000s	Carrying Value	Fair Value
Long-term assets		
Intangible assets	22,006	22,006
Tangible fixed assets	22,823	22,823
Financial fixed assets	3,404	3,404
Fixed assets	48,233	48,233
Deferred taxes	19	19
Other long-term receivables	1,957	1,957
	50,209	50,209
Short-term assets		
Stocks	3,502	3,502
Receivables and other assets	12,785	12,785
Cash at bank and in hand	3,925	3,925
	20,212	20,212
Total Assets	**70,421**	**70,421**

Liabilities contributed by companies consolidated for the first time at acquisition date

EUR '000s	Carrying Value	Fair Value
Long-term provisions and liabilities		
Provisions	552	552
Liabilities	28,358	28,358
	28,910	28,910
Short-term provisions and liabilities		
Liabilities	31,243	31,243
Total Liabilities	**60,153**	**60,153**

Turnover and profit contributed by companies consolidated for the first time since acquisition date

EUR '000s	
Turnover	**10,263**
Profit for the financial year	**-3,999**
Minority interests	**940**
Group share of profit	**-3,059**

For reasons of materiality, we refrained from individual disclosures (IFRS 3.68).

The adjustments based on preliminary purchase price allocation for Hanson Group resulted in a EUR 7.5 million increase in assets, a EUR 83.4 million decrease in liabilities and a reduction of goodwill by EUR 90.9 million.

Disposals

On 7 August 2007, HeidelbergCement had reached agreement with the French building materials manufacturer Saint Gobain regarding the sale of maxit Group. The sale was completed on 13 March 2008 with the approval of the competition authorities. Besides the sale price for the participation, the transaction price of EUR 2,125 million also includes the refinancing of short- and long-term debts. The income and expenses of maxit Group and the earnings from its sale are shown in the profit and loss account in the net income from discontinued operations.

The following table shows the composition of the results from discontinued operations.

Profit or loss of discontinued operations	January - June	
EUR '000s	2007	**2008**
Revenue	665,752	**188,285**
Expenses	-594,070	**-196,374**
Income tax expense	-13,093	**-471**
Post-tax profit	58,589	**-8,560**
Gain from the disposal of discontinued operations		**1,279,346**
Post-tax profit from discontinued operations	58,589	**1,270,786**

On 26 January 2008, HeidelbergCement sold its shares in the joint venture United Marine Holdings Limited/United Kingdom to the joint venture partner Tarmac Limited, a subsidiary of Anglo American PLC, for a price of GBP 54 million. In addition, HeidelbergCement sold the subsidiaries Cement Company of Northern Nigeria/Nigeria and Société Nigérienne de Cimenterie/Niger for USD 29 million to the private Nigerian company Damnaz Cement Company Limited on 26 March 2008.

Turnover development by Group areas and business lines January to June 2008

EURm	Cement		Aggregates and concrete		Building products		Intra Group eliminations		Total	
	2007	**2008**	2007	**2008**	2007	**2008**	2007	**2008**	2007	**2008**
Europe	1,497	1,724	805	**1,764**	85	**368**	-139	**-213**	2,247	**3,644**
North America	632	545	586	**953**		**454**	-95	**-97**	1,123	**1,855**
Asia-Australia-Africa	715	842	46	**519**		**40**	-17	**-22**	744	**1,380**
Total	2,844	3,111	1,436	**3,237**	85	**862**	-251	**-331**	4,114	**6,879**
Group Services									333	**336**
Inter-Group area turnover									-287	**-287**
Continuing operations									4,160	**6,928**

Exchange rates		Exchange rates at reporting day		Average exchange rates	
		31 Dec. 2007	**30 June 2008**	01-06/2007	**01-06/2008**
	Country	EUR	**EUR**	EUR	**EUR**
USD	US	1.4589	**1.5755**	1.3296	**1.5311**
AUD	Australia	1.6660	**1.6449**	1.6442	**1.6562**
CAD	Canada	1.4536	**1.6084**	1.5088	**1.5419**
CNY	China	10.6552	**10.7990**	10.2619	**10.8091**
GBP	Great Britain	0.7351	**0.7906**	0.6748	**0.7753**
GEL	Georgia	2.3182	**2.2260**	2.2491	**2.2890**
IDR	Indonesia	13,741.38	**14,533.99**	12,039.90	**14,120.74**
INR	India	57.4515	**67.6047**	56.5086	**62.2016**
KZT	Kazakhstan	176.0601	**190.1629**	163.6370	**184.5187**
NOK	Norway	7.9287	**8.0146**	8.1361	**7.9557**
PLN	Poland	3.5976	**3.3449**	3.8412	**3.4924**
RON	Romania	3.6063	**3.6411**	3.3294	**3.6706**
SEK	Sweden	9.4277	**9.4675**	9.2178	**9.3800**
CZK	Czech Republic	26.5053	**23.8814**	28.1268	**25.1957**
HUF	Hungary	252.1417	**234.9701**	250.1329	**253.4191**
TRY	Turkey	1.7003	**1.9260**	1.8248	**1.8875**

Related parties disclosures

On 14 February 2008, the Managing Board of HeidelbergCement AG decided on the conditions for carrying out the capital increase for cash from authorised capital, with the consent of the Supervisory Board, following its resolution of 15 January 2008. VEM Vermögensverwaltung GmbH, Dresden, which belongs to the Merckle Group, has subscribed for 5 million new shares at the near-market subscription price of EUR 102.50 per share. The Group received EUR 512.5 million on 19 February from the capital increase. Otherwise, no reportable transactions with related companies or persons took place in the reporting period beyond normal business relations.

Other disclosures

On 17 January 2008 (settlement on 25 January 2008), HeidelbergCement issued a four-year Eurobond with a volume of EUR 1 billion via the EUR 10 billion European Medium Term Note (EMTN) programme.

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the financial year.

Heidelberg, 5 August 2008
HeidelbergCement AG
The Managing Board

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